

LIQ03

Notice of progress report in voluntary winding up



Companies House

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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

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6 Period of progress report

From date	^d 2	^d 7	^m 1	^m 0	^y 2	^y 0	^y 1	^y 7
To date	^d 2	^d 6	^m 1	^m 0	^y 2	^y 0	^y 1	^y 8

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 1	^d 2	^m 1	^m 1	^y 2	^y 0	^y 1	^y 8
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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 **Scott Christian Bevan**

Company name **Mazars LLP**

Address **45 Church Street**

Birmingham

Post town **B3 2RT**

County/Region

Postcode

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**

Liquidators' progress report covering the period from 27 October 2017 to 26
October 2018

Contents

Liquidators' progress report

1	Introduction
2	Liquidators' Receipts and Payments
3	Asset Realisations and Details of Progress
4	Assets still to be realised
5	Estimated Outcome Statement
6	Liabilities
7	Prescribed Part
8	Investigations
9	Liquidators' Remuneration
10	Liquidators' Disbursements
11	Expenses
12	Matters Outstanding
13	Creditors' Rights

Appendices

A	Identification Details
B	Liquidators' Receipts and Payments Account
C	Estimated Outcome Statement
D	Expenses Statement
E	Analysis of the Liquidators' remuneration
E1	Liquidators' analysis of time costs and comparison to Fee Estimate
E2	Narrative Summary of Liquidators' time costs for the current period
E3	Original Fees Estimate as at 15 February 2017
E4	Revised Fee Estimate
E5	Rates and Disbursements policy



M A Z A R S

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 2018.
- 1.2. I was appointed Joint Liquidator of the Company together with Simon Chandler at a meeting of creditors held on 27 October 2016. We are authorised to act as 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 2017 to 26 October 2018 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 26 October 2018. 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 £78,653.87 with £600 of recoverable VAT.
- 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 asset was sold to a connected party following my appointment during the period. Further details are provided below:

3.2. Book Debts

- 3.2.1. In July 2017, during a phone call with Mr Graham Robinson ("Mr Robinson"), director of the Company, he advised that he would be interested in acquiring the debtor ledger once the Liquidators had exhausted their efforts in its collection. After receiving what we believed to be the final collectable amount on 2 October 2017 Mr Robinson was advised on 15 November



2017 that if he still held an interest in acquiring the debtor ledger he would need to do so in writing.

3.2.2. On 17 January 2018, an offer of £100 plus 10% of any future realisations was received. As there were no alternative offers, this offer was considered and accepted on 19 March 2018 for the following reasons:

- The Liquidators had exhausted their efforts in collecting the debtor ledger and believed that no further realisations were achievable with or without legal action.
- Mr Robinson has a greater knowledge of the ledger and therefore could realise additional debtors to the benefit of the estate.
- Mr Robinson also has connections to companies operating in a similar industry who could offer guarantees to the debtors, something the Liquidators do not have at their disposal.

3.2.3. Harrison Clark Rickerbys Solicitors were instructed to provide their advice on the assignment and assist with the formal Deed.

3.2.4. The formal Deed was sent to Mr Robinson on 19 March 2018. No response was received and as such was followed up in writing on 17 May 2018 to understand Mr Robinson's intentions. On 31 May 2018 the signed Deed was returned.

3.2.5. The Liquidators' complied with the terms of the Deed by writing to the debtors, whose debts had been assigned, advising of the assignment to Mr Robinson within the required 5 business days.

3.2.6. After giving Mr Robinson time to collect the ledger the Liquidators wrote for an update on 28 August 2018. Mr Robinson has indicated that a full response will be provided within the coming months.

Unconnected Party Transactions:

3.3. Asset realisations made during the period covered by this report are detailed below.

3.4. Book debts

3.4.1. 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.

3.4.2. Collections to date total £57,782.23, creditors will note that as previously detailed in the last annual report and after further investigation during the period a refund of £907.10 was refunded to a debtor due to an over payment.

