

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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A42

23/12/2017

#384

COMPANIES HOUSE

1 Company details

Company number 0 6 0 0 2 0 7 8

Company name in full GRP Designs Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Scott Christian

Surname Bevan

3 Liquidator's address

Building name/number 6 Dominus Way

Street Meridian Business Park

Post town Leicester

County/Region

Postcode L E 1 9 1 R P

Country

4 Liquidator's name ①

Full forename(s) Simon David

Surname Chandler

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 6 Dominus Way

Street Meridian Business Park

Post town Leicester

County/Region

Postcode L E 1 9 1 R P

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	d	2	d	7	m	1	m	0	y	2	y	0	y	1	y	6
To date	d	2	d	6	m	1	m	0	y	2	y	0	y	1	y	7

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	2	d	1	m	1	m	2	y	2	y	0	y	1	y	7
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

LIQ03

Notice of progress report in voluntary winding up

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **Callum Kiernan**

Company name **Mazars LLP**

Address **6 Dominus Way**

Meridian Business Park

Post town **Leicester**

Country/Region

Postcode **L E 1 9 1 R P**

Country

DX

Telephone **0121 232 9500**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

GRP Designs Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 27/10/2016 To 26/10/2017 £	From 27/10/2016 To 26/10/2017 £
	ASSET REALISATIONS		
50.00	Plant & Machinery	NIL	NIL
7,850.00	Motor Vehicles	8,430.00	8,430.00
Uncertain	Stock	NIL	NIL
Uncertain	Book Debts- Trade	57,782.23	57,782.23
16,500.00	Cash at Bank	38,295.81	38,295.81
	DVLA Refund	88.32	88.32
	Other Debts	7,589.79	7,589.79
		<u>112,186.15</u>	<u>112,186.15</u>
	COST OF REALISATIONS		
	Preparation of S. of A.	9,889.00	9,889.00
	Liquidator's Fees	18,168.80	18,168.80
	Liquidator's Disbursements	18.30	18.30
	Agents/Valuers Fees (1)	600.00	600.00
	Re-Direction of Mail	175.00	175.00
	Statutory Advertising	144.50	144.50
	Insurance of Assets	407.00	407.00
		<u>(29,402.60)</u>	<u>(29,402.60)</u>
	PREFERENTIAL CREDITORS		
(4,705.77)	Holiday Pay	2,069.82	2,069.82
		<u>(2,069.82)</u>	<u>(2,069.82)</u>
	UNSECURED CREDITORS		
(103,704.08)	Trade & Expense Creditors	NIL	NIL
(45,858.58)	Redundancy Pay and Notice Pay	NIL	NIL
(25,000.00)	Director - Graham Robinson	NIL	NIL
(17,534.40)	GRP Designs - Rent	NIL	NIL
(54,974.44)	HMRC re VAT	NIL	NIL
(33,294.08)	HMRC re PAYE & NI	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(261,671.35)		80,713.73	80,713.73
	REPRESENTED BY		
	Floating Charge Current		80,013.73
	Vat Control Account float		700.00
			<u>80,713.73</u>

**GRP Designs Limited
In Liquidation**

Liquidators' progress report covering the period from 27 October 2016 to 26
October 2017

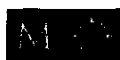
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GRP Designs Limited - In Liquidation

Progress Report to Creditors & Members

1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 26 October 2017.
- 1.2. I was appointed Joint Liquidator of the Company together with Mr S D Chandler at a meeting of creditors held on 27 October 2016. We are authorised to act as an Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1.3. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the period from 27 October 2016 to 26 October 2017 is attached at Appendix B. A comparison of the figures provided in the directors' statement of affairs to actual realisations made to date is included to assist creditors in assessing progress to date.
- 2.2. The receipts and payments account confirms that there is currently a balance in hand of £80,713.73.
- 2.3. An explanation of the assets realised and the expenses paid is provided below.

