

LIQ03

Notice of progress report in voluntary winding up



Companies House

WEDNESDAY



A05 *A92IR80R* 08/04/2020 #56
COMPANIES HOUSE

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se

1 Company details

Company number 0 8 4 4 5 9 6 8

Company name in full S&A Contracts Limited

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

2 Liquidator's name

Full forename(s) Thomas

Surname D'Arcy

3 Liquidator's address

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s) Susan

Surname Maund

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 44-46 Old Steine

Street Brighton

Post town BN1 1NH

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	d	0	3	m	0	4	y	2	0	1	9
To date	d	0	2	m	0	4	y	2	0	2	0

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

Mara Ash

X

Signature date

d	0	6	m	0	4	y	2	0	2	0
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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 **Jamie Pain**Company name **White Maund**Address
44-46 Old Steine
BrightonPost town **BN1 1NH**

County/Region

Postcode

Country

DX **info@whitemaund.co.uk**Telephone **01273 731144****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

Joint Liquidators' Annual Progress Report to Creditors & Members

**S&A Contracts Limited
- In Liquidation**

6 April 2020

S&A CONTRACTS LIMITED - IN LIQUIDATION

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S&A CONTRACTS LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Thomas D'Arcy, together with my colleague Susan Maund, of White Maund, 44-46 Old Steine, Brighton, BN1 1NH, was appointed as Joint Liquidator of S&A Contracts Limited ("the Company") on 3 April 2018. This progress report covers the period from 2 April 2020 to 2 April 2020 ("the Period") and should be read in conjunction with any previous progress reports which have been issued.
- 1.1 Information about the way that we will use, and store personal data on insolvency appointments can be found at <http://www.whitemaund.co.uk/wp-content/uploads/2018/07/WM-Privacy-Policy.pdf>. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.2 The principal trading address of the Company was 5 Ashengate Way, Five Ash Down, Uckfield, East Sussex, TN22 3EX.
- 1.3 The registered office of the Company has been changed to White Maund, 44-46 Old Steine, Brighton, East Sussex, BN1 1NH and its registered number is 08445968.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report together with a cumulative Receipts and Payments Account for the period from the date of my appointment as Joint Liquidator to the end of the Period covered by this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Liquidator and his staff.

Administration (including statutory compliance & reporting)

- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate/information.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidators.
- 3.4 As noted in my initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of Assets

Directors Loan Account ("DLA")

- 3.5 Creditors will recall that the Joint Liquidators had been investigating an outstanding DLA. The amount was listed in the Statement of Affairs with a value of £494,197 which was the figure as shown on the last filed accounts for the period ended 31 August 2016.
- 3.6 Following further investigations into the Company's affairs and obtaining a full breakdown of the DLA, the Joint Liquidators were of the view that this amount was validly due to the Company and should be repaid by the Director.

S&A CONTRACTS LIMITED - IN LIQUIDATION

- 3.7 Solicitors were instructed and contact was made with the Director requesting settlement of the DLA.
- 3.8 The situation became more protracted than envisaged due to the Director instructing two firms of different solicitors to act on his behalf during the period.
- 3.9 With little progress being made, solicitors were instructed to issue a statutory demand against the Director for the full sum of £494,197.
- 3.10 This prompted the Director to make an offer of settlement of £175,000 on the basis that £100,000 would be paid within 28 days, £30,000 by the end of June 2020 and £2,500 per month thereafter for a period of 18 months. I instructed my solicitor to negotiate to see if an higher offer could be agreed. Whilst negotiations in early March 2020 were continuing, the wider economic impact of the corona virus pandemic was becoming apparent and the Director became increasingly concerned about his ability to pay over an extended period.
- 3.11 As a consequence, and after several revised offers and counter offers, a final offer of £100,000 payable immediately was made and accepted. As per the terms of the signed agreement, the funds were received and accepted in full and final settlement of the DLA as showing in the Company accounts for the year ended 31 August 2016.
- 3.12 It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

Creditors (claims and distributions)

- 3.13 Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.
- 3.15 The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

Investigations

- 3.16 You may recall from my first progress report to creditors that some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.
- 3.17 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.

