

Corona Properties Limited (in compulsory liquidation)

Joint liquidators' annual progress report for the period from 10 July 2021 to 9 July 2022

4 August 2022

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1. Glossary

Abbreviation	Description
the Company	Corona Properties Limited
DAC	DAC Beachcroft LLP
HMRC	HM Revenue & Customs
the Group	Chemistree Homecare Limited, Kool Pharma Limited, Moors Properties Limited, Qualapharm Limited, Corona Properties Limited, Gold Nuts Limited and R Square Properties Limited (all in liquidation or formerly in liquidation)
the liquidators/joint liquidators	Henry Anthony Shinnars and Nicholas Myers
OR	Official Receiver
Property	Linden House, South View Road< Pinner, Middlesex, HA5 3YD
SIP	Statement of Insolvency Practice (England & Wales)
SOA	Statement of Affairs

2. Introduction and summary

This report provides an update on the progress in the liquidation of the Company for the year ended 9 June 2022. It should be read in conjunction with any previous reports. By way of reminder, we, Nicholas Myers and Henry Anthony Shinnars, of Evelyn Partners LLP (formerly Smith & Williamson LLP), 45 Gresham Street, London, EC2V 7BG, were appointed liquidators of the Company on 10 June 2020 following the presentation of a petition by Karen Tracy Potts and Ian Michael Rose of Wilkin Chapman Business Solutions for the compulsory winding up of the Company. The winding up order was made on 14 April 2020 under Court reference No.110 of 2020.

From 14 June 2022, we are operating under a single new brand to offer the best of everything we do and the firm's name has changed to Evelyn Partners LLP. Please note that this is a change to our brand only and that the services provided are unaffected.

Please also be aware that we have recently changed our postal and registered office address to 45 Gresham Street, London EC2V 7BG. Where applicable, please update your records accordingly.

The principal trading address of the Company was Linden House, South View Road, Pinner, HA5 3YD. The Company's registered office is 45 Gresham Street, London, EC2V 7BG and its registered number is 06463338.

3. Realisation of assets

Attached at appendix I is our receipts & payments account for the period from 10 June 2021 to 9 June 2022. This account includes cumulative figures for the period from 10 June 2020 to 9 June 2022.

The receipts & payments account also includes a comparison with the director's SOA values.

The assets listed in the OR's report handed over following our appointment as liquidators together with any other assets that have come to our attention have been dealt with as follows:

3.1 Surplus from the sale of the Property

The Company has an interest in funds held by the Court, in the region of £561,000, which relate to the surplus sale proceeds following the sale of the Property by fixed charge receivers. Following our appointment we were advised of a dispute in respect of these funds with several parties claiming an interest. A split of these monies has now been agreed with the various parties, and our solicitors have written to the Court to request the release of the funds. The details of the split will be provided under cover of our next report once formalised.

4. Investigations

Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by the OR.

Creditors should also note that we are also appointed liquidators of the Group, and our investigations are ongoing in respect of all matters.

Please note that the former directors of the Company Shamir Pravinchandra Budhdeo, Joshy Mathew and Amarjit Singh Hundal were declared bankrupt on 3 December 2019. Joshy Mathew and Amarjit Singh Hundal were discharged as bankrupt on 3 December 2020. Shamir Pravinchandra Budhdeo was discharged as bankrupt on 15 December 2020.

5. Creditors

5.1 Secured creditors

We have not identified any secured creditors. We understand that a debt owed to the Company's secured lender was discharged in full prior to the presentation of the petition to wind the Company up, by the receivers appointed to deal with the Property.

5.2 Prescribed part

Insolvency legislation provides for funds to be set aside for the unsecured creditors from any assets subject to a floating charge that was created after 15 September 2003. These funds (the prescribed part) are paid to the unsecured creditors and are not available for the chargee, unless the unsecured creditors have been paid in full.

The Company did not grant any floating charges and the prescribed part requirements do not therefore apply.

5.3 Ordinary preferential creditors

No preferential claims were disclosed by the Company and no preferential claims have been received or identified.