3. Asset Realisations and Details of Progress

Connected Party Transactions:

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that the following assets were sold to a connected party following my appointment. Further details are provided below:

3.2. Motor Vehicles

- 3.2.1. As per the Statement of Affairs creditors will note that the Company owned three vehicles; a VW Crafter van, a Mercedes Sprinter van and a Vauxhall Vivaro van.

Independent agents, Kumar & Company Limited ("the Agents"), valued the VW Crafter van and the Mercedes Sprinter van at an ex-situ value of £7,850. Alumen Limited, a company whose



director and shareholder Alan Robinson is also a director and shareholder of GRP Designs Limited, purchased the VW Crafter Van and the Mercedes Sprinter van for £8,250 plus VAT. We were advised by the Agents to accept this offer and I can confirm that we have received £8,250 plus VAT.

GRP Designs, a partnership whose partner Graham Robinson is also a director and shareholder of GRP Designs Limited, purchased the Vauxhall Vivaro van for £180 plus VAT. We were advised by the Agents to accept this offer and I can confirm that we have received £180 plus VAT.

Unconnected Party Transactions:

- 3.3. Asset realisations made during the period covered by this report are detailed below.
- 3.4. **Cash at bank**
 - 3.4.1. Cash at bank was estimated to realise at £16,500, creditors will note that £39,377.75 was realised. The difference between the two amounts is due to debtor realisations being paid into the bank account prior to its closure.
- 3.5. **DVLA refund**
 - 3.5.1. A tax refund of £88.32 has been received from the DVLA.
- 3.6. **Other debtors**
 - 3.6.1. Northamptonshire County Court awarded that a former employee pay the Company £7,589.79. This money was paid in full on 3 February 2017.
- 3.7. **Book debts**
 - 3.7.1. The Company's outstanding debtor's ledger was estimated to have a book value of £69,768 in the directors' statement of affairs. After taking into account disputed debts, the directors' were unable to estimate the realisable value of the ledger.
 - 3.7.2. Collections to date total £57,782.23 and we are continuing to pursue the outstanding ledger. Future realisations are not known at this stage.
 - 3.7.3. As at the date of the report two debtors have reported that they have overpaid the Liquidators a total of £3,083.32. I am currently liaising with the Director to obtain a reconciliation of these two debts to determine whether the debtors have overpaid and need refunding.
- 4. **Assets still to be realised**
 - 4.1. Assets still to be realised comprise:
 - 4.2. **Book debts**

4.2.1. As detailed in section 3.7 we are still continuing to pursue the debtor ledger.

4.3. Plant and machinery

4.3.1. As per the advice of the Agent, the plant and machinery was abandoned as it would have been uneconomical to realise.

4.4. Stock

4.4.1. The directors' Statement of Affairs had a book value for stock of £10,000 with an uncertain estimated to realise figure. The director has advised that pre Liquidation, the stock was utilised to fulfil orders, and invoices issued were either paid or form part of the debtor ledger. The suppliers paid for the stock used and the remaining stock was unsaleable.

5. Estimated Outcome Statement

5.1. An estimate of the outcome of the Liquidation is attached at Appendix C.

Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a return to unsecured creditors. Based on claims received to date, it is anticipated that the return to creditors will be 20.38p in the £. Please note that the EOS is a current position and does not account for the potential repayment of the two debtor overpayments, any future debtor realisations or any increased costs of the Liquidation which have not yet been requested or approved by creditors.

5.2. Further details on the expected outcome for each class of creditor is provided below.

6. Liabilities

6.1. Secured Creditors

6.1.1. There are no secured creditors in this case.

6.1.2. Preferential Creditors

6.1.3. Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Liquidation.

6.1.4. Preferential claims are estimated to be in the region £2,069.82. Employees have submitted claims with the Redundancy Payments Service ("RPS") for these entitlements up to the statutory limit. The RPS will have a subrogated preferential claim in the Liquidation and any amounts owing to employees in excess of the statutory limits will be claimed in the Liquidation.