3.5. Bank Interest

3.5.1. Bank interest of £147.23 was earned during the period.

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 3.2.2, further realisations will depend on Mr Robinson's collections.

5. Estimated Outcome Statement

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

5.2. Creditors may recall from the last progress report that a dividend of 100p in the £ was paid to preferential creditors on 6 June 2017.

5.3. 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 unsecured creditors will be 15.26p in the £.

5.4. This outcome is subject to change depending on creditor claims and if any further realisations are achieved.

5.5. 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.

6.2. Preferential Creditors

6.2.1. 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.

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

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

6.3. Unsecured Creditors

6.3.1. According to the directors' statement of affairs, the Company had 32 unsecured creditors with debts totalling £280,365.58. Claims received to date total £366,424.18 from 46 creditors.

- 6.3.2. 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 15.26 pence in the £. As noted above in the EOS section, this outcome is subject to change depending on creditor claims and if any further realisations are achieved.

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.

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.
- 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. On 8 March 2017, a decision was made by the creditors following a decision procedure by a decision by correspondence enabling the 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 2017 to 26 October 2018, which total £10,378.50, representing 69.9 hours at an average hourly rate of £148.48. The Liquidators' cumulative time costs since appointment to 26 October 2018 total £30,652, representing 192.7 hours at an average hourly rate of £159.07.
- 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 2018, an amount of £18,168.80 has been drawn against the Liquidators' time costs in respect of the Liquidation
- 9.5. Based on time costs incurred to date and expected future work for the completion of the Liquidation, it is expected that the Liquidators' total time costs will be £39,187 which exceeds the original Fees Estimate by an amount of £19,216.50. Remuneration taken must not exceed the Fee Estimate, unless approval for a revised fee estimate is obtained.
- 9.6. Accordingly, further fee approval is being sought from unsecured creditors, being the body of creditors who approved the basis of the Liquidators' remuneration on 8 March 2017. The Liquidators' original Fee Estimate is attached at Appendix E3, together with a Revised Fees Estimate at Appendix E4 which includes information on the additional work that has been/to be undertaken and the anticipated cost of that work, which in brief consists of:
 - Realisation of remaining assets as detailed in Section 3 of the report.
 - 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.

Creditors will note that the biggest increase from the original fee estimate to the revised version is the level of time costs it has taken to address the realisation of assets. Recovery of the Company's debtor ledger has taken up the bulk of the time costs to realise due to the Company's poor records and our reliance on the Director's knowledge. As the records were substandard we were heavily reliant on the Director's knowledge which in turn meant more time was spent liaising with the director to assist with the realisation of debts. This was further increased because correspondence with the Director was requested to be in paper format, which reduced the swiftness of replies and on multiple occasions required chaser letters for a response to be sent. Furthermore, additional time that was not initially estimated was spent liaising with the director in relation to debtor overpayments and as further detailed in section 3, acquiring the remaining ledger.

The original fee estimate estimated that the time in which the case would be concluded would be two years, due to the aforementioned the case is now estimated to remain open for three years. As the case will be open for a further year than originally estimated costs have increased across the remaining categories due to further statutory requirements being required to be addressed.

- 9.7. 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.
- 9.8. 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.
- 9.9. The charge out rates of the team members employed on the assignment during the period covered by this report can be found at Appendix E5.

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 creditors in agreement of the anticipated Category 2 disbursements of the Joint Liquidators.
- 10.3. There have been no disbursements incurred or paid during the current reporting period.

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. The following matters are currently preventing the conclusion of the liquidation:
- As further detailed in Section 3 of the report, requesting an update from Mr Robinson as to the debtor collections progress.
 - Adjudication of claims and payment of unsecured dividend to creditors.
 - Tax and VAT compliance, including preparing tax computations and returns in respect of the Liquidation period and seeking final tax clearance prior to closure.