5.4 Secondary preferential creditors

Claims from secondary preferential creditors mainly include HMRC which will rank below the ordinary preferential creditors in relation to outstanding taxes 'paid' by employees and customers of that business. These include Value Added Tax (VAT), Pay As You Earn (PAYE), employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. It is important to note that there is no cap or time limit on what HMRC can recover in respect of the above.

The secondary preferential creditors will only be entitled to receive a dividend after all the ordinary preferential creditors have received 100p in the pound (£).

HMRC will continue to be an unsecured creditor for corporation tax and any other taxes owed directly by a company/business (for example employer National Insurance Contributions). The Company does not have any secondary preferential creditors.

5.5 Unsecured creditors

We have received claims totalling £1,251,831 from four creditors. Total claims as per the director's SOA were £3,310,289. Any distributions to the creditors are dependent on the terms of the resolution of the surplus funds from the sale of the Property and accordingly, to date, we have not taken steps to agree unsecured creditor claims.

6. Liquidators' remuneration

The creditors approved that the basis of the liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation. This was granted following the joint liquidators providing a fees and expenses' estimate and the requisite majority of creditors granting approval by means of a resolution by correspondence on 31 August 2021.

The liquidators' time costs are:

Period	Total hours Hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
10 June 2020 to 9 June 2021	27.08	8,815.71	325.54	Nil
10 June 2021 to 9 June 2022	31.87	10,268.32	322.23	Nil
Total	58.95	19,084.03	324.73	Nil

Attached as appendix II is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Details of work carried out in the period are also included in the body of this report.

The joint liquidators' costs to date are £19,084.03 as above, compared to our revised estimate of £51,904.21 and only the incurred time costs within the approved estimate will be drawn. Any sum in excess of the approved estimated time costs will not be recovered by the joint liquidators. Appendix II provides a detailed breakdown of the current period's cost and provides a copy of the previously authorised time cost estimate breakdown.

Also attached as appendix III, is a cumulative time analysis for the period from 10 June 2020 to 9 June 2022 which provides details of the liquidators' time costs since appointment.

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising. In the event that the fees estimate is likely to be exceeded, the joint liquidators will need to provide an update and seek approval from the creditors before drawing any additional sums. Fee estimates may be given up to a certain or for a designated period if it is not possible to provide an accurate estimate at any given point.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and complying with anti-money laundering regulations.

A copy of 'A Creditors' Guide to Liquidators' Fees' is available free of charge upon request or can be downloaded from R3's website at the following address:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/liquidation-a-guide-for-creditors-on-insolvency-practitioner-fees/>

It should be noted that, whilst this statement makes reference to the need to provide creditors with a fees and costs estimate in the event that fees are being drawn on a time costs basis, this requirement only applies to appointments on or after 1 October 2015, the date that the Insolvency (Amendment) Rules 2015 took effect. The principles of these rules continue to apply following commencement of The Insolvency (England and Wales) Rules 2016. Prior to 1 October 2015, there was no statutory obligation to produce fees and costs estimates.

On 1 September 2020, the Smith & Williamson Group merged with the Tilney Group to extend our financial and professional services offering. In common with many professional firms, our scale rates rise to cover annual inflationary cost increases (which readers will be aware have been particularly high of late) and accordingly our rates have risen on average by approximately 7% with effect from 1 July 2022. Following the merger please note that there has been a change to our financial

year-end and, as a result, we will be reviewing our charge-out rates again on 1 January 2023 (reverting to annual reviews thereafter). The rate of any increase on 1 January 2023 will take into account that only six months will have passed from the date of the last increase and so will not cause any prejudice to creditors and stakeholders.

Details of Evelyn Partners LLP's charge out rates (including any changes during the case) along with the policies in relation to the use of staff are provided at appendix IV.

We have no business or personal relationships with the parties who approve our fees.

We have no business or personal relationships with DAC who provide legal services to the liquidation where the relationship could give rise to a conflict of interest.

