

# WU07

## Notice of progress report in a winding-up by the court



Companies House

THURSDAY



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A05

05/08/2021

#201

COMPANIES HOUSE

### 1 Company details

Company number 0 6 4 6 3 3 3 8

Company name in full Corona Properties Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Nicholas

Surname Myers

### 3 Liquidator's address

Building name/number 25 Moorgate

Street London

Post town EC2R 6AY

County/Region

Postcode

Country

### 4 Liquidator's name ①

Full forename(s) Henry Anthony

Surname Shinnars

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 25 Moorgate

Street London

Post town EC2R 6AY

County/Region

Postcode

Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

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**6** Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
To date	<sup>d</sup> 0	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

**7** Progress report

☒ The progress report is attached

**8** Sign and date

Liquidator's signature

Signature

X

*Nicholas Myers*

Nicholas Myers (Aug 4, 2021 10:03 GMT+1)

X

Signature date

<sup>d</sup> 0	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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WU07

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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 **Robbie Abraham**

Company name **Smith & Williamson LLP**

Address **25 Moorgate**

**London**

Post town **EC2R 6AY**

County/Region

Postcode

Country

DX **119507 Finsbury Square EC2**

Telephone **020 7131 4000**



**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



# Corona Properties Limited (in compulsory liquidation)

Joint liquidators' annual progress report for the period from 10  
June 2020 to 9 June 2021

4 August 2021



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# 1. Glossary

Abbreviation	Description
the Company	Corona Properties Limited
the liquidators/joint liquidators	Henry Anthony Shinnars and Nicholas Myers
OR	Official Receiver
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
SOA	Statement of Affairs
HMRC	HM Revenue & Customs
DAC	DAC Beachcroft LLP
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)

## 2. Introduction and statutory information

This report provides an update on the progress in the liquidation of the Company for the year ended 9 June 2021. It should be read in conjunction with any previous reports. By way of reminder, we, Nicholas Myers and Henry Anthony Shinnars, both of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY, 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.

The principal trading address of the Company was Linden House, South View Road, Pinner, HA5 3YD. The Company's registered office is 25 Moorgate, London, EC2R 6AY and its registered number is 06463338.

Please note that this report has been produced during the period of the Covid-19 pandemic. In light of the pandemic, we continue to monitor this situation and comply with the current guidance and regulations from the UK government.

Our team members are successfully working remotely from home as well as from the office where necessary, and we will continue to do so, as required in line with the UK government's guidelines. We are fortunate to have at hand all the tools needed to communicate virtually, internally and externally.

Please be aware that some case staff may be working outside normal business hours but please be assured that your communications are important to us and will be responded to by the relevant team member who will contact you as soon as they are available to do so. We apologise in advance for any delay in responding to your communication and wish to take this opportunity to thank you for your patience and understanding during this unprecedented and challenging time.

If you have any concerns regarding this matter, please contact Anjna Kalia by email at [anjna.kalia@smithandwilliamson.com](mailto:anjna.kalia@smithandwilliamson.com) or by telephone 020 7131 8184.

## 3. Realisation of assets

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

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 solicitors

The sum of £661.00 was received from Bowling & Co Solicitors and the further sum of £590.80 was realised from Veale Wasbrough Vizards LLP. These funds were held in their respective client accounts and accordingly returned to the Company.

### 3.2 Surplus funds from sale of 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 a property by the former joint fixed charge receivers. The liquidators have been advised that there is a dispute in respect of these funds where several parties are claiming an interest. This matter remains ongoing and creditors will be updated at the appropriate time.

### 3.3 Assets still to be realised

As detailed above, the matter in relation to the surplus funds remains disputed and communications with the various parties remains ongoing.

## 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 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 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 lenders was discharged in full prior to the presentation of the petition to wind the Company up, by receivers appointed to deal with the Company's 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 joint liquidators are not aware that the Company has any debt due to any floating charge creditors and accordingly the prescribed part requirements does 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 Unsecured creditors

We have received claims totalling £1,251,831 from four creditors. Total claims as per the director's SOA were £3,311,065.



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 have yet to approve the basis of the liquidators' remuneration. The joint liquidators would like to pass a decision to agree that the basis of the liquidators' fees be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation.

The liquidators' time costs are:

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
10 June 2020 to 9 June 2021	46.58	15,099.21	324.00	Nil
Total	46.58	15,099.21	324.00	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.

In the liquidators' initial report to creditors they proposed a decision requesting that they would like to draw their fees on a time costs basis limited to £45,052.00 for the first year of the liquidation. Unfortunately insufficient votes were received and this decision was not passed by the creditors. However at appendix III the liquidators have provided a comparison between that original estimate and the time incurred in the period, for creditors' information. The joint liquidators' time costs to date are £15,099.21, as above, compared to our original estimate of £45,052.00.

It is likely that the joint liquidators will incur further time costs of approximately £37,000 during the liquidation however this is dependent on the time costs incurred in finalising the matter detailed in point 3.2. Accordingly, the joint liquidators wish to seek a creditors' decision that the joint liquidators' fees be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation and their time costs are estimated to be £51,904.21 plus VAT for the duration of the liquidation. The joint liquidators anticipate significant discussions with the other parties claiming an interest in the funds.

A revised fee estimate is provided at appendix IV. Please note that this estimate is based on present information and may change due to unforeseen circumstances arising. A detailed narrative explanation of these costs can be found in the 'Outstanding matters' section of this report.

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 milestone 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/>

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at appendix V. On a general note, please be aware that the charge out rates are subject to an annual review.

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 VI and VII 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 VI. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

#### Comparison to initial expenses estimate

Creditors may recall that our current expenses estimate for professional advisers is £30,000. Our expenses total incurred for the above category for the first year are lower than originally anticipated. 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 VII for details of expenses paid and/or incurred in the current period.

## Comparison to initial expenses estimate

Creditors may recall that our expenses estimate for the joint liquidators' expenses was £241. Our expenses total incurred for the above category for the first year are £231 and accordingly, they 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 V provides details of Smith & Williamson 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 £15,099, as detailed in section six, compared to our original estimate of £45,052. The joint liquidators time costs have not been as high as anticipated because this key matter remains unresolved and discussions have been protracted with the various interested parties.

In addition to the original estimate, the anticipated future costs are in the region of £37,000 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

<https://smithandwilliamson.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 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 25 Moorgate, London EC2R 6AY 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](mailto: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*

Nicholas Myers (Aug 4, 2021 10:03 GMT+1)

Nicholas Myers

Joint Liquidator

4 August 2021

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

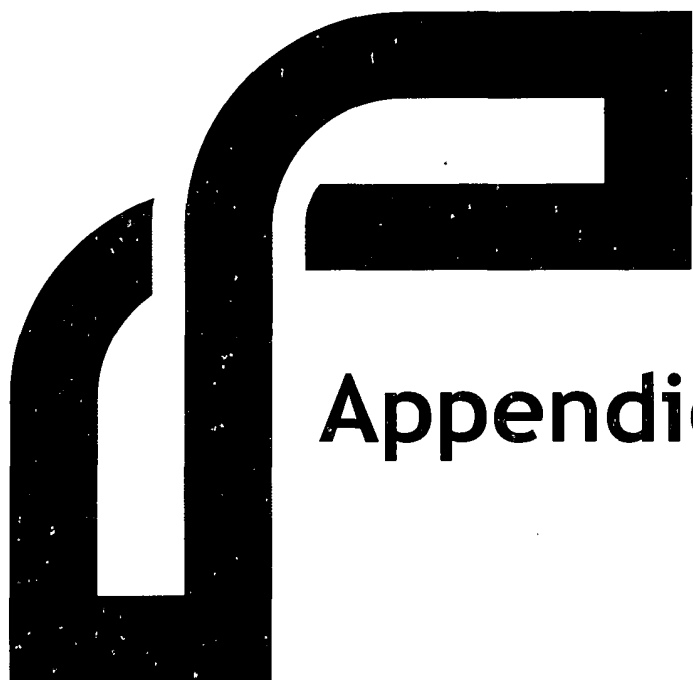
The joint liquidators of the Company are appointed to manage its affairs, business and property. They act as agents and without personal liability.

Both office-holders are authorised and licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at:

<https://www.icaew.com/technical/insolvency/sips-regulations-and-guidance/insolvency-code-of-ethics>

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. Smith and Williamson 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.



# Appendices

# I Receipts & payments account

Statement  
of Affairs  
£

From 10/06/2020  
To 09/06/2021  
£

ASSET REALISATIONS	
Surplus from solicitors	1,251.80
	<u>1,251.80</u>
COST OF REALISATIONS	
BEIS Banking Fees	88.00
General Fee	6,000.00
Official Receiver Debit Balance (Net)	3,400.00
	<u>(9,488.00)</u>
	<u>(8,236.20)</u>
REPRESENTED BY	
ISA Interest Bearing A/c	(8,236.20)
	<u>(8,236.20)</u>

## Notes and further information required by SIP 9

- The expenses paid in this reporting period relate to banking and general fees paid to BEIS.

## Notes and further information required by SIP 7

- The liquidators' remuneration has not yet been approved.
- We have 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 and 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 2020 to 9 June 2021

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	1.00	-	7.75	1.10	-	9.85	2,883.75	293
Closure (fixed fee)	-	-	-	-	-	-	-	-
Case administration	1.60	-	3.45	2.00	-	7.05	2,292.75	325
Post appointment AML	-	-	4.35	-	-	4.35	1,188.00	273
Travelling	-	-	-	-	-	-	-	-
Joint and former office holders	-	-	0.15	-	-	0.15	47.25	315
Administration & planning - other (legacy)	1.60	0.10	5.70	5.50	-	12.90	4,156.44	322
Sub-total Administration & planning	4.20	0.10	21.40	8.60	-	34.30	10,568.19	308
Investigations								
Debtor	-	-	-	-	-	-	-	-
Borrower communications	-	-	-	-	-	-	-	-
Directors	0.10	-	-	-	-	0.10	54.00	540
Records and investigations	0.75	-	-	4.20	-	4.95	1,476.00	298
Sub-total Investigations	0.85	-	-	4.20	-	5.05	1,530.00	303
Realisation of assets								
Freehold property assets	0.75	-	-	1.73	-	2.48	869.52	350
Leasehold property assets	-	-	-	-	-	-	-	-
Fixed charge (chattel mortgages)	-	-	-	-	-	-	-	-
Main residence/matrimonial home	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-
Other assets	-	-	-	0.35	-	0.35	89.25	255
Tax assets	-	-	-	-	-	-	-	-
Business sale	-	-	-	-	-	-	-	-
Legal actions (civil recoveries)	2.00	-	0.10	-	-	2.10	1,171.50	558
Leasing and HP assets	-	-	-	-	-	-	-	-
Invoice discounting/factors	-	-	-	-	-	-	-	-
Premises clearance	-	-	-	-	-	-	-	-
Realisation of assets, other (legacy)	-	-	-	-	-	-	-	-
Sub-total Realisation of assets	2.75	-	0.10	2.08	-	4.93	2,130.27	432
Creditors								
Chargeholders	-	-	-	-	-	-	-	-
Employees, Pensions & RPS	-	-	-	-	-	-	-	-
Unsecured creditors (exc. Staff)	0.80	0.15	0.75	0.60	-	2.30	870.75	379
Disclaimers	-	-	-	-	-	-	-	-
Creditors, other (legacy)	-	-	-	-	-	-	-	-
Sub-total Creditors	0.80	0.15	0.75	0.60	-	2.30	870.75	379
Total of all hours	8.60	0.25	22.25	15.48	-	46.58		
Total of all £	2,679.00	46.44	2,142.00	3,948.27	-		15,099.21	
Average rate	311.51	185.83	96.27	255.00	-			324
Grand total hours	8.60	0.25	22.25	15.48	-	46.58		
Grand total £	2,679.00	46.44	2,142.00	3,948.27	-		15,099.21	
Average rate £/hr (all staff)	312	186	96	255	-			324



## 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
- Initial letters and notifications 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

- 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 Initial fee and expense estimate

From 10 June 2020 to 9 June 2021

Fees estimate according to number of hours, grade of staff and expected work to be undertaken from 10 June 2020 to 9 June 2021							
Anticipated case duration	3	Years					
	Partner / Director	Manager	Senior Administrator	Assistants & support staff			
Hourly rate (£)	540	300	240	100			
	Hours				Total hours	Total estimated time costs (£)	Average hourly rate
Classification of work function							
Anti Money Laundering & Compliance (if not dealt with pre-appointment)							
General compliance, e.g. review ethics checks, update AML etc (internal)		0.30	1.30		1.60	402.00	251.25
Administration and planning							
Statutory returns, reports & meetings	0.50	1.00	5.00	1.00	7.50	1,870.00	249.33
Initial post-appointment notification letters, including creditors			3.00		3.00	720.00	240.00
Cashiering general, including bonding			1.00		1.00	240.00	240.00
Job planning, reviews and progression (inc 6 month reviews and planning meetings, checklist & diary)		2.00	3.00		5.00	1,320.00	264.00
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax that are not trading related)			1.00		1.00	240.00	240.00
Director/manager review, approval and signing	1.00				1.00	540.00	540.00
Other	1.00	1.00	1.00		3.00	1,080.00	360.00
Investigations							
Directors' correspondence & conduct questionnaires			1.00		1.00	240.00	240.00
Statutory books and accounting records review	6.00	7.00	14.00		27.00	8,700.00	322.22
Investigation of legal claims	3.00	2.00	7.00		12.00	3,900.00	325.00
Asset tracing	3.00	1.00	3.00		7.00	2,640.00	377.14
Enquiries of advisors and any parties with relevant information and former dealings	1.00	2.00	3.00		6.00	1,860.00	310.00
Litigation against relevant parties, including directors	2.00	1.00	1.00		4.00	1,620.00	405.00
Director/manager review, approval and signing	1.00				1.00	540.00	540.00
Realisation of assets							
Surplus from Administrators/Administrative Receivers/Receivers	15.00	8.00	8.00		31.00	12,420.00	400.65
Cash at Bank			1.00		1.00	240.00	240.00
Other	1.00	1.00	2.00		4.00	1,320.00	330.00
Creditors							
HMRC	1.00	5.00	1.00		7.00	2,280.00	325.71
Unsecured creditors	1.00	3.00	6.00		10.00	2,880.00	288.00
<b>Total</b>	<b>36.50</b>	<b>34.30</b>	<b>62.30</b>	<b>1.00</b>	<b>134.10</b>	<b>45,052.00</b>	<b>335.96</b>

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
<b>Total</b>	<b>30,241.00</b>

\* 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 Initial Fee Estimate

Creditors may recall that our current fee estimate is £45,052. Our time costs for the first year are lower than originally anticipated as certain discussions with the other stakeholders were carried out by our solicitors. In addition, the matter remains ongoing and discussions with the key parties have been drawn out. The joint liquidators are now seeking approval from creditors that the basis of their fees be agreed on a time costs basis estimated at £51,904, for the duration of the case.

Category	Estimate (£)	Actual (£)	Difference (£)	Reason
Administration & Planning	6,412.00	10,568.19	4,156.19	Time allocated to this category is higher than originally estimated as significant time costs were incurred in planning and strategy.
Investigations	19,500.00	1,530.00	(17,970.00)	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 remain ongoing.
Realisation of Assets	13,980.00	2,130.27	(11,849.73)	Time allocated to this category is significantly less than originally anticipated as the dispute in relation to the surplus funds remains ongoing.
Creditors	5,160.00	870.75	(4,289.25)	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	45,052.00	15,099.21	(29,952.79)	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 Future fees estimate

Description of activity	time to date (restated)			Future costs			Total costs / new fee estimate			Variance to previous estimate	
	Hours	£	£/hr	Hours	£	£/hr	Hours	£	£/hr	Hours	£
<b>Administration &amp; planning</b>											
Statutory & Regulatory	9.85	2,883.75	292.77	11.00	3,615.00	328.64	20.85	6,498.75	311.69	(4.35)	(2,048.75)
Closure (fixed fee)	-	-	-	-	-	-	-	-	-	-	-
Case administration	7.05	2,292.75	325.21	12.00	3,460.00	288.33	19.05	5,752.75	301.98	(12.05)	(3,952.75)
Post appointment AML	4.35	1,188.00	273.10	-	-	-	4.35	1,188.00	273.10	(2.75)	(786.00)
Travelling	-	-	-	-	-	-	-	-	-	-	-
Joint and former office holders	0.15	47.25	315.00	-	-	-	0.15	47.25	315.00	(0.15)	(47.25)
Administration & planning - other (legacy)	12.90	4,156.44	322.20	-	-	-	12.90	4,156.44	322.20	(8.90)	(2,536.44)
<b>Sub-total Administration &amp; planning</b>	<b>34.30</b>	<b>10,568.19</b>	<b>308.11</b>	<b>23.00</b>	<b>7,075.00</b>	<b>307.61</b>	<b>57.30</b>	<b>17,643.19</b>	<b>307.91</b>	<b>(28.20)</b>	<b>(9,371.19)</b>
<b>Investigations</b>											
Debtor	-	-	-	-	-	-	-	-	-	-	-
Borrower communications	-	-	-	-	-	-	-	-	-	-	-
Directors	0.10	54.00	540.00	7.00	2,535.00	362.14	7.10	2,589.00	364.65	(6.10)	(2,349.00)
Records and investigations	4.95	1,476.00	298.18	24.00	7,425.00	309.38	28.95	8,901.00	307.46	21.05	7,959.00
<b>Sub-total Investigations</b>	<b>5.05</b>	<b>1,530.00</b>	<b>302.97</b>	<b>31.00</b>	<b>9,960.00</b>	<b>321.29</b>	<b>36.05</b>	<b>11,490.00</b>	<b>318.72</b>	<b>15.95</b>	<b>6,150.00</b>
<b>Realisation of assets</b>											
Freehold property assets	2.48	869.52	350.13	-	-	-	2.48	869.52	350.13	28.52	11,550.48
Leasehold property assets	-	-	-	-	-	-	-	-	-	-	-
Fixed charge (chattel mortgages)	-	-	-	-	-	-	-	-	-	-	-
Main residence/matrimonial home	-	-	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-	-	-
Other assets	0.35	89.25	255.00	50.00	18,375.00	367.50	50.35	18,464.25	366.72	(49.35)	(18,224.25)
Tax assets	-	-	-	-	-	-	-	-	-	-	-
Business sale	-	-	-	-	-	-	-	-	-	-	-
Legal actions (civil recoveries)	2.10	1,171.50	557.86	-	-	-	2.10	1,171.50	557.86	(2.10)	(1,171.50)
Leasing and HP assets	-	-	-	-	-	-	-	-	-	-	-
Invoice discounting/factors	-	-	-	-	-	-	-	-	-	-	-
Premises clearance	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets, other (legacy)	-	-	-	-	-	-	-	-	-	4.00	1,320.00
<b>Sub-total Realisation of assets</b>	<b>4.93</b>	<b>2,130.27</b>	<b>431.81</b>	<b>50.00</b>	<b>18,375.00</b>	<b>367.50</b>	<b>54.93</b>	<b>20,505.27</b>	<b>373.28</b>	<b>(18.93)</b>	<b>(6,525.27)</b>
<b>Creditors</b>											
Chargeholders	-	-	-	-	-	-	-	-	-	-	-
Employees, Pensions & RPS	-	-	-	-	-	-	-	-	-	-	-
Unsecured creditors (exc. Staff)	2.30	870.75	378.59	4.00	1,395.00	348.75	6.30	2,265.75	359.64	10.70	2,894.25
Disclaimers	-	-	-	-	-	-	-	-	-	-	-
Creditors, other (legacy)	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-total Creditors</b>	<b>2.30</b>	<b>870.75</b>	<b>378.59</b>	<b>4.00</b>	<b>1,395.00</b>	<b>348.75</b>	<b>6.30</b>	<b>2,265.75</b>	<b>359.64</b>	<b>10.70</b>	<b>2,894.25</b>
<b>Total</b>	<b>46.58</b>	<b>15,099.21</b>	<b>324.13</b>	<b>108.00</b>	<b>36,805.00</b>	<b>340.79</b>	<b>154.58</b>	<b>51,904.21</b>	<b>335.77</b>	<b>(20.48)</b>	<b>(6,852.21)</b>

### Explanation of major work activities to be 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
- Initial letters and notifications to creditors
- Maintaining and managing the liquidators' cash book and bank accounts

#### Investigations

- Reviewing Company's books and records and writing to all notable transacting parties identified in the bank statements
- Holding discussions with key creditors
- Discussions with our legal advisors and the other interested parties in relation to the surplus funds from the sale of the property. These fees are dependent on the strategy undertaken by the joint liquidators and the advice received from our legal advisors.

#### Realisation of assets

- Discussions with our legal advisors in relation 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 key creditors.

# V Staffing, charging, subcontractor and adviser policies and charge out rates

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## Introduction

Detailed below are:

- Smith & Williamson LLP's policy in relation to:
  - Staff allocation and the use of subcontractors
  - Professional advisers
  - Expenses recovery
- Smith & Williamson 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 as joint office-holders, 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 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 and where best value and service will be added.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

## 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 S435 of the Insolvency Act 1986 and in SIP9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in SIP9 and therefore do not require prior approval from the committee or creditors.

S&WFS Employee Benefits Consultancy	
Charge out rates from 1 August 2020	Per hour £
Director	280-360
Associate Director	220-275
Manager	160-200
Administrator	70-110

## 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 Smith & Williamson 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 expenses.

No category 2 disbursements have been incurred or paid in this reporting period.

## Charge out rates

A schedule of Smith & Williamson 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 2020.

Smith & Williamson LLP	London office	Regional offices
Restructuring & Recovery Services	£/hr	£/hr
Charge out rates as at 1 July 2019		
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

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2020	London office £/hr	Regional offices £/hr
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

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 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

#### 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 January 2021 the cashiering function time is incorporated within "Other professional staff" rates. From 1 February 2021 the cashiering function time is split between "Other professional staff" and "Associate Director".



## VI Professional advisers

Name of professional advisor	Basis of fee arrangement	Initial / revised estimate £	B/f from previous period £	Costs incurred in current period £	Cumulative total £	Estimate future £	Anticipated future total £	Variance - initial to anticipated £	Costs paid in current period £	Total costs outstanding at period end £
DAC	Hourly rate and expenses	30,000.00	Nil	16,106.00 and expenses of 98.00	16,106.00 and expenses of 98.00	Uncertain	Uncertain	13,984.00	Nil	16,106.00 and expenses of 98.00
(legal advice including: Ongoing property matter)										
Total		30,000.00	Nil	16,106.00 and expenses of 98.00	16,106.00 and expenses of 98.00	Uncertain	Uncertain	13,984.00	Nil	16,106.00 and expenses of 98.00

## VII Liquidators' expenses

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

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

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