S&A CONTRACTS LIMITED - IN LIQUIDATION

- 3.18 Since my last progress report I would advise that following a review of the Company bank statements, further spending has been uncovered that will be reviewed further and if it is deemed that this constitutes a misfeasance then further action will be taken.

Matters still to be dealt with

Investigations

- 3.19 Whilst we have completed the majority of our investigations, there are a number of transactions still under review. We are unable to provide any further detail at this stage as doing so might prejudice the outcome.
- 3.20 We hope to include further details in our next report to creditors.

Tax Matters

- 3.21 The Company's post liquidation tax returns will be completed and submitted to HM Revenue & Customs as and when they fall due.

4 Creditors

Unsecured Creditors

- 4.2 I have received one claim totalling £902,970 from one creditor. I am not aware of there being any other creditors.
- 4.3 I would confirm that it is anticipated there will be sufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors, however the quantum and timing of any such dividend will be dependent on any future asset realisations.
- 4.4 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**), which only applies to charges created after 15 September 2003.

5 Joint Liquidators' Remuneration

- 5.1 The Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation but this be capped at £7,811 at which point further approval may be sought. My fees estimate/information was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.
- 5.2 A copy of my fees estimate is reproduced below:

Category of work	Estimated number of hours	Average hourly rate	Estimated total
Administration (inc statutory compliance & reporting)	86.70	203.51	17,644
Realisation of assets	128.50	201.85	25,938
Creditors (claims & distributions)	36.50	195.55	7,138
Investigations	26.30	202.76	5,333
Total estimated fees	278.00	200.92	56,053

S&A CONTRACTS LIMITED - IN LIQUIDATION

- 5.3 My time costs for the Period are £26,073. This represents 120 hours at an average rate of £218 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation. To date no fees have been drawn.
- 5.4 Also attached as Appendix D is Time Analysis for the period from 3 April 2018 to 2 April 2020 which provides details of my time costs since my appointment. The cumulative time costs incurred to date are £32,404. This represents 151 hours at an average rate of £215 per hour.
- 5.5 At the date of this report, I would confirm that my fees estimate for the liquidation remains unchanged. This is because I consider my estimate to be sufficient or because I intend restricting the Joint Liquidators' time costs to be drawn from the estate to the level of my estimate and as a result, any time incurred in excess of this will not be borne by creditors.
- 5.6 As a result of the realisations to date as detailed above, I am seeking further approval by correspondence from the creditors to approve my time costs to the limit as shown in my fees estimate. I attach at Appendices D and E a Notice of Decision by Correspondence and a Voting Form which I should be grateful if you would complete and return by the decision date of 24 April 2020.
- 5.7 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.icaew.com/technical/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>
- 5.8 Attached at Appendices F and G is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

6 Pre-Appointment Fees

- 6.1 A request was sought from Creditors for the approval of the Joint Liquidators' pre-appointment fees totalling £5,000 plus VAT and necessary disbursements for assisting the Director to prepare a statement of affairs for the Company included reviewing the Company's accounting records, liaising with agents where necessary to establish values for any assets owned by the Company and liaising with the Company's accountant, bankers and director as necessary to enable this document to be prepared and verified ahead of the Decision Date.
- 6.2 Although this request was not approved by Creditors, the Joint Liquidators were advised that should an application to Court be made for the approval of these fees, no objections would be raised.
- 6.3 Solicitors were therefore instructed to prepare an application to Court for the agreement of these fees.
- 6.4 The order was granted on 17 October 2019. These fees have not yet been drawn.

7 Creditors' Rights

- 7.1 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) may request in writing that the Joint Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

S&A CONTRACTS LIMITED - IN LIQUIDATION

8 Next Report

- 8.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will write to all creditors with my final account.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Thomas D'arcy', with a stylized flourish at the end.