7. Liquidation expenses

The tables at appendices V and VI provide details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate. The tables exclude distributions to creditors. The tables also exclude any potential tax liabilities that we may need to pay as a liquidation expense because the amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts & payments account at appendix I which shows expenses actually paid during the period and the total paid to date.

7.1 Subcontractors

There has been no need to instruct any subcontractors in this case.

7.2 Professional advisers

On this assignment we have used the professional advisers listed at appendix V. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Creditors may recall that we estimated costs of £30,000 for professional advisers. Our total expenses incurred for this category at the end of the second year of the liquidation are higher than originally anticipated. This is due to the protracted timeframe it continues to take to finalise the position in relation to the surplus funds from the Property.

DAC have been instructed to advise in relation to the surplus funds held by the Court of circa £561,000 and other general matters. The joint liquidators have not reached a resolution and this matter remains ongoing. Negotiations with the other key stakeholders have been protracted.

DAC were instructed to advise the liquidators due to their expertise, experience in litigation and investigations. DAC have significant knowledge of the Group's history and background and have provided legal advice to the liquidators for the Group.

DAC provide the best value and service to creditors and are regulated by the Solicitors Regulation Authority (SRA). There are no conflict of interests matters and DAC adhere to professional and ethical standards. Their service and costs are under regular review.

7.3 Liquidators' expenses

Please see the table at appendix VI for details of expenses paid and/or incurred in the current period.

Comparison to revised Expenses Estimate

Creditors may recall that our expenses estimate for the joint liquidators' expenses was £241. Our expenses total incurred for the above category at the second year of the liquidation are £231 and so are in line with our original estimate.

7.4 BEIS and Secretary of State charges

All monies received by the liquidators must be paid into the Insolvency Service's Account. This account is held by a division of the Department for Business, Energy & Industrial Strategy ('BEIS') with National Westminster Bank Plc and is under the control of the Secretary of State. This account attracts charges which are deducted at source and apply in all cases.

The current and most recent charges are listed below. Details of previous charges can be found on the Insolvency Service's website.

Fee type	Current fee £
Banking Fee	22.00
BACS Payment	0.15
Cheque Fee	1.10
CHAPS Payment	10.30
Unclaimed Dividend Fee	25.75

Type of Fee	Fees applicable for Winding up Petitions presented on or after 21 July 2016
One off 'General Fee' (applied at the start of the appointment)	£6,000.00

Details of the various fees and charges levied in this case are contained within the liquidators' receipts & payments account at appendix I.

7.5 Policies regarding use of third parties and expenses recovery

Appendix IV provides details of Evelyn Partners LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

8. Outstanding matters

The remaining actions to be concluded in the liquidation are as follows:

- Finalisation of the dispute in relation to the surplus funds of £561,000 from the sale of the Property.
- Finalise investigations into the Company.

- Where applicable, adjudicate creditor claims and issue distributions to creditors.
- Closure of the liquidation, including preparing and issuing final report.

The joint liquidators are in discussions with the various parties claiming an interest in the surplus funds from the sale of the Property. If this asset is realised for the benefit of creditors, then it is likely that a distribution will be declared to the unsecured creditors, however the quantum and timing remains uncertain.

The joint liquidators' costs to date are £19,084.03, as detailed in section six, compared to our revised estimate of £51,904.21.

Anticipated future costs are estimated in the region of £33,000 and appendix IV provides a detailed breakdown of our anticipated future costs. These costs are dependent on the legal advice received and strategy implemented by the joint liquidators. Due to the confidential nature of these discussions, creditors will be updated at the appropriate time.

9. Privacy and data protection

As part of our role as joint liquidators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at www.evelyn.com/rsgdpr.

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact Anjna Kalia of our office if you believe this applies.

10. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the liquidators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the liquidators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Nicholas Myers or Henry Anthony Shinnars in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gov.uk

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.

11. Next report

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation unless we have concluded matters prior to this, in which case we will write to all creditors and members with our final account.



Nicholas Myers (Aug 4, 2022 15:58 GMT+1)

Nicholas Myers and Henry Anthony Shinnars

Joint Liquidators

4 August 2022

Nicholas Myers and Henry Anthony Shinnars have been appointed as joint liquidators of the Company on 10 June 2020.