6.1.5. As indicated in the receipts and payments account included at Appendix B, preferential creditors have been paid a first and final dividend of 100p in the £ on 6 June 2017 totalling £2,069.82.

6.2. Unsecured Creditors

- 6.2.1. According to the directors' statement of affairs, the Company had 32 unsecured creditors with debts totalling £280,365.58. Claims received to date total £364,347.95 from 45 creditors.

Creditors will note from the Estimated Outcome Statement included at Appendix C, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated at 20.38 pence in the £. Please note as per section 5.1 that the EOS is a current position and does not account for the potential repayment of the two debtor overpayments, any future debtor realisations or any increased costs of the Liquidation which have not yet been requested or approved by creditors.

7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. As there is no floating charge, the Prescribed Part does not apply in this instance.

8. Investigations

- 8.1. In accordance with the Company Directors Disqualification Act 1986, the Joint Liquidators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Liquidation. The Joint Liquidators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 16 January 2017.
- 8.2. An initial investigation into the Company's affairs has also been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation.
- 8.3. Following this initial review no further assets or actions were identified which would lead to a recovery for creditors. Therefore no additional time in respect of investigations has been incurred in this period.
- 8.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

9. Liquidators' Remuneration

- 9.1. A resolution was passed by the creditors by correspondence on 8 March 2017, enabling the Joint Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising during the Liquidation, subject to the Fees Estimate of £19,970.50, issued to creditors on 15 February 2017.
 - 9.2. Attached at Appendix E1 is a comparison of the Liquidators' Fees Estimate to actual time costs for the period 27 October 2016 to 26 October 2017, which total £20,273.50, representing 122.8 hours at an average hourly rate of £165.09.
 - 9.3. Attached at Appendix E2 is a narrative summary of the Liquidators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
 - 9.4. As at 26 October 2017, an amount of £18,168.80 has been drawn against the Liquidators' time costs in respect of the Liquidation.
 - 9.5. Based on the current level of time costs and expected future work for the completion of the Liquidation, it is expected that the Liquidators' total time costs will exceed the approved Fees Estimate.
- 9.1. Details of the future work anticipated to be carried out includes:
 - Realisation of remaining assets as detailed in Section 4 of the report.
 - Request to creditors for approval on the increased costs of the Liquidation.
 - Adjudication of claims and payment of unsecured dividend to creditors.
 - Reporting and statutory and compliance functions.
 - Tax and VAT compliance, including preparing tax computations and returns in respect of the Liquidation period and seeking final tax clearance prior to closure.
 - 9.2. Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Liquidators.
 - 9.3. Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
 - 9.4. The charge out rates of the team members employed on the assignment during the period covered by this report are attached at Appendix E4.

10. Liquidators' Disbursements

- 10.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Joint Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 10.2. Category 2 disbursements require approval in the same manner as remuneration and creditors will recall that a resolution was passed on 8 March 2017 by the creditors in agreement of the anticipated Category 2 disbursements of the Joint Liquidators.
- 10.3. Further details of the rates agreed are provided within the Rates and Disbursements policy which was provided to creditors on 15 February 2017 and which is available upon request.
- 10.4. Details of disbursements incurred in the period and whether they constitute Category 1 or Category 2 disbursements, is provided below. Details of disbursements paid during the period is provided within the attached receipts and payments account.

Type of Disbursement	Description	Amount incurred in period (£)
<u>Category 1</u>		
Statutory advertising	Costs are paid to Land Registry for a search on the Company's property.	3.00
Total Category 1		3.00
<u>Category 2</u>		
Mileage	This expense represents the costs of travelling in respect of the Office Holders' staff.	15.30
Total Category 2		15.30
Total		18.30

11. Expenses

- 11.1. Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D. This also includes a comparison to the original Expense Estimate.
- 11.2. Further details of expenses paid during the period of the report are shown in the receipts and payments account at Appendix B.



