

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



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A21

16/10/2019

#275

COMPANIES HOUSE

1 Company details

Company number 06424964

Company name in full G4 Power Grid Limited

→ **Filling in this form**
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew James

Surname Nichols

3 Administrator's address

Building name/number The Chapel

Street Bridge Street

Post town Driffield

County/Region

Postcode YO256DA

Country UK

4 Administrator's name ①

Full forename(s) John William

Surname Butler

① **Other administrator**
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number The Chapel

Street Bridge Street

Post town Driffield

County/Region

Postcode YO256DA

Country UK

② **Other administrator**
Use this section to tell us about
another administrator.

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6 Period of progress report

From date	^d 2	^d 3	^m 0	^m 5	^y 2	^y 0	^y 1	^y 9
To date	^d 1	^d 4	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

X

Signature date

^d 1	^d 4	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9
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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

Company name

Address

Post town

County/Region

Postcode

Country

DX

Telephone



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

Redman|Nichols|Butler

Corporate Recovery
Licensed Insolvency Practitioners

The Chapel
Bridge Street
Driffield
East Yorkshire
YO25 6DA
Tel 01377 257788

Suite 8b
Normanby Gateway
Lysaghts Way
Scunthorpe
DN15 9YG
Tel: 01724 230060

Westminster Business Centre
10 Great North Way
Nether Poppleton
York
YO26 6RB
Tel 01904 520116

info@redmannicholsbutler.co.uk
www.redmannicholsbutler.co.uk

To all creditors

14 October 2019

Dear Sirs

G4 Power Grid Limited - In Administration ("the Company")

I refer to previous correspondence regarding the Administration of the Company.

I now enclose a copy of the Joint Administrators' latest progress report.

Should you wish to know more about the insolvency process in general, I recommend that you visit www.creditorinsolvencyguide.co.uk.

Yours faithfully
For and on behalf of
G4 Power Grid Limited

A. Nichols
Joint administrator

Enc

Our ref: Janice Kirkwood of our Driffield office
E-mail: janice.kirkwood@redmannicholsbutler.co.uk

The affairs, business and property of the Company are managed by the Joint Administrators, who act as agents of the Company and without personal liability.

**G4 POWER GRID LIMITED – IN
ADMINISTRATION
("the Company")**

2ND Progress Report

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

A J Nichols and J W Butler were appointed Joint Administrators of the Company on 23 November 2018. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

G4 Power Grid Limited – in administration (“the Company”)

Joint Administrators’ 2nd progress report

Statutory information

Company number:	06424964
Name of company:	G4 Power Grid Limited
Previous name(s) of company (if any):	None
Trading name / style under which	As above
• Company carried on business and	
• Any debt owed to a creditor was incurred	
Type of Insolvency:	Administration
Address of Registered office:	The Chapel, Bridge Street, Drifffield, YO25 6DA
Principal trading address:	Brookenby Business Park, Brookenby, Market Rasen, Lincolnshire, LN8 6HF
Administrator(s) name(s), address(es) and contact number:	Andrew James Nichols and John William Butler of Redman Nichols Butler, The Chapel, Bridge Street, Drifffield, YO25 6DA Tel: 01377 257788
Office holder number(s):	8367 & 9591
Date of appointment:	23 November 2018
Appointed by who:	The court
Is there a committee: ?	No
Court & Court Ref:	In The High Court of Justice, Business and Property Courts in Leeds, Insolvency List, No 1159 of 2018
Functions :	The Joint Administrators act jointly and severally, so that all functions may be exercised by either Administrator
Have the Administrators’ proposals been approved: ?	Yes (by virtual meeting on 1 February 2019)
Have any extensions of the administration been sought: ?	No
Reporting period:	23 May 2019 to closure of case

Administration (including statutory reporting)

The work undertaken which is classified as Administration for the period of this report is summarised below;

Case Management

- record-keeping, completion of checklists, periodic case reviews
- implementing an appropriate strategy for dealing with the case and giving instructions to staff to undertake the work on the case
- reviewing and updating strategy
- dealing with all routine correspondence and emails relating to the case
- undertaking periodic reviews of the progression of the case