They act as agents and without personal liability.

Both officeholders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: www.evelyn.com/insolvency-licensing-bodies

The joint liquidators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the joint liquidators. Personal data will be kept secure and processed only for matters relating to the joint liquidators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at www.evelyn.com/rrsgdpr

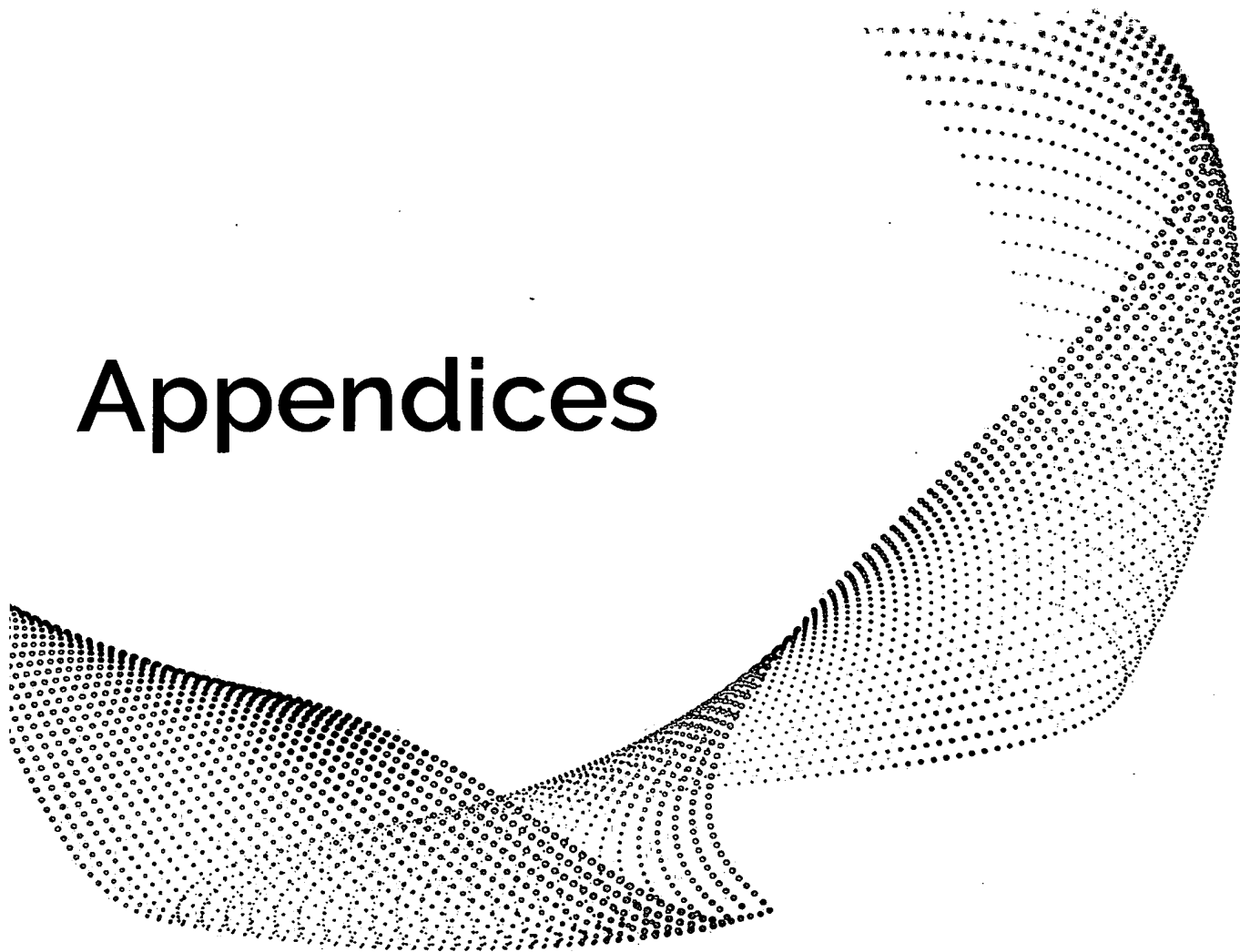
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office.