- 11.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

12. Matters outstanding

- 12.1. As per section 3 we are still pursuing the debtor ledger.
- 12.2. Once the final level of asset realisations is known, we will inform creditors of realisations, seek approval for final costs of the Liquidation, adjudicate unsecured creditors' claims and pay a first and final distribution to creditors and take steps to conclude the Liquidation.

13. Creditors' Rights

13.1. Further information

- 13.1.1. I would advise you that pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

13.2. Apply to Court

- 13.2.1. Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds:
- a. That the remuneration charged by the Liquidators is in all of the circumstances, excessive or inappropriate.
 - b. That the basis fixed for the Liquidators' remuneration is in all of the circumstances, excessive or inappropriate.
 - c. That the expenses incurred by the Liquidators are in all of the circumstances, excessive or inappropriate.

13.3. Further guidance

- 13.3.1. In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website <https://www.r3.org.uk/media/documents/publications/professional/Liquidations%20Creditor%20Fee%20Guide%20April%202017.pdf> or alternatively will be provided free of charge upon written request to this office.

13.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit <http://www.creditorinsolvencyguide.co.uk>.



S C Bevan
Joint Liquidator

Dated 21 December 2017

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

GRP Designs Limited
In Liquidation

Identification Details

Details relating to the Company

Company name	GRP Designs Limited
Previous names	N/A
Trading name	GRP Designs Limited
Company number	06002078
Registered office	c/o Mazars LLP, 6 Dominus Way, Meridian Business Park, Leicester, LE19 1RP
Trading address	10 Britannia Road, Kettering, NN16 9RX

Details relating to the Liquidators

Date of appointment	27 October 2016
Liquidators	S C Bevan and S D Chandler IP No(s) 009614 and 008822
Liquidators' address	Mazars LLP 45 Church Street, Birmingham, B3 2RT
Liquidators' contact telephone number	0121 232 9500



Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 27/10/2016 To 26/10/2017 £	From 27/10/2016 To 26/10/2017 £
	ASSET REALISATIONS		
50.00	Plant & Machinery	NIL	NIL
7,850.00	Motor Vehicles	8,430.00	8,430.00
Uncertain	Stock	NIL	NIL
Uncertain	Book Debts- Trade	57,782.23	57,782.23
16,500.00	Cash at Bank	38,295.81	38,295.81
	DVLA Refund	88.32	88.32
	Other Debts	7,589.79	7,589.79
		112,186.15	112,186.15
	COST OF REALISATIONS		
	Preparation of S. of A.	9,889.00	9,889.00
	Liquidator's Fees	18,168.80	18,168.80
	Liquidator's Disbursements	18.30	18.30
	Agents/Valuers Fees (1)	600.00	600.00
	Re-Direction of Mail	175.00	175.00
	Statutory Advertising	144.50	144.50
	Insurance of Assets	407.00	407.00
		(29,402.60)	(29,402.60)
	PREFERENTIAL CREDITORS		
(4,705.77)	Holiday Pay	2,069.82	2,069.82
		(2,069.82)	(2,069.82)
	UNSECURED CREDITORS		
(103,704.08)	Trade & Expense Creditors	NIL	NIL
(45,858.58)	Redundancy Pay and Notice Pay	NIL	NIL
(25,000.00)	Director - Graham Robinson	NIL	NIL
(17,534.40)	GRP Designs - Rent	NIL	NIL
(54,974.44)	HMRC re VAT	NIL	NIL
(33,294.08)	HMRC re PAYE & NI	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(261,671.35)		80,713.73	80,713.73
	REPRESENTED BY		
	Floating Charge Current		80,013.73
	Vat Control Account float		700.00
			80,713.73

GRP DESIGNS LIMITED - IN LIQUIDATION
Estimated Outcome Statement for Fee Resolution