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, or
 - b. That the basis fixed for the Liquidators' remuneration, or
 - c. That the expenses incurred by the Liquidators,
is 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 29 October 2018

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at www.mazars.co.uk/Legal-and-privacy

**GRP Designs Limited
In Liquidation**

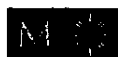
Identification Details

Details relating to the Company

Company name	GRP Designs Limited
Previous names	
Trading name	
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



GRP Designs Limited
Joint Liquidators' Summary of Receipts & Payments

Appendix B

Statement of Affairs £		From 27/10/2017 To 26/10/2018 £	From 27/10/2016 To 26/10/2018 £
	ASSET REALISATIONS		
50.00	Plant & Machinery	NIL	NIL
7,850.00	Motor Vehicles	NIL	8,430.00
Uncertain	Stock	NIL	NIL
Uncertain	Book Debts- Trade	(907.09)	56,875.14
16,500.00	Cash at Bank	NIL	38,295.81
	DVLA Refund	NIL	88.32
	Other Debts	NIL	7,589.79
	Bank Interest Gross	147.23	147.23
		(759.86)	111,426.29
	COST OF REALISATIONS		
	Preparation of S. of A.	NIL	9,889.00
	Liquidator's Fees	NIL	18,168.80
	Liquidator's Disbursements	NIL	18.30
	Agents/Valuers Fees (1)	NIL	600.00
	Legal Fees (1)	500.00	500.00
	Re-Direction of Mail	NIL	175.00
	Statutory Advertising	NIL	144.50
	Insurance of Assets	NIL	407.00
		(500.00)	(29,902.60)
	PREFERENTIAL CREDITORS		
(4,705.77)	Holiday Pay	NIL	2,069.82
		NIL	(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)		(1,259.86)	79,453.87
	REPRESENTED BY		
	Vat Receivable		100.00
	Floating Charge Current		78,653.87
	Vat Control Account float		700.00
			79,453.87

GRP DESIGNS LIMITED - IN LIQUIDATION
Appendix C
Estimated Outcome Statement as at 26 October 2018

	Statement of Affairs £	Estimated Outcome £
ASSET REALISATIONS		
Plant & Machinery	50 00	Nil
Motor Vehicles	7,850.00	8,430.00
Stock	Uncertain	Nil
Book Debts	Uncertain 1	56,875.14
Cash at Bank	16,500 00	38,295.81
DVLA Refunds	Nil	88 32
Other debtors	Nil	7,589.79
Bank Interest Gross	Nil	147 23
		<u>111,426.29</u>
COST OF REALISATIONS		
Liquidators' Remuneration		39,187.00
Statement of Affairs Fee		9,889.00
Liquidators' Disbursements		18.30
Chattel Agent's Fees and disbursements		600.00
Legal Fees		500 00
Corporation Tax		10.00
Statutory Advertising		229.10
Postal Redirection		175.00
Storage		43 18
Insurance		<u>407.00</u>
		51,058.58
Surplus available to Preferential Creditors		60,367.71
Less		
PREFERENTIAL CREDITORS		
Employees Holiday Pay	4,705 77	<u>2,069 82</u>
		2,069.82
Surplus available to Unsecured Creditors		58,297 89
UNSECURED CREDITORS		
Trade & Expense Creditors	103,704.08	175,325.30
Redundancy Payment Service	34,083 94	34,083.94
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	<u>130,104.40</u>
		382,048 04

Deficit to Unsecured Creditors	(323,750.15)
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Return to Unsecured Creditors (p in the £)	15.26
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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