Registered in England at 45 Gresham Street, London EC2V 7BG No OC369631.

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities.

Appendices



I Receipts & payments account

Statement of Affairs £		From 10/06/2021 To 09/06/2022 £	From 10/06/2020 To 09/06/2022 £
561,343.00	ASSET REALISATIONS		
	Surplus from solicitors	NIL	1,251.80
		NIL	1,251.80
	COST OF REALISATIONS		
	BEIS Banking Fees	88.00	176.00
	General Fee	NIL	6,000.00
	Official Receiver Debit Balance (Net)	NIL	3,400.00
		(88.00)	(9,576.00)
		(88.00)	(8,324.20)
	REPRESENTED BY		
	ISA Interest Bearing A/c		(8,324.20)
			(8,324.20)

Notes and further information required by SIP 9

- The only payments relate to banking fees deducted at source.

Notes and further information required by SIP 7

- The liquidators' remuneration has been approved.
- We have sought approval to draw any other costs that would require the same approval as our remuneration.
- No payments have been made to us from outside the estate
- Details of significant expenses paid are provided in the body of our report.
- Information concerning the liquidators' remuneration and expenses incurred is provided in the body of our report.
- Information concerning the ability to challenge the liquidators' remuneration and expenses of the liquidation is provided in our report.
- All bank accounts are interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts & payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

II Time analysis for the period

From 10 June 2021 to 9 June 2022

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.75	-	1.05	9.40	-	11.20	3,339.75	298.19
Case administration	1.15	0.07	5.35	6.47	-	13.03	4,029.83	309.19
Joint and former office holders	0.10	-	-	-	-	0.10	60.00	600.00
Sub-total Administration & planning	2.00	0.07	6.40	15.87	-	24.33	7,429.58	305.33
Investigations								
Records and investigations	-	-	-	2.83	-	2.83	764.99	270.00
Sub-total Investigations	-	-	-	2.83	-	2.83	764.99	270.00
Realisation of assets								
Other assets	-	-	0.10	-	-	0.10	33.50	335.00
Legal actions (civil recoveries)	2.35	-	0.35	-	-	2.70	1,527.25	565.65
Sub-total Realisation of assets	2.35	-	0.45	-	-	2.80	1,560.75	557.41
Creditors								
Unsecured creditors (exc. Staff)	-	-	-	1.90	-	1.90	513.00	270.00
Sub-total Creditors	-	-	-	1.90	-	1.90	513.00	270.00
Grand total hours	4.35	0.07	6.85	20.60	-	31.87		
Grand total £	2,610.00	25.60	2,086.75	5,545.97	-		10,268.32	
Average rate £/hr (all staff)	600.00	383.81	304.64	269.22	-			322.23

Explanation of major work activities undertaken

Administration and Planning

This section of the analysis encompasses the cost of the liquidators and their staff in complying with their statutory obligations and internal compliance requirements. This work includes the following:

- Maintaining physical case files and electronic case details on IPS (case management software)
- Case planning and administration
- Preparing reports to creditors
- Maintaining and managing the liquidators' cash book and bank accounts

Investigations

- Reviewing Company's books and records
- Holding discussions with key creditors
- Discussions with our legal advisors and the other parties claiming an interest in the surplus funds from the sale of the Property

Realisation of assets

- Work in relation to realising the funds held in the solicitors' clients' accounts.
- Time in this section also relates to the surplus funds from the sale of the Property

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company. The work includes the following:

- Dealing with creditor correspondence via email and telephone.
- Holding discussions with the key creditor.

III Cumulative time analysis

Cumulative	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.75	-	1.15	10.50	-	12.40	3,651.75	294.50
Case administration	1.40	0.07	6.10	8.47	-	16.03	4,918.58	306.77
Joint and former office holders	0.10	-	0.15	-	-	0.25	107.25	429.00
Administration & planning - other (legacy)	1.60	0.10	5.70	5.50	-	12.90	4,156.44	322.20
Sub-total Administration & planning	3.85	0.17	13.10	24.47	-	741.58	112,834.02	308.63
Investigations								
Records and investigations	-	-	-	7.03	-	7.03	1,835.99	261.04
Sub-total Investigations	-	-	-	7.03	-	7.03	1,835.99	261.04
Realisation of assets								
Freehold property assets	0.75	-	-	1.73	-	2.48	869.52	350.13
Other assets	-	-	0.10	0.35	-	0.45	122.75	272.78
Legal actions (civil recoveries)	4.35	-	0.45	-	-	4.80	2,698.75	562.24
Sub-total Realisation of assets	5.10	-	0.55	2.08	-	7.73	3,691.02	477.28
Creditors								
Unsecured creditors (exc. Staff)	0.10	-	-	2.50	-	2.60	723.00	278.08
Sub-total Creditors	0.10	-	-	2.50	-	2.60	723.00	278.08
Grand total hours	9.05	0.17	13.65	36.08	-	58.95		
Grand total £	5,289.00	72.04	4,228.75	9,494.24	-		19,084.03	
Average rate £/hr (all staff)	584.42	432.15	309.80	263.12	-			323.73

Revised fee and expenses estimate

Description of activity	Cumulative time to date (restated)			Last approved estimate			Variance to fee estimate	
	Hours	£	£/hr	Hours	£	£/hr	Hours	£
Administration & planning								
Statutory & Regulatory	12.40	3,651.75	294.50	20.85	6,498.75	311.69	8.45	2,847.00
Case administration	16.03	4,918.58	306.77	19.05	5,752.75	301.98	3.02	834.17
Post appointment AML	-	-	-	4.35	1,188.00	273.10	4.35	1,188.00
Joint and former office holders	0.25	107.25	429.00	0.15	47.25	315.00	(0.10)	(60.00)
Administration & planning - other (legacy)	12.90	4,156.44	322.20	12.90	4,156.44	322.20	-	-
Sub-total Administration & planning	41.58	12,834.02	308.63	57.30	17,643.19	307.91	15.72	4,809.17
Investigations								
Directors	-	-	-	7.10	2,589.00	364.65	7.10	2,589.00
Records and investigations	7.03	1,835.99	261.04	28.95	8,901.00	307.46	21.92	7,065.01
Sub-total Investigations	7.03	1,835.99	261.04	36.05	11,490.00	318.72	29.02	9,654.01
Realisation of assets								
Freehold property assets	2.48	869.52	350.13	2.48	869.52	350.13	-	-
Other assets	0.45	122.75	272.78	50.35	18,464.25	366.72	49.90	18,341.50
Legal actions (civil recoveries)	4.80	2,698.75	562.24	2.10	1,171.50	557.86	(2.70)	(1,527.25)
Sub-total Realisation of assets	7.73	3,691.02	477.28	54.93	20,505.27	373.28	47.20	16,814.25
Creditors								
Unsecured creditors (exc. Staff)	2.60	723.00	278.08	6.30	2,265.75	359.64	3.70	1,542.75
Sub-total Creditors	2.60	723.00	278.08	6.30	2,265.75	359.64	3.70	1,542.75
Total	58.95	19,084.03	323.73	154.58	51,904.21	335.77	95.63	32,820.18

Corona Properties Limited (In compulsory liquidation)		
Estimated expenses in accordance with Categories 1 & 2 (SIP 9) and payable to third parties *		
Estimated expenses applicable to all cases		Total (£)
Specific bond		140.00
Statutory advertising costs		91.00
Search costs (HM Land Registry & Companies House)		10.00
Case specific costs - where applicable		
Legal fees		30,000.00
Total		30,241.00
* Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.		

Comparison to revised Fee Estimate

Creditors may recall that our current agreed fee estimate is £51,904.21. Our total cumulative time costs are lower than originally anticipated as resolution of the surplus Property funds remains ongoing.

A comparison is shown below. Our actual time costs for the current period were £10,268.32 while our cumulative time costs are £19,084.03 (compared to our estimate of £51,904.21) which we intend to draw when funds permit.

Category	Estimate (£)	Actual (£)	Difference (£)	Reason
Administration & Planning	17,643.19	12,834.02	4,809.17	Time allocated to this category is lower than originally estimated as realisation of the assets and investigations remains ongoing.
Investigations	11,490.00	1,835.99	9,654.01	Time allocated to this category is significantly less than originally estimated as the majority of the investigations into the sale of the Property have been conducted by our legal advisors. In addition, this matter remains ongoing.
Realisation of Assets	20,505.27	3,691.02	16,814.25	Time allocated to this category is significantly less than originally anticipated as the dispute in relation to the surplus funds remains ongoing.
Creditors	2,265.75	723.00	1,542.75	Time allocated to creditors is less than originally estimated as, to date, there has been no need to adjudicate creditor claims or issue distributions.
Total	51,904.21	19,084.03	32,820.18	The joint liquidators have a number of ongoing matters including resolving the issue of the surplus funds of £561k. This matter is likely to be complex and the joint liquidators anticipated discussions to be lengthy.

IV Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are:

- Evelyn Partners LLP's policy in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Evelyn Partners LLP's current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or director or associate director or consultant as joint officeholders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised in London), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, eg, geographical location, of individual cases.

This case is predominantly being conducted from the London

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.
- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and

- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a category 1 expense to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also, chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of category 2 expense.

No category 2 expenses have been incurred and/or recovered in the period covered by this report.

Charge out rates

A schedule of Evelyn Partners LLP's charge out rates was issued to creditors at the time the basis of the liquidators' remuneration was approved.

The rates applicable to this appointment are set out below. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2021.

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2019	London office £/hr	Regional Offices £/hr
Partner / Director	470-540	376-432
Associate Director	440	352
Managers	270-380	216-304
Other professional staff	180-380	144-192
Support & secretarial staff	100	80

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2020	London office £/hr	Regional Offices £/hr
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Partner / Director	495-570	396-456
Associate Director	380-465	372
Managers	285-400	228-320
Other professional staff	125-465	152-204
Support & secretarial staff	105	84

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2021	London office £/hr	Regional Offices £/hr
Partner	590-610	480
Director & Associate Director	395-530	395-415
Managers	290-430	240-335
Other professional staff	130-280	160-215
Support & secretarial staff	100-120	90

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2022	London office £/hr	Regional Offices £/hr
Partner	650-670	528
Director & Associate Director	420-570	410-455
Managers	280-460	230-370
Other professional staff	205-300	165-240
Support & secretarial staff	100-120	88

Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.

V Professional advisers

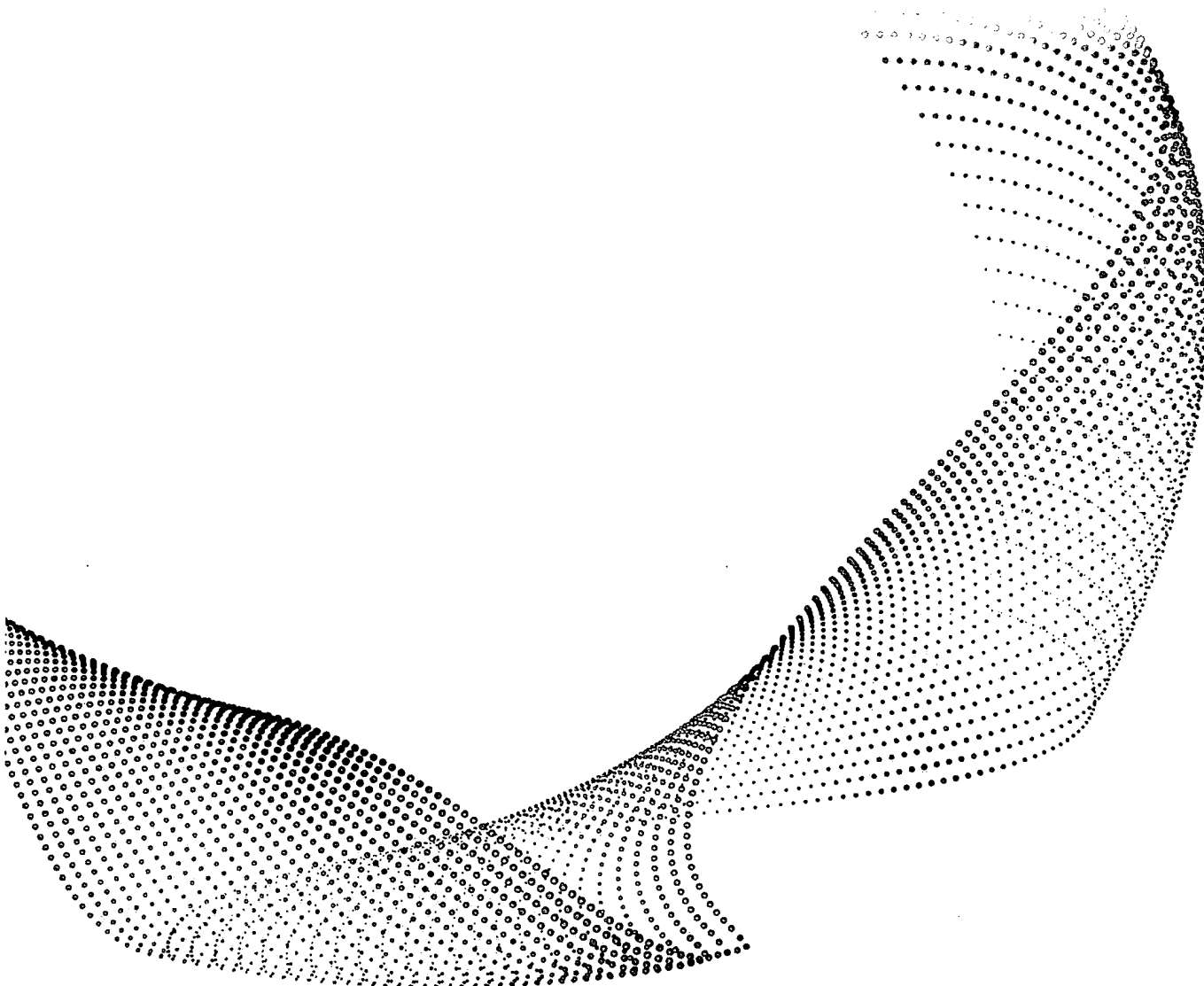
Name of professional advisor	Basis of fee arrangement	Revised estimate £	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Variance – initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
DAC (legal advice including: Ongoing property matter)	Hourly rate and expenses	30,000.00	16,106.00 and expenses of 98.00	34,578.00 plus expenses of 6,000.00	50,684.00 plus expenses of 6,098.00	5,000.00	55,684.00 plus expenses of 6,098.00	20,684.00 plus expenses of 6,098.00	Nil	50,684.00 plus expenses of 6,098.00
Total		30,000.00	16,106.00 and expenses of 98.00	34,578.00 plus expenses of 6,000.00	50,684.00 plus expenses of 6,098.00	5,000.00	55,684.00 plus expenses of 6,098.00	20,684.00 plus expenses of 6,098.00	Nil	50,684.00 plus expenses of 6,098.00

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

VI Liquidators' expenses

Description	Revised estimate £	B/F from previous period	Costs incurred in current period	Cumulative total £	Estimate for future £	Anticipated future total £	Variance – initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
Statutory Advertising	91.00	91.00	Nil	91.00	Nil	91.00	Nil	Nil	91.00
Liquidators' bonds	140.00	140.00	Nil	140.00	Nil	140.00	Nil	Nil	140.00
Searches	10.00	Nil	Nil	Nil	Nil	Nil	10.00	Nil	Nil
Total	241.00	231.00	Nil	231.00	Nil	231.00	10.00	Nil	231.00

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities. Registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

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