Appendix C

	Statement of Affairs	Estimated Outcome
	£	£
ASSET REALISATIONS		
Plant & Machinery	50.00	0.00
Motor Vehicles	7,850.00	8,430.00
Stock	Uncertain	0.00
Book Debts	Uncertain 1	57,032.23
Cash at Bank	16,500.00	38,295.81
Refunds	Nil	88.32
Other debtors	Nil	7,589.79
Bank Interest Gross	Nil	5.00
		<hr/>
		111,441.15
 COST OF REALISATIONS		
Liquidators' Remuneration	0.00	19,970.50
Statement of Affairs Fee	0.00	9,889.00
Liquidators' Disbursements	0.00	18.30
Chattel Agent's Fees and disbursements	0.00	600.00
Corporation Tax	0.00	10.00
Statutory Advertising	0.00	229.10
Postal Redirection	0.00	175.00
Storage	0.00	250.00
Insurance	0.00	407.00
		<hr/>
		31,548.90
 Surplus available to Preferential Creditors		79,892.25
 Less		
PREFERENTIAL CREDITORS		
Employees Holiday Pay	4,705.77	2,069.82
		<hr/>
		2,069.82

Surplus available to Unsecured Creditors		77,822.43
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UNSECURED CREDITORS	2	
Trade & Expense Creditors	103,704.08	163,384.97
Redundancy Payment Service	45,858.58	45,858.58
Director - Graham Robinson	25,000.00	25,000.00
GRP Designs Rent	17,534.40	17,534.40
HMRC re VAT and PAYE/NI	88,268.52	130,104.40

381,882.35

Deficit to Unsecured Creditors		(304,059.92)
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Return to Unsecured Creditors (p in the £)	20.38
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Notes

- 1) This statement is based on debtor realisations to date
- 2) This statement is based upon the level of unsecured creditors claims received to date

Expenses Statement

Type of Expenditure	Who expense incurred by and nature of expense	Original Expense Estimate (£)	Incurred in current period (£)	Likely future expenses (£)	Total Expenses (£)
Professional advisors' costs					
The officeholder's choice of the professional advisors listed below was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.					
Agent's fees and disbursements	To provide an independent professional valuation of the assets. The Joint Liquidators have already instructed Kumar and Company Limited because of their experience in providing such valuations in an insolvency scenario. Kumar & Company Limited has confirmed their independence to this firm and also to the Company.	£1,600 plus expense of £126.77	600.00	Nil	600.00
Other expenses					
Statement of Affairs fee	To assist the Director with the preparation of the Statement of Affairs.	Nil	9,889.00	Nil	9,889.00
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	10.00	Nil	10.00	10.00
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment of the Administrators. Future advertising is expected to include notice for a final meeting.	152.00	144.50	84.60	229.10
Insurance of assets	The Joint Liquidators are required to insure the Company's assets until they are realised of.	407.00	407.00	Nil	407.00

Type of Expenditure	Who expense incurred by and nature of expense	Original Expense Estimate	Incurred in current period	Likely future expenses	Total Expenses
		(£)	(£)	(£)	(£)
Mail redirection	A redirection of post was put in place in respect of the Company's trading premises for a period of 3 months at a cost of £175.00, paid to Royal Mail.	Nil	175.00	Nil	175.00
Storage	The Company's books and records are required by the Liquidators for statutory investigation purposes. The costs of storage are to a third party and include the company records and the storage of the Liquidators records following the conclusion of the Liquidation.	250.00	Nil	250.00	250.00
Liquidators' Remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements.	19,970.50	18,168.80	1,801.70	19,970.50
Liquidators' Disbursements	Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. A further breakdown of the disbursements incurred in the period is provided within Section 10 of the report.	18.30	18.30	Nil	18.30
Total					31,548.90

**LIQUIDATORS' ANALYSIS OF TIME COSTS
AND COMPARISON TO FEES ESTIMATE**

The Liquidators' total Fees Estimate as approved by creditors on 15 February 2017 was £19,970.50.

As detailed in Section 9 of the report, total costs incurred to date are £20,273.50.

The following table provides details of the Liquidators' actual time costs incurred in the current reporting period, 27 October 2016 to 26 October 2017, compared to the estimated costs as per the Fees Estimate.