Statutory and Compliance

- periodical review of case bonding
- Companies House filings and returns
- preparation and delivery of periodic reports to creditors and other stakeholders
- completion and submission of post appointment corporation tax returns
- completion and submission of post appointment VAT returns

- reporting to creditors

Cashiering

- monthly account reconciliations
- general cashiering
- preparation and maintenance of cashbook and receipts and payments accounts

This work does not produce any direct financial benefit for creditors but is required by statute and best practice guidelines.

Asset realisations

The work undertaken, which is classified as Asset realisations, for the period of this report is summarised below;

Asset	Estimated statement of affairs (£)	Actual realisations to date (£)	Comments
Cash at bank	26,927	27,168	This was monies held in the Company's bank account as at the date of appointment and was transferred to the joint administrators' estate account for this case in the last reporting period
Land and buildings	350,000	626,000	All the chattel assets and land and buildings were sold to a third party, whom the joint administrators believe is connected to Lincoln Fraser, one of the directors of the company. This third party was one of two potential purchasers who entered into a contract race to purchase the company's chattel assets and land and buildings, following a failed and protracted attempt by Mr Fraser to purchase the same after a small fire took place on the property. Completion took place on 21 June 2019. The deposit of £62,600 from Mr Fraser representing a deposit in respect of the previous failed attempt by him to purchase the chattel assets and land and buildings was used (with the consent of Mr Fraser) as part consideration paid by this third party.
Plant and machinery	20,000		
Motor vehicles	0		
Fixtures and fittings	0		
Bank interest	n/a	74	Administration funds are held in an interest bearing account.
Loan to administrator	0	10,000	This represents £10,000 lent to the administration estate by Lincoln Fraser to pay for ongoing insurance costs of the company's assets. Since the sale mentioned above completed, this loan is not repayable and is therefore available for the benefit of creditors.
Rents receivable	0	1,304	This represents various rents received from the tenants which were not paid to the secured creditor as its debt was discharged in full.

This work may produce financial benefit for creditors and is required by statute and best practice guidelines.

Statement of Insolvency Practice 13 – Acquisition of assets of insolvent companies by directors

Statement of Insolvency Practice 13 provides that I am required to disclose to creditors and members at the first available opportunity after my appointment any transactions with connected parties made after my appointment. In this matter I am aware of such transactions which have been described as above.

Investigations

Statement of Insolvency Practice 2 – Investigations by office holders

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

In addition, I have carried out the Joint Administrator's duty to investigate the affairs of the company to that extent necessary to comply with best practice as provided by the provisions of Statement of Insolvency Practice 2 entitled "Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders". No matters have come to my attention which warrant further investigation and hence this aspect of my duties has now been completed.

Company Directors Disqualification Act 1986

During the period of my last report, I complied with my duties under the provisions of the Company Directors Disqualification Act 1986. However, I am not able to disclose to creditors the content of my report.

Our work under the heading of "Investigations" did not produce any direct financial benefit for creditors but is required by statute and best practice guidelines.

Trading

The company ceased to trade prior to the start of the administration to the extent that its only activity was as a landlord. Rents were collected by my agents and paid over to Assetz Capital Trust Limited, who held a legal charge over the property, until completion of the sale of the assets of the company on 21 June 2019.

Creditors (claims and distributions)

The work undertaken which is classified as Creditors for the period of this report is summarised below

- dealing with correspondence / emails / telephone calls with creditors relating to their claims
- maintaining up to date creditor information
- liaising with the Company's secured creditors

This work may produce financial benefit for creditors but is required by statute and best practice guidelines.