APPENDIX D
EXPENSES STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	(£) <i>Original Expense Estimate</i>	(£) <i>Incurred in previous period</i>	(£) <i>Incurred in current period</i>	(£) <i>Likely future expenses</i>	(£) <i>Revised Expenses estimate</i>
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.						
Legal fees and disbursements	Harrison Clark Rickerbys Limited have been instructed to provide legal advice in respect of assigning the remaining debtor ledger to Mr Robinson, as further detailed in section 3. Harrison Clark Rickerbys Limited were chosen based on their experience in insolvency matters.	<i>Nil</i>	<i>Nil</i>	500.00	<i>Nil</i>	<i>500.00</i>
Agent's fees and disbursements	To provide an independent professional valuation of the assets. The Joint Liquidators 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.	<i>£1,600 plus expense of £126.77</i>	600.00	<i>Nil</i>	<i>Nil</i>	<i>600.00</i>
Other expenses						
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	<i>10.00</i>	<i>Nil</i>	<i>Nil</i>	<i>10.00</i>	<i>10.00</i>

Type of Expenditure	Who expense incurred by and nature of expense	(£) <i>Original Expense Estimate</i>	(£) Incurred in previous period	(£) Incurred in current period	(£) Likely future expenses	(£) <i>Revised Expenses estimate</i>
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertising requirements including London Gazette advertisements for notice of the appointment of the Liquidators Future advertising is expected to include notice for creditors' claims.	152.00	144.50	Nil	84.60	229.10
Insurance of assets	The assets of the Company are insured under the Insolvency Scheme with JLT Specialty Limited. As all insurable assets have been sold, there is no requirement for any further insurance cover.	407.00	407.00	Nil	Nil	407.00
Mail redirection	A redirection of post was put in place in respect of the Company's trading premises for a period of three months at a cost of £175, paid to Royal Mail.	Nil	175.00	Nil	Nil	175.00
Statement of Affairs fee	To assist the Director with the preparation of the Statement of Affairs.	Nil	9,889.00	Nil	Nil	9,889.00
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	20,273.50	10,378.50	8,535.00	39,187.00
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. No disbursements have been incurred during the period.	18.30	18.30	Nil	Nil	18.30

Type of Expenditure	Who expense incurred by and nature of expense	(£) <i>Original Expense Estimate</i>	(£) Incurred in previous period	(£) Incurred in current period	(£) Likely future expenses	(£) <i>Revised Expenses estimate</i>
Total		<i>22,284.57</i>	31,507.30	10,878.50	8,629.60	<i>51,015.40</i>

APPENDIX E1**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 £30,652.

The following table provides details of the Liquidators' actual time costs incurred in the current reporting period, 27 October 2017 to 26 October 2018, compared to the estimated costs as per the Fees Estimate. The table also includes the cumulative period from 27 October 2016 to 26 October 2018, which provides details of the Liquidators' total time costs since appointment

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.

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

Description of Work	Fees Estimate Approved on 8 March 2017				Actual time costs for the period 27 October 2017 to 26 October 2018			Cumulative time costs for the period 27 October 2016 to 26 October 2018		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)		Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	2.3	287.00	124.78		3.1	323.50	104.35	6.1	759.90	124.57
Taxation	2.8	327.00	116.79		4.5	912.50	202.78	8.8	1,361.00	154.66
Investigations	11.7	2,710.50	231.67		Nil	Nil	Nil	9.7	2,280.50	235.1
Realisation of Assets	27.4	5,131.00	187.26		32.1	5,860.50	182.57	78.7	13,762.60	174.87
Employees	5.3	692.00	130.57		Nil	Nil	Nil	4.6	591.50	128.59
Creditors	15.5	1,957.50	126.29		1.4	178.50	127.5	16.9	2,785.50	164.82
Reporting	15.8	3,234.50	204.72		21.4	2,111.00	98.64	30.5	3,779.50	123.92
Distributions	3.3	397.00	120.30		Nil	Nil	Nil	3.8	470.50	123.82
Cashiering	27.0	3,055.00	93.14		3.3	488.00	147.88	20.0	2,561.80	128.09
Statutory compliance	12.6	2,179.00	172.94		4.1	504.50	123.05	13.6	2,299.20	169.06
Totals	123.70	19,970.50	161.44		69.9	10,378.50	148.48	192.7	30,652.00	159.07

APPENDIX E2
NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR THE PERIOD 27 OCTOBER 2017 TO 26 OCTOBER 2018

Introduction <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 Liquidators' Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.</p>
Work carried out in the current period Administration and planning <p>The Liquidators have undertaken the following work:</p> <ul style="list-style-type: none"> • Case filing. <p>The majority of this work derived no financial benefit for creditors. However, appropriate case administration ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A 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>
Taxation <p>The following activities were undertaken in order to ensure the Company is compliant with tax requirements:</p> <ul style="list-style-type: none"> • Preparing post-Liquidation Corporation Tax returns, as required by statute. • Liaising with HMRC in relation to VAT bad debt relief. <p>The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.</p>
Realisation of Assets <p>The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.</p> <p>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.</p>
Creditors <p>In order to ensure that creditors are dealt with appropriately, the following work has been undertaken:</p> <ul style="list-style-type: none"> • Responding to creditor queries • Logging creditors' claims. <p>The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.</p>
Reporting <p>Reporting requirements during the period as prescribed by statute have included the following:</p> <ul style="list-style-type: none"> • Drafting and issuing annual progress reports which are required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation.



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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:

- 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:

- Case monitoring and statutory compliance, including internal case reviews.

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

ORIGINAL 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.

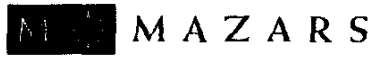
Not all of the work which I am required to perform will provide a direct financial benefit to creditors. Some of the work to be undertaken is required because statute dictates that I must perform this task, or because guidance issued by the Insolvency Service or my regulatory body requires such. However, 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.

**REVISED FEES ESTIMATE
AS AT 29 OCTOBER 2018**

Attached at Appendix E3 is a copy of the Liquidators' original Fees Estimate dated 15 February 2017, totalling £19,970.50.

This Appendix provides information on the Liquidators' Revised Fees Estimate. The Liquidators will be seeking further approval for time costs in excess of the original Fee Estimate in the sum of £19,216.50, plus VAT. The table below provides a summary of the total Revised Fee Estimate, with total costs estimated at £39,187.00.

Total Revised Fee Estimate			
Description of Work	Blended Hourly Rate (£)	Total Time (hours)	Total Costs (£)
Administration & Planning	140.16	6.1	855.00
Taxation	156.36	8.8	1,376.00
Investigations	248.45	9.7	2,410.00
Realisation of Assets	177.12	83.7	14,825.00
Employees	146.52	4.6	674.00
Creditors	191.45	24.9	4,767.00
Reporting	150.66	51.8	7,804.00
Distributions	175.83	8.4	1,477.00
Cashiering	128.60	20.0	2,572.00
Statutory & Compliance	178.46	13.6	2,427.00
Total	169.20	231.6	39,187.00

A detailed breakdown of the anticipated future work to be undertaken and the associated costs in excess of the original Fee Estimate is provided below, together with an explanation as to why the estimate has been or is likely to be exceeded.

Creditors will note that in respect of the Revised Fee Estimate, 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 unsecured creditors who would receive a dividend of 15.26p in the £ depending on realisations.

Further revision of the Fees Estimate

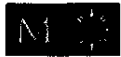
The Revised Fees Estimate has been based on work undertaken to date and estimated work that is required in the future.

The above estimate also assumes that this matter will remain open for one year.

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

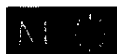
Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p><u>Administration and Planning</u> The original fee estimate anticipated that 2.3 hours would be spent on this category with a total cost being forecast of £287</p> <p>After revising the fee estimate it was concluded that the original fee estimate forecasted less time being spent on this category than was needed. As such the amount of time to be spent on this category has been increased</p> <p>Accordingly, approval is being sought for an additional 3.8hrs in excess of the fee estimate approved on 8 March 2017 of which 6.1hrs of the revised 6.1hrs have already been incurred</p>	3.8	568.00	149.47
<p><u>Taxation</u> The original fee estimate underestimated the level of work that was needed for this category. It also underestimated the timeframe in which the liquidation would be concluded, three years instead of the envisaged two. This is predominantly down to the level of time it has taken to conclude realising the Company's assets, in particular the debtor ledger. This has had a subsequent effect on taxation as more CT returns were required due to the increase in time the case has remained open.</p> <p>Work undertaken in this regards includes.</p> <ul style="list-style-type: none"> - Preparing and submitting final VAT returns. - Deregistering for VAT. - Preparing and submitting VAT 426 in order to reclaim VAT. - Preparing and submitting CT returns, completed by in-house tax professionals - Liaising with tax team regarding CT return. <p>Whilst the majority of this work has derived no financial benefit for creditors, it is required to ensure that the liquidation has complied with its tax affairs</p>	6.0	1,049.00	174.83

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
Accordingly, approval is being sought for an additional 6.0hrs in excess of the fee estimate approved on 8 March 2017 of which 8.8hrs of the revised 8.8hrs have already been incurred.			
<p>Investigations</p> <p>The original fee estimate anticipated that 11.7 hours would be spent on this category with a total cost being forecast of £2,710.50</p> <p>After revising the fee estimate it was concluded that the fee estimate forecasted more time spent on this category than was needed. As such the amount of time spent on this category has been reduced</p>	(2.0)	(300.50)	N/A
<p>Realisation of Assets</p> <p>The original fee estimate underestimated the level of work that was needed for this category. It also underestimated the timeframe in which the liquidation would be concluded, three years instead of the envisaged two. This is predominantly down to the level of time it has taken to conclude realising the Company's assets, in particular the debtor ledger.</p> <p>Work undertaken in this regards includes:</p> <ul style="list-style-type: none"> - 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 - Reviewing and obtaining any potential refunds on insurance policies paid up to a future period by the Company. - Book Debts Liaising with the director for the collection of funds from key customers; reviewing records for key documents, verifying the extent of 	56.3	9,694.00	172.18



Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p>collectable debts; pursuing the receivables.</p> <ul style="list-style-type: none"> - Liaising with debtors in relation to payment and disputes. - Corresponding with director in order to assist with pursuing the debtor ledger. - Documenting and organising debtor responses in order to keep accurate information on collections. - Liaising with Director and debtors in relation to overpayment of debts - Liaising with Director and solicitor in relation to reassigning and purchasing the remaining debtor ledger. - Informing debtors of reassignment. - Liaising with director in relation to collections made - <u>Motor Vehicles</u> Locating and securing assets; obtaining valuations; liaising with Agents and interested parties in preparation for sale. - <u>Cash at bank</u> Correspondence with the Company's bankers and realisation of the remaining cash at bank balances. - <u>Retention of Title ("ROT")</u> In order to ensure that creditors are dealt with appropriately and that ROT claims are resolved, the following work will be required - Responding to any queries which arise. - Assessing and dealing with any ROT claims should they arise. <p>Future work to be undertaken includes:</p> <ul style="list-style-type: none"> - Liaising with director in relation to collections made. <p>Accordingly, approval is being sought for an additional 56.3hrs in excess of the fee estimate approved on 8 March 2017 of which 78.7hrs of the revised 83.7hrs have already been incurred</p>			
<u>Employees</u>	(0.7)	(18.00)	N/A

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p>The original fee estimate anticipated that 5.3 hours would be spent on this category with a total cost being forecast of £692.00.</p> <p>After revising the fee estimate it was concluded that the fee estimate forecasted more time spent on this category than was needed. As such the amount of time spent on this category has been reduced.</p>			
<p>Creditors</p> <p>The original fee estimate underestimated the level of work that was needed for this category. It also underestimated the timeframe in which the liquidation would be concluded, three years instead of the envisaged two. This is predominantly down to the level of time it has taken to conclude realising the Company's assets, in particular the debtor ledger. This has had a subsequent effect on creditors as more queries arose due to the increase in time the case has remained open.</p> <p>Work undertaken in this regards includes:</p> <ul style="list-style-type: none"> - Responding to any queries which arise. - Logging creditor claims. - Collating information from the Company records to assist with preferential claim adjudication work. - Seeking approval from creditors in respect of a decision procedure when appropriate and preparing a record of the decision. <p>Future work to be undertaken:</p> <ul style="list-style-type: none"> - Responding to any queries which arise. - Logging creditor claims. - Collating information from the Company records to assist with unsecured claim adjudication work. <p>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</p>	9.4	2,809.50	298.88



Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p>claims does have a financial benefit in enabling the correct adjudication of claims.</p> <p>Accordingly, approval is being sought for an additional 94hrs in excess of the fee estimate approved on 8 March 2017 of which 16 9hrs of the revised 24.9hrs have already been incurred.</p>			
<p>Reporting</p> <p>The original fee estimate underestimated the level of work that was needed for this category. It also underestimated the timeframe in which the liquidation would be concluded, three years instead of the envisaged two. This is predominantly down to the level of time it has taken to conclude realising the Company's assets, in particular the debtor ledger. This has had a subsequent effect on reporting as more reports were required by statute due to the increase in time the case has remained open.</p> <p>Work undertaken in this regards includes:</p> <ul style="list-style-type: none"> - Annual progress reports are required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation - Reporting to Creditors in respect of fee and expenses approvals. <p>Future work to be undertaken.</p> <ul style="list-style-type: none"> - Annual progress reports are required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an update on the progress of the Liquidation - Reporting to Creditors in respect of fee and expenses approvals. - Closure report is required to be issued in accordance with The Insolvency Act and Rules to provide creditors with an account of the Liquidation <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has</p>	36.0	4,569.50	126.93

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p>been administered in line with regulatory requirements.</p> <p>Accordingly, approval is being sought for an additional 36hrs in excess of the fee estimate approved on 8 March 2017 of which 30.5hrs of the revised 51.8hrs have already been incurred.</p>			
<p>Distributions</p> <p>The original fee estimate underestimated the level of work that was needed for this category.</p> <p>Work undertaken in this regards includes.</p> <ul style="list-style-type: none"> - 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. <p>Future work to be undertaken:</p> <ul style="list-style-type: none"> - Unsecured creditors - adjudication of creditor claims, requesting further information where necessary or dealing with rejected claims. - Preparing dividend calculations - Processing and payment of distributions. <p>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</p> <p>Accordingly, approval is being sought for an additional 5.1hrs in excess of the fee estimate approved on 8 March 2017 of which 3.8hrs of the revised 8.4hrs have already been incurred.</p>	5.1	1,080.00	211.76
<p>Cashiering</p> <p>The original fee estimate anticipated that 27 hours would be spent on this category with a total cost being forecast of £3,055.</p>	(7.0)	(483.00)	N/A



Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
After revising the fee estimate it was concluded that the fee estimate forecasted more time spent on this category than was needed. As such the amount of time spent on this category has been reduced			
<p>Statutory and Compliance</p> <p>The original fee estimate anticipated that 12.6 hours would be spent on this category with a total cost being forecast of £2,179.</p> <p>After revising the fee estimate it was concluded that the original fee estimate forecasted less time being spent on this category than was needed. As such the amount of time to be spent on this category has been increased.</p> <p>Accordingly, approval is being sought for an additional 1hr in excess of the fee estimate approved on 8 March 2017 of which 13.6hrs of the revised 13.6hrs have already been incurred.</p>	1.0	248.00	248.00
Overall	107.9	19,216.50	178.10

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	440.00
Director	390.00
Manager	215.00-335.00
Administrator	80.00-190.00
Cashier	90.00-190.00
Support Staff	90.00

Charge out rates are reviewed annually on 1 September and may be adjusted to take into account inflation and the firm's overheads. 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
- 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

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.