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken by the Joint Liquidators at Appendix E2.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

	<i>Fees Estimate Approved on 8 March 2017</i>			Actual time costs for the period 27 October 2016 to 26 October 2017		
Description of Work	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	2.3	287.00	124.78	2.9	427.40	147.38
Taxation	2.8	327.00	116.79	4.3	448.50	104.30
Investigations	11.7	2,710.50	231.67	9.7	2,280.50	235.10
Realisation of Assets	27.4	5,131.00	187.26	46.6	7,902.10	169.57
Employees	5.3	692.00	130.57	4.6	591.50	128.59
Creditors	15.5	1,957.50	126.29	15.5	2,607.00	168.19
Distributions	3.3	397.00	120.30	3.8	470.50	123.82
Cashiering	27.0	3,055.00	93.14	16.70	2,073.80	124.18
Reporting	15.8	3,234.50	204.72	9.1	1,668.50	183.35
Statutory compliance	12.6	2,179.00	172.94	9.5	1,794.70	188.92
Totals	123.7	19,970.50	161.44	122.8	20,273.50	165.09

**NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR
THE PERIOD 27 OCTOBER 2016 TO 26 OCTOBER 2017**

<p>Introduction</p> <p>The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.</p> <p>This summary should be read together with the Joint Administrators' Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.</p>
<p>Work carried out in the current period</p> <p><u>Administration and planning</u></p> <p>The Liquidators have undertaken the following work:</p> <ul style="list-style-type: none"> • Case acceptance and ethical reviews. • Completing case strategy notes. • Filing. • Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system. <p>The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.</p>
<p><u>Taxation</u></p> <p>The following activities were undertaken in order to ensure the Company is compliant with tax requirements:</p> <ul style="list-style-type: none"> • Notifying HM Revenue & Customs ("HMRC") of my appointment and establishing whether they have any outstanding claims or ongoing investigations. Such enquires will assist with my own investigations. • Reviewing the Company's VAT position; deregistering the Company for VAT once all of the taxable assets have been sold in line with the VAT regulations. • Preparing post-Liquidation Corporation Tax and VAT returns, as required by statute. <p>The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.</p>
<p><u>Investigations</u></p> <p>Further details of the investigation required to be carried out is provided within Section 8 of the report.</p> <p>A summary of the work undertaken to date is as follows:</p> <ul style="list-style-type: none"> • Investigating the Company's affairs to include a review of the Company's books and records and in particular, the bank statements to identify any potential transactions that were outside the ordinary course of business. • Correspondence with directors regarding the reasons for the Company's failure. • Review of creditor questionnaires and investigation into any matters notified. • Reporting to the Insolvency Service on the directors' conduct. <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.</p>
<p><u>Realisation of Assets</u></p> <p>The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.</p>

- Obtaining a professional valuation of the Company's assets to ensure the most appropriate offer is accepted and liaising with the agents in respect of their views as to the offers received.
- Negotiations with interested parties and agreeing sale of assets.
- Arranging insurance cover over assets and ensuring their security.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

Employees

Further information regarding employees' claims is included within Section 6 of the report. It is expected that a dividend will be paid to preferential creditors.

Work undertaken in order to ensure that employee claims have been dealt with appropriately includes:

- Writing to employees and dealing with any queries they may have in respect of their claims.
- Establishing any amounts owed to employees.
- Liaising with the Redundancy Payments Service and submitting forms RP14, RP14a in relation to the employee's claims.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.

Creditors

In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:

- Responding to creditors' queries.
- Logging creditor claims.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims (as detailed further below).

Distributions

Distributions have been paid or are expected to be paid the preferential creditors and the unsecured creditors respectively.

Work undertaken in respect of distributions include:

- Preferential creditors - adjudication of employee claims and liaising with the Redundancy Payments Service to agree their claim.
- Preparing dividend calculations.
- Processing and payment of distributions.