Costs and expenses of the administration

Pre administration costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs. All of those costs have now been settled / compromised (with the exception of my firm's own costs) in the following sums:

Firm	Amount (£)
The Official Receiver	528
Gordons LLP and Counsel for the company	20,400
Penningtons Manches, solicitors for the winding up petitioner	10,949
Redman Nichols Butler	0
Total	31,877

Remuneration of office holders

A creditors' guide to Insolvency Practitioner's fees is available at www.insolvency-practitioners.org.uk or www.r3.org.uk. A copy of the creditors' guide to Redman Nichols Butler fees and expenses is attached to this report which details my firm's current charge out rates.

Basis of amount of remuneration, who agreed that basis and when

The basis of the Joint Administrators' fees was fixed by creditors at a virtual meeting held on 1 February 2019 on a time costs basis up to an initial limit of £66,648.

My firm's time costs in administering this case

My firm's time costs to date in dealing with the proper administration of this administration total £63,975 and for the period of this report total £9,742. Estimated analyses for the period under review and for the whole period of the administration by reference to the types of work carried out on this administration are attached to this report.

The narrative above provides a brief description of the type of work involved in each category.

Fee estimate

As noted above, a fee estimate (approved by creditors) was produced in the sum of £66,648. It is envisaged that my firm's actual time costs to closure of the case may marginally exceed this fee estimate.

Funds drawn to date on account of remuneration

I have not drawn any funds in respect of my firm's remuneration to date.

Redman Nichols Butler expenses

Attached to this report is a breakdown of the expenses incurred on behalf of the administration estate in the period under review and in the whole period of the administration. To date, I have not recovered any funds in this regard.

Professionals engaged to assist the administrator to carry out his duties

In addition to Gordons, referred to below, the following professionals have been engaged to assist me in carrying out my duties in this case: -

Firm	Costs paid to date (£)	Basis of those fees	Brief description of work carried out	Review of reasonableness of fees
Gilbert Baitson LLP	4,000	Time costs	Valuation and sale of chattel assets, including resolution and return of third party assets	In accordance with time costs
James Legal	7,443	Time costs	Legal advice and preparation of sale contract	In accordance with time costs
Clark Weightman	11,600	Time costs	Property agency advice and property management	In accordance with time costs
Tony Smith Domestic Energy Assessor Limited	3,750	Fixed fee	EPC Certificates for all properties situated on the business park	In accordance with agreed fixed fee
JLT Speciality Limited	4,169	Fixed fee	Insurance of estate assets	In accordance with agreed fixed fee duly apportioned

Outcome for creditors

Creditors will recall that I attached an Estimated Outcome Statement to my proposals. Creditors will also recall that, at that time, I forecast a nil return to unsecured creditors in this case. My views in this regard have remain unchanged and there will be no dividend to unsecured creditors. Indeed, it has not been possible to pay all the costs and expenses of the administration process. An outcome statement and receipts and payments account for the period of the review and whole period of the administration is attached to this report.

Secured creditors

Assetz Capital Trust Limited, the secured creditor, has been paid in full following the completion of the sale of the property and chattel assets of the company. £531,901 has been paid to them.

The prescribed part

Section 176A of the Insolvency Act 1986 (the prescribed part) does not apply in this case as there is no floating charge created after 15 September 2003.

Dividend prospects for preferential unsecured creditors

There may be a small preferential claim in this case in respect of outstanding pension contributions to the Nest Pension Scheme. There are insufficient funds to pay a dividend to the preferential creditors in this case.

Dividend prospects for non-preferential unsecured creditors

There are insufficient funds to pay a dividend to the unsecured creditors in this case.

Company position following the administration

Now that the administration has been, for all intents and purposes, completed, I have applied to the Court for the administration to come to an end and if the Court so orders accordingly, I will apply to the Registrar of Companies to have the company struck off the Register of Companies in accordance with my proposals as approved by creditors.

Summary of outstanding issues

As I was originally appointed by the Court on 23 November 2018, it is necessary for me to apply to Court for the administration to come to an end and for me to obtain the joint administrators' release. I have instructed my solicitors, Gordons, to make the necessary application to Court. Should the Court so order that the administration should come to an end and that I and my joint administrator be discharged from liability in respect of our conduct of this administration, that order will likely order that I serve a copy of the order on the creditors of the company affording them an opportunity to object to my release. This I shall so do.