Thomas D'arcy
Joint Liquidator

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements**1 Staff Allocation and the Use of Sub-Contractors**

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, 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.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Named Professional Advisor	Basis of Fee Arrangement
DMH Solicitors (legal advice and assistance on the recovery of the DLA and application to Court for approval of pre-appointment fees)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Liquidators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated cost
Solicitors' costs	10,000
Statutory advertising	225
Specific penalty bond	60
External storage of company's books and records	Uncertain

Current position of Joint Liquidators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Incurred but not paid	Paid in the period ending 30th September 2015	Incurred but not paid	Total
Solicitors' costs	0	24,329	0	35,000
Statutory advertising	0	0	225	225
Specific penalty bond	0	0	60	396

S&A CONTRACTS LIMITED - IN LIQUIDATION

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of 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. These disbursements are included in the tables of expenses above.
- 3.4 Category 2 disbursements 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. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Joint Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

S&A Contracts Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts and Payments

RECEIPTS	Statement of Affairs (£)	From 03/04/2018 To 02/04/2019 (£)	From 03/04/2019 To 02/04/2020 (£)	Total (£)
Cash at Bank	Uncertain	2,246.38	0.00	2,246.38
Director's Loan A/c	Uncertain	0.00	100,000.00	100,000.00
Bank Interest Gross		3.47	0.00	3.47
Deposit for Costs		6,000.00	0.00	6,000.00
		8,249.85	100,000.00	108,249.85
PAYMENTS				
Legal Fees (1)		0.00	24,328.70	24,328.70
		0.00	24,328.70	24,328.70
Net Receipts/(Payments)		8,249.85	75,671.30	83,921.15
MADE UP AS FOLLOWS				
Metro		8,249.85	(8,249.85)	0.00
AIB Client AC 2		0.00	79,111.41	79,111.41
VAT Receivable / (Payable)		0.00	4,809.74	4,809.74
		8,249.85	75,671.30	83,921.15

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

SACONT - S&A Contracts Limited
From: 03/04/2019 To: 02/04/2020
Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Avg Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
600 : Case Administration	6.30	4.50	28.00	0.10	38.90	6,877.50	172.37	60.80	11,076.50
Admin & Planning	6.30	4.50	28.00	0.10	38.90	6,877.50	172.37	60.80	11,076.50
500 : Creditors	4.80	0.00	5.80	0.00	10.40	2,135.00	205.29	10.90	2,247.50
Creditors	4.80	0.00	5.80	0.00	10.40	2,135.00	205.29	10.90	2,247.50
200 : Investigations	4.30	0.00	16.20	0.00	20.50	3,612.50	176.22	26.30	4,557.50
Investigations	4.30	0.00	16.20	0.00	20.50	3,612.50	176.22	26.30	4,557.50
300 : Asset Realisations	48.90	0.00	0.00	0.00	48.90	13,447.50	275.00	52.90	14,532.50
Realisation of Assets	48.90	0.00	0.00	0.00	48.90	13,447.50	275.00	52.90	14,532.50
Total Hours	64.10	4.50	51.00	0.10	118.70	28,072.50	217.82	150.90	32,404.00
Total Fees Claimed						0.00			

** - Denotes codes included in cumulative data that are not present in the period.

Time Entry - Detailed SIP9 Time & Cost Summary

SACONT - S&A Contracts Limited
 From: 03/04/2018 To: 02/04/2020
 Project Code: POST

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
600 : Case Administration	15.10	4.50	40.70	0.50	60.80	11,076.50	182.18
Admin & Planning	15.10	4.50	40.70	0.50	60.80	11,076.50	182.18
500 : Creditors	4.90	0.00	6.00	0.00	10.90	2,247.50	206.19
Creditors	4.90	0.00	6.00	0.00	10.90	2,247.50	206.19
200 : Investigations	4.90	0.00	21.40	0.00	26.30	4,557.50	173.29
Investigations	4.90	0.00	21.40	0.00	26.30	4,557.50	173.29
300 : Asset Realisations	52.70	0.00	0.20	0.00	52.90	14,522.50	274.53
Realisation of Assets	52.70	0.00	0.20	0.00	52.90	14,522.50	274.53
Total Hours	77.60	4.50	68.30	0.50	150.90	32,404.00	214.74
Total Fees Claimed						0.00	

**NOTICE OF DECISION(S) BEING SOUGHT BY CORRESPONDENCE
(A DECISION PROCEDURE)**

Pursuant to S246ZE of the Insolvency Act 1986 and Rule 15.8 of Part 15 of the Insolvency (England and Wales) Rules 2016 (**the Rules**).

**S&A CONTRACTS LIMITED ("the Company") - In Creditors' Voluntary Liquidation
Registered Number - 08445968**

THE PROPOSED DECISION(S)

The following decisions are proposed by the Joint Liquidators ("the Convener") as decisions to be made by the Company's creditors by correspondence:

1. That the basis of the Joint Liquidators' remuneration be fixed as time costs capped at £56,053 as detailed in the fees estimate/information previously provided to creditors.

ENSURING YOUR VOTES ON THE PROPOSED DECISIONS ARE COUNTED

In order for votes on the Proposed Decisions to be counted, a creditor must have delivered the **Voting Form** accompanying this Notice, together with a proof of debt in respect of their claim to the Convener (unless already submitted), whose contact details are below, on or before 24 April 2020 ("the Decision Date"), failing which their votes will be disregarded.

Request for a physical meeting

Insolvency legislation also provides that creditors who meet certain thresholds, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may require a physical meeting to be held to consider the Proposed Decisions. Such a request must be made in writing to the Convener by no later than 5 business days after the date of delivery of this notice and should be accompanied by a proof of debt (unless already submitted).

Contact details

Documents required to be delivered to the Convener pursuant to this notice can be sent by post to the Joint Liquidators at White Maund, 44-46 Old Steine, Brighton, BN1 1NH or alternatively by email to info@whitemaund.co.uk. Any person who requires further information may contact Jamie Pain by telephone on 01273 731144 or alternatively by e-mail at JamieP@whitemaund.co.uk.

Dated: 6 April 2020

Signed: 
Joint Liquidator

Voting Form (Creditors' Voluntary Winding Up)

Name of Company S&A Contracts Limited	Company number 08445968
------------------------------------------	----------------------------

Please indicate whether you are in favour or against each of the decisions set out below and return this form with a proof of debt (if not already submitted) to White Maund, 44-46 Old Steine, Brighton, BN1 1NH, on or before 24 April 2020 ("the Decision Date") in order that approval may be determined.

		In Favour	Against
1	That the remuneration of the Joint Liquidators be agreed on the basis of time spent by the Joint Liquidators and their staff attending to matters arising in the Liquidation capped at £56,053. The Joint Liquidators be authorised to draw remuneration on account of costs incurred as and when funds permit		

Please complete the section below before returning the form

Name of Creditor	
Signature on behalf of creditor	
Position with creditor or relationship to creditor or other authority for signature - please indicate	
Is the signatory the sole member of a body corporate?	YES / NO
Date of signing	

Additional Information in Relation to the Joint Liquidators' Fees, Expenses & Disbursements

1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, 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.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Professional Advisor	Basis of Fee Arrangement
DMH Solicitors (legal advice and assistance on the recovery of the DLA and application to Court for approval of pre-appointment fees)	Hourly rate and disbursements

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

3 Joint Liquidators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees were approved, a copy of which is set out below:

Expense	Estimated Amount
Solicitors' costs	10,000
Statutory advertising	225
Specific penalty bond	60
External storage of company's books and records	Uncertain

Current position of Joint Liquidators' expenses

- 3.2 An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

Expense	Incurred but not paid at date of report	Expenses paid to date of report	Expenses incurred but not paid at date of report	Total
Solicitors' costs	0	24,329	0	35,000
Statutory advertising	0	0	225	225
Specific penalty bond	0	0	60	396

S&A CONTRACTS LIMITED - IN LIQUIDATION

- 3.3 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of 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. These disbursements are included in the tables of expenses above.
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CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENT RECOVERY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE No. 9 (SIP9)

1 CHARGE-OUT RATES

Work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 June each year are as follows:

Staff	From 01/10/2017 Per hour (£)	From 01/02/2020 Per hour (£)
Directors	275	275
Manager	-	195
Administrators	80 - 150	80-150
Assistants & Support Staff	75	75

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by White Maund and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by White Maund and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The firm's current policy is that it recharges Category 2 disbursements as follows:

Expense	Recharge £
Destruction of books and records (per box)	2.50
Reports / Letters etc – per creditor	3.25
Correspondence – per debtor	2.00
Mileage at HMRC approved rate – per mile	0.45

All costs are subject to VAT, where applicable and reflect the actual cost of the materials or services used.