The work involved in agreeing and paying creditor claims provides a financial benefit though ensuring that the level of claims admitted for dividend purposes is correct and in distributing funds to creditors.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Reporting to Creditors in respect of fee and expenses approvals.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Establishing set up of case details on our insolvency software system.
- Setting up bank accounts, including deposit accounts as necessary.
- Bank account maintenance, including periodic reconciliations.

- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

Statutory and Compliance

The work undertaken as required by statute and our internal procedures involves:

- Preparation and lodgement of statutory appointment documents.
- Initial notices and advertisements following appointment.
- Case monitoring and statutory compliance, including internal case reviews.
- Case bordereau.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

FEES ESTIMATE

My total Fees Estimate as at 15 February 2017 to conclude this matter is £19,970.50. I have provided below a breakdown of how these costs will be split between the different functions my staff and I are likely to perform on this case.

Description of Work	Blended Hourly Rate (£)	Total Time (hours)	Total Costs (£)
Administration & Planning	124.78	2.3	287.00
Taxation	116.79	2.8	327.00
Investigations	231.67	11.7	2,710.50
Realisation of Assets	187.26	27.4	5,131.00
Employees	130.57	5.3	692.00
Creditors	126.29	15.5	1,957.50
Distributions	120.30	3.3	397.00
Cashiering	93.14	27.0	3,055.00
Reporting	204.72	15.8	3,234.50
Statutory & Compliance	172.94	12.6	2,179.00
Total	161.44	123.70	19,970.50

Attached to this Fees Estimate is a detailed summary of the work anticipated, together with an explanation as to why the various tasks are required.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Not all of the work which I am required to perform will provide a direct financial benefit to creditors. Some of the work to be undertaken is required because statute dictates that I must perform this task, or because guidance issued by the Insolvency Service or my regulatory body requires such. However, a large proportion of the work will be dealing with securing and realising assets, with a view to maximising the funds available to creditors. On this case, assuming realisations are as anticipated in the attached Estimated Outcome Statement, the above work is likely to provide a financial benefit to preferential creditors who would receive payment in full and also unsecured creditors, who would receive a dividend of 23.40p in the £ depending on final realisations.

Exceeding the Fees Estimate

The Fees Estimate has been based on previous examples of cases of a similar size and complexity to this case, together with our current knowledge of the case and the work which we anticipate will be necessary.

The above estimate also assumes that the liquidation will remain open for up to 2 years. This assumption has been made due to the anticipated delays in collecting out the book debt ledger and the distributions to creditors.



In the event that further work is required in respect of the above and/or the liquidation extends beyond the estimated timeframe, it is likely that the Fees Estimate will be exceeded, at which point it will be necessary to seek further approval for an increase.

Guidance for creditors on charge out rates and allocated (Category 2) disbursements
Charge out rates

It is anticipated that the following grades of personnel will work on the case. Their current charge out rates are set out below.

Grade of personnel	Hourly charge out rate (£)
Partner	317.00 - 440.00
Director	355.00 - 390.00
Manager	260.00
Assistant Manager	215.00
Administrator	90.00 – 175.00
Cashier	100.00 – 130.00
Secretary	50.00

Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Allocated (category 2) disbursements

It is proposed that the following allocated expenses of administering the case be charged: -

- Company search(es). Searches are obtained by the firm's company secretarial department and are charged at the cost of the search plus an administration charge, which is currently 25% of cost, subject to a minimum administration charge of £5.00
- Meeting room charge for statutory meetings, charged at £75 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile.
- Document storage – based on the cost of the square footage occupied by boxes and files of records and allocated on the basis of the number of open cases
- Photocopying bulk circulars. Photocopying is charged at 10p per page and is charged when bulk circulars are sent to creditors.
- Electronic verification of individual's identity for money laundering purposes, charged at £2.50 per individual or £10.00 per company (where applicable)

It should be noted that disbursement costs might increase from time to time. However, increases would only be in line with inflation or increases from our suppliers.