There is currently £61,768 in the estate account for this case. I am awaiting a VAT refund in the sum of £20,489 from HMRC which is due to be received shortly. Upon receipt of the same, I intend to utilise the resultant £82,257 in the estate account to defray my firm's own costs in respect of my firm's pre appointment costs and office holder's remuneration (as far as I can) and disbursements as well as the costs (in the sum of £7,500 plus VAT) of Gordons, my solicitors, in applying to Court for the administration to come to an end and to obtain the joint administrators' release as follows:-

Firm	Amount (£)
Redman Nichols Butler – pre appointment costs	7,500
Redman Nichols Butler - disbursements	875
Redman Nichols Butler – office holder fees	52,673
Gordons – legal costs	7,500

Total before VAT	68,547
VAT	13,710
Total	82,257

Conclusion

This concludes my 2nd progress report on the conduct of this administration. Should any creditor require any further information please contact me.

Should you require a hard copy, please send your request in writing to the Joint Administrators at the address at the beginning of this report and this will be provided to you at no cost.



A J Nichols
Joint Administrator
14 October 2019

A J Nichols and J W Butler were appointed Joint Administrators of the Company. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

G4 Power Grid Limited - In Administration
Outcome statement and receipts and payments account for the period 23 November 2018 to 14 October 2019
Date of appointment - 23 November 2018

	Estimated Statement of £	1st review period 23/11/18 to 22/5/19 £	2nd review period 23/5/19 to 14/10/19 £	The whole period 23/11/18 to 14/12/19 £
Assets:				
Specifically pledged				
Land at Brockenby Business Park (including rent roll)	350,000	0	550,000	550,000
Debt due to Assetz Capital Trust Limited	(504,000)	0	(531,901)	(531,901)
Total specifically pledged assets	(154,000)	0	18,099	18,099
Not specifically pledged				
Chattel assets	20,000	0	76,000	76,000
Cash at bank	26,927	27,168	0	27,168
Bank interest	0	8	66	74
Loan advance	0	10,000	0	10,000
Rents received	0	0	1,303	1,303
Deposit re failed purchase	0	62,600	(62,600)	0
Total not specifically pledged assets	46,927	99,776	14,769	114,545
Balance available for creditors before costs	46,927	99,776	32,868	132,644
Estimated costs of Administration and other expenses				
Legal fees - James Legal		0	7,444	7,444
Agents fees - Gilbert Bailson and Clark Weightman		0	15,600	15,600
Pre administration costs and expenses - Redman Nichols Butler		0	0	0
Pre administration costs and expenses - other		0	31,877	31,877
Insurance costs		0	4,169	4,169
Chaps fee		0	20	20
EPC Certificate costs		0	3,750	3,750
VAT			8,016	8,016
		0	70,876	70,876
Funds in hand as at 14/10/19				61,768
Add VAT refund due				20,489
Total funds available to pay outstanding costs and expenses of the administration process				82,257
Redman Nichols Butler (inclusive of the VAT)			73,257	
Gordons (inclusive of the VAT)			9,000	
				82,257
Balance available for preferential creditors				0
Preferential Creditors				(3,000)
Balance available for floating charge holder				(3,000)
Less prescribed part				0
Balance available for floating charge holder				(3,000)
Floating charge holder				
None				0
Balance available for unsecured creditors				(3,000)
Unsecured creditors				
Trade, HMRC & other unsecured unconnected creditors, including				(457,029)
Connected creditors				(584,400)
				(1,044,429)

Redman Nichols Butler**TIME & CHARGEOUT SUMMARIES**

G4 Power Grid Ltd

From 24 May 2019 to 14 Oct 2019

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	13.33	0.08	0.75	5.35	19.52	5,044.21	258.46
Realisation of Assets	12.33	0.33	0.00	0.00	12.67	3,846.32	303.66
Creditors	2.50	0.00	0.00	0.92	3.42	851.42	249.19
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	8,590.82	105.82	169.50	875.81		9,741.95	
Total Hours	28.17	0.42	0.75	6.27	35.60		
Average Rate	305.00	254.01	226.00	139.76			

CATEGORY 1 + 2 DISBURSEMENTS

Type & Purpose			Amount £
23/08/2019	Category 2 - Archive Boxes	2 archive boxes	10.00
			10.00

From 23 Nov 2018 to 14 Nov 2019

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	93.85	26.75	2.08	15.78	138.47	38,040.44	274.73
Investigations	2.33	6.75	0.00	0.00	9.08	2,426.18	267.10
Realisation of Assets	59.42	9.75	0.00	0.00	69.17	20,598.55	297.81
Creditors	5.50	3.17	0.00	4.42	13.08	2,910.26	222.44
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Fees Claimed £	49,135.48	11,789.88	470.83	2,579.24		63,975.43	
Total Hours	161.10	46.42	2.08	20.20	229.80		
Average Rate	305.00	254.00	226.00	127.69			

CATEGORY 1 + 2 DISBURSEMENTS

Type & Purpose			Amount £
12/12/2018	Category 1 - Bordereau	Bordereau	316.80
13/12/2018	Category 2 - Printing & Photocopying	Notice of appointment	25.20
13/12/2018	Category 2 - Postage	Notice of appointment	27.47
09/01/2019	Category 1 - Advertising	Appointment of Administrator	68.50
14/01/2019	Category 2 - Printing & Photocopying	Administrator's Proposals	20.00
14/01/2019	Category 2 - Postage	Administrator's Proposals	33.50
28/02/2019	Category 1 - Redirection of Post	Redirection of post	303.00
25/04/2019	Category 1 - Advertising	Meeting of Creditors	71.00
23/08/2019	Category 2 - Archive Boxes	2 archive boxes	10.00
			875.47

A creditor's guide to the fees and disbursements charged by Redman Nichols Butler

Insolvency Practitioner's Fees

Where it has been agreed by a resolution of creditors or the creditors' committee that the office holders' remuneration will be calculated by reference to the time properly given by the office holder and his staff in attending to matters arising in the administration of the insolvency estate, at the following hourly charge out rates:-

Grade	Rate (£) to 30 April 2014	Rate (£) from 1 May 2014
Partner	280	305
Senior Manager	250	278
Manager	230	254
Assistant Manager	205	226
Administrator	155	166
Support staff	90	97

These rates are our current hourly charge out rates and are exclusive of value added tax. Our charge-out rates are reviewed periodically and creditors will be advised of any alteration thereto. Time is recorded in one minute units.

Disbursements of Redman Nichols Butler

From time to time, we will incur disbursements on behalf of insolvent estates. The reimbursement of these disbursements will be a charge against the insolvent estate to which they relate. These disbursements can be split into two categories, Category 1 and Category 2.

Category 1 disbursements are disbursements which are directly referable to the insolvent estate and relate to a payment to an independent third party. We seek to recover these types of disbursement. Approval is not required to recover these disbursements and these include insolvency bonds, advertising, company searches and post redirection orders.

Category 2 disbursements are directly referable to the insolvent estate in question but the payment is not to an independent third party. They may include shared or allocated costs that can be allocated to the insolvent estate on a proper and reasonable basis, for example, business mileage. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements are recharged at the following rates:

Mileage	45 pence per mile
Printing & Photocopying	10 pence per sheet
Postage	Prevailing rates
Archive boxes	£5 per box

The charges above are subject to annual increments and creditors will be advised of these in future circulars.

From time to time we instruct a firm of agents, Ulllyotts, to act for the insolvent estate. Ulllyotts are an associated business. Where Ulllyotts are instructed, their fees will either be charged by reference to time costs properly incurred, calculated in one minute units at an hourly rate of between £150 – £225, plus their disbursements, or on a percentage basis. These costs are typical of agents in this geographical area.

A guidance note and further information in relation to office holders' fees is available at www.R3.org.uk or www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees.