

**County Developments (Northampton) Limited
In Liquidation**

Liquidators' progress report covering the period 5 November 2015 to 4
November 2016

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Liquidators' progress report

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WEDNESDAY



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QIQ 21/12/2016 #70
COMPANIES HOUSE

COUNTY DEVELOPMENTS (NORTHAMPTON) LIMITED - IN LIQUIDATION
County Court at Birmingham no 6317 of 2015

Annual Progress Report to Creditors & Members

1. Introduction

- 1 1 This report is prepared pursuant to Rule 4 49B of the Insolvency Rules 1986, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 4 November 2016
- 1 2 Sajid Sattar and Simon David Chandler were appointed Joint Liquidators of County Developments (Northampton) Limited by the Secretary of State on 5 November 2015. The winding-up order was made on 22 October 2015 in the County Court at Birmingham under reference no 6317 of 2015. I replaced Sajid Sattar on 18 April 2016 and a court order in this regard has previously been provided to you.
- 1 3 Both Mr Chandler and I are authorised to act as an Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1 4 Statutory information regarding the Company and the Liquidation appointment is attached at Appendix A.
- 1 5 This report accompanies the convening of a creditors meeting to approve the Joint Liquidators remuneration and disbursements.

2. Liquidators' Receipts and Payments

- 2 1 A summary of receipts and payments covering the period from 5 November 2015 to 4 November 2016 is attached at Appendix B.
- 2 2 The receipts and payments account confirms that there is currently a balance in hand of £45,583.
- 2 3 An explanation of the assets realised and the expenses paid is provided below.

3. Asset realisations and details of progress

- 3 1 Asset realisations made during the period covered by this report are detailed below.

3.2. Leasehold Land

- 3 2 1 The Company holds the benefit of two pieces of leasehold land located in the vicinity to Sixfields Stadium in Northampton.
- 3 2 2 Agents Andrew & Ashwell have been instructed to advise us in relation to the disposal of the land or the assignment of the leases. The Joint Liquidators continue to review their options in this regard.

3.3. Cash at Bank

3 3 1 The company held a bank account with Barclays Bank Plc. The closing balance of £1 810 was paid into the liquidation estate.

3.4. Rental Income

3 4 1 Whilst the strategy for disposing of the leasehold land has not been concluded, the leasehold land generates rents for the benefit of the liquidation estate.

3 4 2 Northampton Town Football Club rent the land for car parking for home fixtures and other businesses have also rented the land.

3 4 3 Revenue generated for the land presently stands at £8,156.

3.5. Debtor

3 5 1 There is a balance owing to the company in respect of post-petition payments of £291,000.

3 5 2 Scheduled payments have been agreed with the debtor realisations to date total £55,000 which are currently being held in Howes Percival's client account.

3.6. Bank Interest

3 6 1 Interest earned in the Joint Liquidators account held with the ISA totals £11 26.

3.7. Liquidation Strategy

3 7 1 Including the possible assignment of the leases, the Joint Liquidators are also considering the benefit to creditors of the company entering into a Company Voluntary Arrangement. Creditors will be advised further on this matter in due course.

4. Assets still to be realised

4 1 Assets still to be realised comprise:

4.2. Leasehold Land

4 2 1 As highlighted in section 3 2, the leasehold land remains in the possession of the Joint Liquidators who are devising a disposal strategy.

4.3. Debtor

4 3 1 We continue to manage the collection of the post-petition payments and creditors will be advised of ongoing realisations in the next report.

5. Estimated Outcome Statement

5 1 An estimate of the outcome of the Liquidation is attached at Appendix G3.

5 2 You will note that there are no secured or preferential creditors in this instance.

5.3 It is currently anticipated, based on claims received to date and estimated realisations, that there will be a return to unsecured creditors of approximately 2p in the £

5.4 Further details on the expected outcome for each class of creditor is provided below

6. Liabilities

6.1. Secured Creditors

6.1.1 There are no secured creditors in this case

6.2. Preferential Creditors

6.2.1 There are no preferential creditors in this case

6.3. Unsecured Creditors

6.3.1 According to the directors' statement of affairs, the Company had 4 unsecured creditors with debts totalling £3,583,307. Claims received to date total £5,921,137 from 5 creditors

6.3.2 Creditors will note from the Estimated Outcome Statement included at Appendix G3, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated at 2 pence in the £

7. Prescribed Part

7.1 In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims

7.2 As there is no floating charge, the Prescribed Part does not apply in this instance

8. Liquidators' Remuneration

- 8.1 Accompanying this report, at Appendix G, is a resolution for creditors to approve the Joint Liquidators remuneration on a time cost basis, with fees at this time being capped at £86,163 14
- 8.2 Attached at Appendix E1 is a summary of the Liquidators' time costs for the period 5 November 2016 to 4 November 2016. These costs total £64,303 which represents 226 hours at an average hourly rate of £285. Further details of the work carried out during this period is attached at Appendix E2 in the narrative summary.
- 8.3 As at 4 November 2016, no funds have been drawn against the Liquidators' time costs in respect of the Liquidation.
- 8.4 Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has been dealt with by senior staff and the Joint Liquidators.
- 8.5 Charge out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 8.6 The charge out rates of the team members employed on the assignment during the period covered by this report and details of changes from previous periods are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

Range (£)	Partner	Director	Manager	Assistant Manager	Administ rator	Cashier
Current charge out rate per hour, effective from 1 September 2016	370-470	390	185-350	158	110-165	100-130
Previous charge out rate per hour, effective from 5 November 2015	370-470	390	185-350	158	110-165	100-130

8 7 Confirmation of the basis of the Joint Liquidators' remuneration will be sought from a creditors' committee or, if one is not appointed, from the creditors at their initial meeting. Rule 4.127 of the Insolvency Rules 1986 confirms that the basis of my remuneration may be fixed as follows:

- a) as a percentage of the value of the assets which are realised or distributed, or of the one value and the other in combination; or
- b) by reference to the time properly given by my staff and I in attending to matters arising in the winding-up; or
- c) as a set amount; or
- d) as a combination of any one or more of the above.

8 8 I therefore propose summoning a meeting of the Company's creditors pursuant to section 141(2) of the Insolvency Act 1986 for the purpose of establishing a creditors' committee. However, if a committee is not appointed it will fall to the general body of creditors to approve the basis of my remuneration.

8 9 On this occasion I will seek to pass a resolution that my remuneration be fixed by reference to the time properly spent by my staff and I in dealing with matters arising during the winding-up. I will also be seeking the approval of the payment of Category 2 disbursements in accordance with this firm's Rate and Disbursement policy.

8 10 Prior to passing any remuneration resolutions, Rule 4.217(2A) requires that creditors are provided with additional information as explained below and detailed in the attached Fees Pack at Appendix G.

8 11 Fees Estimate

A Fees Estimate is attached within the Fees Pack at Appendix G, which details my estimated fees in respect of the work my staff and I propose to undertake in respect of this matter and includes work I have already undertaken in this manner. Creditors will note that the Fees Estimate totals £86,163.14. This estimate acts as a cap for my fees and I will be unable to take any additional fees without the approval of the general body of creditors. If I exceed my fees estimate or believe it is likely I will do so I will revert to creditors again.

Given that the current time incurred by myself and my staff in properly dealing with matters arising in the liquidation currently totals £64,303 and that the assets are not yet realised in full, it is currently unknown whether we will exceed our fee estimates and we will keep creditors advised in this respect.

You will also note that I have assumed that the liquidation will remain open for a minimum of two years. This assumption has been made due to the following factors:

- The complicated nature of the leases held by the Company. The timescale required to dispose of these leases including any negotiations with the owner of the freehold land.
- The ongoing negotiations with the debtor in respect of repayment of the debt.
- Any ongoing investigations into the affairs of the Company which may or may not result in asset realisations.

For completeness you will also find details of this Firm's Rates and Disbursements policy by grade within the Fees Pack, at Appendix G5. In common with other professional firms, charge out rates may increase over the period of the administration of the case. Details of any changes will be provided as part of my reporting throughout the life of the case. All staff that work on the case, including the cashiers, support and any secretarial staff charge their time directly to the assignment in 6 minute units.

8.12 Costs already incurred

As noted in my Fees Estimate, I have already undertaken a substantial amount of work on this case prior to fee approval due to statutory deadlines and as well as dealing with all the issues regarding the Company's leasehold land and the balances owed by the debtor. I have summarised the details of fees already incurred in comparison to my Fees Estimate in the attached Appendix A1.

- 8.13 Attached within the Fees Pack at Appendix G3 is an Estimated Outcome Statement ('EOS') as at 4 November 2016. An Expense Estimate is also included at Appendix G4 which details the expenses I consider will be, or are likely to be incurred on this matter and why they are necessary. Expenses are currently anticipated to total £177,872.89. Details of expenses already paid can be found in the attached Receipts and Payments account at Appendix B.

9. Liquidators' Disbursements

- 8.13 Disbursements are expenses paid by this firm in the first instance and subsequently recharged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 8.14 Category 2 disbursements require approval in the same manner as remuneration and is to be approved at the meeting of creditors. Further details of the rates agreed are provided within the Liquidators' Rates and Disbursements policy attached at Appendix G5.

- 8 15 An analysis of the disbursements incurred and paid during the period covered by this report is provided below

Description	Category	Amount incurred in period (£)	Amount paid in period (£)	Total disbursements outstanding (£)
Statutory advertising	Category 1	76		76
Bordereau	Category 1	30		30
Mileage	Category 2	540 85		540 85
Refreshments	Category 2	107 32		107 32
Parking	Category 2	8 50		8 50
Total		655 35		655 35

- 8 16 An explanation of each of these disbursements is provided below

Bond premiums - it is a legal requirement that the Liquidators take out a specific bond in respect of the value of the assets in the case. The bond premium payable to JLT Specialty Limited is £30 and this includes the change in Liquidators. No further cost will be incurred in this respect.

Statutory Advertising – This cost was incurred in advertising our appointment whilst there were no funds in the liquidation estate.

Mileage & Parking – This relates to costs incurred in meeting with solicitors, agents, officers of the company and potential purchasers.

- 8 17 Of the above disbursements, the sum of £549 35 relates to Category 2 disbursements.

9. Expenses

- 9 1 Details of expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix G4.
- 9 2 Further information in respect of the significant expenses incurred is provided in the following sections:

9.3. Professional advisors

9 3 1 Details on the nature of the engagement with professional advisors and fee arrangements are provided below

Name	Nature of Work	Basis of fee Arrangement	Amount paid in period (£)
Howes Percival LLP	Legal advice	Time Cost Basis	Nil
Andrew & Ashwell	Asset Valuation	Time Cost Basis	Nil
Humphrey & Gray	Property Maintenance	Fixed Fees	Nil
Bryan Lecoche Ltd	Balliff Services	Fixed Fee	846

9 3 2 The Liquidators' choice of these advisors was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them

9 3 3 The Liquidators have reviewed the fees incurred to date and are satisfied that they are reasonable in the circumstances of the case

10. Creditors' Rights

10.1. Further information

10 1 1 I would advise you that pursuant to rule 4 49E of the Insolvency Rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report

10.2. Apply to Court

10 2 1 Additionally, pursuant to rule 4 131 of the Insolvency rules 1986, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the court may, within 8 weeks of the receipt of this progress report, apply to the court on one or more of the following grounds

- the remuneration charged by the Liquidators, or
 - the basis fixed for the Liquidators' remuneration, or
 - expenses incurred by the Liquidators
- is or are in all of the circumstances, excessive or inappropriate

10.3. Further guidance

10 3 1 Creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' Fees" which is available to download from https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Liquidators_Fees_Nov2011.pdf or alternatively will be provided free of charge upon written request to this office

- 11 3 2 For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk

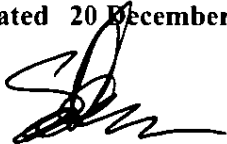
12. Investigations

- 12 1 I have reviewed the affairs of the Company prior to the liquidation
- 12 2 Creditors are reminded that the statutory obligation to consider the directors' conduct and to submit a return / report to the Insolvency Service under the Company Directors' Disqualification Act 1986 remains with the Official Receiver
- 12 3 A liquidator is obliged to report any matters of unfit conduct to the Official Receiver where identified and I can confirm that this obligation has been complied with

13. Creditors Meeting

- 13 1 A meeting of creditors has been convened for Tuesday 17th January at 11 00am
- 13 2 The meeting will be held at Mazars LLP, Park View House 58 The Ropewalk, Nottingham, NG1 5DW A notice of the meeting of creditors is attached at Appendix C and the form of proxy and proof of debt are attached at Appendix D
- 13 3 I would be grateful if you would complete and return the proxy and proof of debt to me, together with copies of documentation in support of your claim as soon as possible, but by no later than 12 noon on 16th January 2017

Dated 20 December 2016



S C Bevan

Joint Liquidator

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

**County Developments (Northampton) Limited
In Liquidation**

Statutory Information

Company name	County Developments (Northampton) Limited
Previous names	N/A
Company number	08589683
Registered office	Park View House, 58 The Ropewalk, Nottingham, NG1 5DW
Trading address	The Courtyard River Way, Uckfield, East Sussex, TN22 1SL
Date of appointment	5 November 2015
Court reference	County Court at Birmingham no 6317 of 2015
Joint Liquidators	S C Bevan and S D Chandler of Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW IP No(s) 9614 and 8822
Joint Liquidators' address	Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

APPENDIX B

County Developments (Northampton) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 05/11/2015 To 04/11/2016 £	From 05/11/2015 To 04/11/2016 £
	ASSET REALISATIONS		
NIL	Freehold Land & Property	NIL	NIL
	Debtor	55,000 00	55,000 00
1,867 00	Cash at Bank	1,810 01	1,810 01
	Rent	8,156 14	8,156 14
	Bank Interest Gross	11 26	11 26
		<u>64,977 41</u>	<u>64,977 41</u>
	COST OF REALISATIONS		
	DTI Cheque Fees	2 20	2 20
	Sec of State Fees	3,710 96	3,710 96
	High Court Enforcement	846 00	846 00
	Corporation Tax	2 25	2 25
	OR Balance	1,150 00	1,150 00
	Statutory Advertising	78 00	78 00
	Bank Charges	88 00	88 00
	Petitioning Creditor's costs	13,516 75	13,516 75
		<u>(19,394 16)</u>	<u>(19,394 16)</u>
	UNSECURED CREDITORS		
(2,982,984 00)	Trade & Expense Creditors	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(2,982,117.00)</u>		<u>45,583.25</u>	<u>45,583.25</u>
	REPRESENTED BY		
	Vat Receivable		2,580 15
	ISA IB		5,546 41
	EPA Monies Held		39,087 90
	VAT Payable Floating		(1,631 21)
			<u>45,583 25</u>

Rule 4 54,
4 108,4 113,
4 114-CVL,
4 125, 4 126-CVL

Form 4 22

Notice to Creditors of Meeting of Creditors

County Developments (Northampton) Limited - In Liquidation

A meeting of creditors has been summoned by the Joint Liquidators

under section 141 of the Insolvency Act 1986 for the purpose of

1 Establishing a creditors' committee

If a committee is not formed, passing the following resolutions -

2 That the Joint Liquidators' fees be fixed by reference to the time properly given by the Liquidators and their staff in attending to the matters arising in the winding up, subject to the fees estimate of £86,163 14 issued to creditors on 20 December 2016 These fees are to be paid as and when funds become available

3 That the Joint Liquidators be authorised to draw Category 2 disbursements for services provided by their own firm in accordance with the Rates and Disbursements policy issued to creditors on 20 December 2016 All other disbursements will be reimbursed at cost

The meeting will be held as follows

Date 17 January 2017
Time 11 00AM
Place Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

A proxy form is enclosed which must be lodged with me not later than 16 January 2017

to entitle you to vote by proxy at the meeting together with a completed proof of debt form if you have not already lodged one

Dated

20 DECEMBER 2016

Signed



Joint Liquidator
SCOTT CHRISTIAN BEVAN
Mazars LLP
Park View House
58 The Ropewalk
Nottingham
NG1 5DW

Rule 8 1

Insolvency Act 1986

Form 8 4

Proxy (Winding up by the Court or Bankruptcy)

County Developments (Northampton) Limited - In Liquidation

Name of
Creditor/Contributory _____

Address _____

Name of Proxy Holder

Please insert name of person (who must be 18 or over) or the "CHAIRMAN OF THE MEETING" if you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

1 _____

2 _____

3 _____

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's/contributory's proxy holder at the meeting of creditors/contributories to be held on 17 January 2017 or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

Please complete paragraph 1 if you wish to nominate a specific person as a member of the creditors' committee

Voting Instructions for resolutions

1 For the appointment of _____

of _____

representing _____

as a member of the creditors' committee

* Please delete as appropriate

2 That the Joint Liquidators' fees be fixed by reference to the time properly given by the Liquidators and their staff in attending to the matters arising in the winding up, subject to the fees estimate of £86,163 14 issued to creditors on 20 December 2016. These fees are to be paid as and when funds become available

*FOR/AGAINST

3 That the Joint Liquidators be authorised to draw Category 2 disbursements for services provided by their own firm in accordance with the Rates and Disbursements policy issued to creditors on 20 December 2016. All other disbursements will be reimbursed at cost

*FOR/AGAINST

This form must be signed

Signature _____ Date _____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor/contributory has not signed in person

Position with creditor/contributory or relationship to creditor/contributory or other authority for signature

Remember there may be resolutions on the other side of this form

COUNTY DEVELOPMENTS (NORTHAMPTON) LIMITED - In Liquidation

Analysis of Joint Liquidator's time costs for the period 05/11/2015 to 04/11/2016

Classification of Work Function	Hours					Total	Time	Av hourly
	Partner	Director	Manager	Administrator	Support	Hours	Cost	Rate
2 Admin & Planning							£	£
ADPL- 01-Strategy planning		0 20	25 80	2 50		28 50	9,430 50	330 89
ADPL- 02 Filing					0 20	0 20	20 00	100 00
Tot 2 Admin & Planning		0 20	25 80	2 50	0 20	28 70	9,540 50	332 42
3 Taxation								
TAXA- 01-VAT				0 50		0 50	82 50	165 00
Tot: 3 Taxation				0.50		0 50	82 50	165 00
4 Investigations								
INVE- 01-Investigations			23 00	9 30		32 30	9,584 50	296 73
Tot: 4 Investigations			23 00	9 30		32 30	9,584 50	296 73
5 Realisation of Assets								
ROAS- 02-Property related matters			73 50	19 00		92 50	28,860 00	312 00
ROAS- 03-Debt collection		0 20	6 50			6 70	2,336 00	348 66
ROAS- 04-Dealing with chattel assets				0 70		0 70	115 50	165 00
ROAS- 05-Dealing with other assets		1 30	1 00			2 30	857 00	372 61
ROAS- 06-HP/leasing matters				6 00		6 00	990 00	165 00
ROAS- 08-Environmental issues				0 40		0 40	66 00	165 00
ROAS- 10-Insurance matters			0 30	0 90		1 20	228 00	190 00
Tot: 5 Realisation of Assets		1 50	81 30	26 80		109 80	33,452 50	304 67
7 Employees								
EMPL- 02-Pension issues				0 40		0 40	66 00	165 00
Tot: 7 Employees				0 40		0 40	66 00	165 00
8 Creditors								
CRED- 03-Unsecured creditors		0 20		2 30		2 50	457 50	183 00
Tot: 8 Creditors		0 20		2 30		2 50	457 50	183 00
9 Reporting								
REPO- 01-Statutory reporting		0 30	0 80	15 50		16 60	2,880 50	173 52
REPO- 04-Reporting to creditors			15 10	2 70		17 80	5,594 50	314 30
REPO- 05-Reporting to Court		0 10				0 10	37 00	370 00
Tot 9 Reporting		0 40	15 90	18 20		34 50	8,512 00	246 72
11 Cashiering								
CASH- 01 Cheque banking & posting			0 10	0 70	3 10	3 90	454 50	116 54
CASH- 02 Cheque issuing and posting			0 20	1 00	0 40	1 60	251 00	156 87
CASH- 03 Bank Reconciliations			0 10	0 20	0 70	1 00	125 20	125 20
CASH- 04 Bank Account Management				4 00		4 00	660 00	165 00
CASH- 05 Sundry Cashiering				0 10	0 10	0 20	19 00	95 00
Tot 11 Cashiering			0 40	6 00	4 30	10 70	1,509 70	141 09
12 Statutory & Compliance								
STCO- 01-Case review			0 50	4 60		5 10	933 50	183 04
STCO- 03 Bonding			0 10	0 70	0 20	1 00	164 70	164 70
Tot: 12 Statutory & Compliance			0.60	5.30	0 20	6 10	1,098 20	180.03
Total Hours		2 30	147 00	71 50	4 70	225 50		
Total Time Costs (£)		889.00	51,161.00	11,751 00	502 40		64,303 40	
Av Hourly Rate	0 00	386 52	348 03	164 35	106 89			285 16

**NARRATIVE SUMMARY OF THE JOINT LIQUIDATORS' TIME COSTS
FOR THE PERIOD 5 November 2015 TO 4 November 2016**

Introduction

This summary should be read together with the Joint Liquidators' Time Costs Analysis at Appendix E1

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors

The costs incurred in relation to each category are set out in the attached Time Cost Analysis. This shows the time spent by each grade of staff by work category and provides the total cost and average hourly rate charged for each work category

Work carried out in the current period**Administration and planning**

The Liquidators have undertaken the following work

- Case acceptance and ethical reviews
- Completing case strategy notes
- Holding strategy meetings
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements

- Notifying HMRC of our appointment
- Preparation and submission of VAT returns
- Preparation and submission of CT returns
- Calculation of any additional tax computations

The majority of this work derived no financial benefit for creditors to date. However, it is required in accordance with tax legislation

Investigations

Further details of the investigation required to be carried out is provided within Section 12 of the report

A summary of the work undertaken to date is as follows

- Investigating the Company's affairs to include a review of the Company's books and records and in particular the bank statements to identify any potential transactions that were outside the ordinary course of business
- Correspondence with directors regarding the reasons for the Company's failure
- Review of creditor questionnaires and investigation into any matters notified
- Assisting with external investigations as and when required

The majority of this work derived no financial benefit for creditors to date. However, it is required in order to ensure compliance with statutory duties

**NARRATIVE SUMMARY OF THE JOINT LIQUIDATORS' TIME COSTS
FOR THE PERIOD 5 November 2015 TO 4 November 2016**

Realisation of Assets

The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report. The main assets comprise of leasehold land situated in Northampton and a debtor payment and in addition to the information provided in Section 3.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances. The work in this regard was complex and has included:

- Negotiating with the council regarding the leases
- Instructing agents to value market and maintain the security of the leasehold land
- Liaising with local businesses to obtain to obtain rents from the leasehold land
- Investigating and recovering the debtor payment

Employees

The Company did not have any employees although some work has been undertaken regarding the company's pension scheme.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.

Creditors

There are approximately £4 million in unsecured creditor claims. In order to ensure that creditors are dealt with appropriately the following work has been undertaken:

- Agreeing and updating creditor claims as appropriate

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims as and when the Joint Liquidators are able to make a distribution.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Reporting to creditors on appointment
- Reporting to creditors on an annual basis as per the statutory guidelines
- Preparing the necessary documents for fee resolutions

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken includes:

- Establishing set up of case details on our insolvency software system
- Setting up bank accounts, including deposit accounts as necessary
- Bank account maintenance, including periodic reconciliations
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

**NARRATIVE SUMMARY OF THE JOINT LIQUIDATORS' TIME COSTS
FOR THE PERIOD 5 November 2015 TO 4 November 2016**

Statutory and Compliance

The work undertaken as required by statute and our internal procedures involves

- Preparation and lodgement of statutory appointment documents
- Initial notices and advertisements following appointment
- Case monitoring and statutory compliance, including internal case reviews
- Case bordereau

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.

PROOF OF DEBT - GENERAL FORM

County Developments (Northampton) Limited - In Liquidation	
Date of Winding up Order 22 October 2015 County Court at Birmingham no 6317 of 2015	
1	Name of Creditor (If a company please also give company registration number)
2	Address of Creditor for correspondence
3	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date of the bankruptcy order
4	Details of any documents by reference to which the debt can be substantiated [Note there is no need to attach them now but the liquidator may call for any document or evidence to substantiate the claim at his discretion as may the official receiver whilst acting as receiver and manager, or the chairman or convenor of any meeting]
5	If amount in 3 above includes outstanding uncapitalised interest please state amount £
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)
7	Particulars of any security held, the value of the security, and the date it was given
8	Particulars of any reservation of title claimed, in respect of goods supplied to which the claim relates
9	Signature of creditor or person authorised to act on his behalf
	Name in BLOCK LETTERS
	Position with or in relation to creditor _____
	Address of person signing (if different from 2 above)
Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Liquidator	Liquidator

Strictly Private and Confidential

County Developments (Northampton) Limited

FEES INFORMATION PACK

Contents

Appendix

G1	Fee Estimate
G2	Detailed Fee Estimate
G3	Estimated Outcome Statement
G4	Expense Estimate
G5	Rates and Disbursements policy

FEES ESTIMATE

My total Fees Estimate as at 4 November 2016 to conclude this matter is £86,163 14 I have provided below a breakdown of how these costs will be split between the different functions my staff and I are likely to perform on this case

Description of Work	Blended Hourly Rate (£)	Total Time (hours)	Total Costs (£)
Administration & Planning	331 02	32 00	10,592 60
Taxation	165 00	30 50	5,032 50
Investigations	295 03	41 30	12,184 80
Realisation of Assets	312 51	130 30	40,720 34
Employees	165 00	2 40	396 00
Creditors	165 00	20 80	3,432 00
Reporting	176 56	31 10	5,491 00
Distributions	136 91	10 00	1,369 10
Cashiering	136 91	26 00	3,778 70
Statutory & Compliance	180 92	17 50	3,166 10
Total	252.01	341.90	86,163.14

Attached to this Fees Estimate is a detailed summary of the work anticipated, together with an explanation as to why the various tasks are required

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Not all of the work which I am required to perform will provide a direct financial benefit to creditors. Some of the work to be undertaken is required because statute dictates that I must perform this task, or because guidance issued by the Insolvency Service or my regulatory body requires such. However, a large proportion of the work will be dealing with securing and realising assets, with a view to maximising the funds available to creditors. On this case, assuming realisations are as anticipated in the attached Estimated Outcome Statement, the above work is likely to provide a financial benefit to unsecured creditors, who would receive a dividend of 3p in the £ depending on current anticipated realisations.

Exceeding the Fees Estimate

The Fees Estimate has been based on previous examples of cases of a similar size and complexity to this case, together with our current knowledge of the case and the work which we anticipate will be necessary.

The above estimate also assumes that the liquidation will remain open for a minimum of two years. This assumption has been made due to the complexity of the assets which need to be realised and the nature of the ongoing external investigations.

In the event that further work is required in respect of the above and the liquidation extends beyond the estimated timeframe, it is likely that the Fees Estimate (for asset realisations and investigations) will be exceeded, at which point it will be necessary to seek further approval for an increase



M A Z A R S

County Developments (Northampton) Limited - IN LIQUIDATION

APPENDIX G1

Costs already incurred

A substantial amount of work has been undertaken on this case prior to fee approval due to statutory deadlines and so as to ensure the security of the assets as well as assisting in the ongoing investigations. The following provides a breakdown of the Liquidators' actual time costs incurred to date compared to estimated costs as per the Fees Estimate

Description of Work	Fees Estimate			Actual as at 4 November 2016		
	Blended Hourly Rate (£)	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)
Administration & Planning	331.02	32.00	10,592.60	332.42	28.70	9,540.50
Taxation	165.00	30.50	5,032.50	165.00	0.50	82.50
Investigations	295.03	41.30	12,184.80	296.73	32.30	9,584.50
Realisation of Assets	312.51	130.30	40,720.34	304.67	109.80	33,452.50
Employees	165.00	2.40	396.00	165.00	0.40	66.00
Creditors	165.00	20.80	3,432.00	183.00	2.50	457.50
Reporting	176.56	31.10	5,491.00	246.72	34.50	8,512.00
Distributions	136.91	10.00	1,369.10	0.00	0.00	0.00
Cashiering	136.91	26.00	3,778.70	141.09	10.70	1,509.70
Statutory & Compliance	180.92	17.50	3,166.10	180.03	6.10	1,098.20
Totals	252.01	387.60	86,163.14	285.16	225.50	64,303.40

DETAILED FEES ESTIMATE

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p><u>Administration and Planning</u> This type of work will involve</p> <ul style="list-style-type: none"> • Case acceptance and ethical reviews • Completing case strategy notes • Holding strategy meetings • Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system <p>This work is necessary to ensure that the case is administered correctly and in line with statutory requirements. The estimate above assumes that the case will remain open for a minimum of two years</p> <p>There is no financial benefit to creditors in performing this category of work but given the complexity of the case and its assets, it is important that proper due diligence is carried out at all times</p>	32 00	10,592 60	331 02
<p><u>Taxation</u> Taxation work to be completed will include</p> <ul style="list-style-type: none"> • Notifying HMRC of our appointment • Preparation and submission of VAT returns • Preparation and submission of CT returns • Calculation of any additional tax computations <p>The estimate assumes that the case will remain open for a minimum of two years</p> <p>This category may have some benefit for creditors assuming the Joint Liquidators are able to declare and distribute a dividend. Ensuring that all necessary VAT has been reclaimed and any tax liabilities are settled will ensure an accurate dividend is distributed</p>	30 50	5 032 50	165 00
<p><u>Investigations</u> Investigations are required in accordance with Statement of Insolvency Practice 2 so as to identify whether any assets have been dissipated and what recoveries can be made so as to enhance the funds available to distribute</p> <p>A summary of the work yet to be concluded in this regard is provided below</p> <ul style="list-style-type: none"> • Investigating the Company's affairs to include a review of the Company's books and records and in particular, the bank statements to identify any potential transactions that were outside the ordinary course of business • Correspondence with directors regarding the reasons for the Company's failure • Review of creditor questionnaires and investigation into any matters notified • Assisting with external investigations as and when required <p>The company and its directors are subject to a number of external investigations to which the Joint Liquidators and their staff are assisting with. We are unable to comment whether the consequences of these investigations will benefit the creditors at this stage</p>	41 30	12,184 80	295 03

DETAILED FEES ESTIMATE

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p><u>Realisation of Assets</u></p> <p>The Company's assets comprise of a debtor payment, two pieces of leasehold land and cash at bank. These are the assets of which we are aware exist at this stage</p> <p>Actions required to realise the Company's assets include</p> <ul style="list-style-type: none"> Obtaining a professional valuation of the Company's assets to ensure the most appropriate offer is accepted and liaising with the agents in respect of their views as to the offers received Negotiations with interested parties and agreeing sale of assets Arranging insurance cover over assets and ensuring their security Reviewing and obtaining any potential refunds on insurance policies paid up to a future period by the Company <p>In relation to specific assets in this case</p> <ul style="list-style-type: none"> Negotiating with the council regarding the leases Instructing agents to value market and maintain the security of the leasehold land Liaising with local businesses to obtain to obtain rents from the leasehold land Investigating and recovering the debtor payment <p>The estimate assumes that the case will remain open for a minimum of two years The work undertaken in this category provides direct benefit for creditors</p>	130 30	40,720 34	312 51
<p><u>Employees & Pension</u></p> <p>The Company didn't have any employees. Work that will be required in respect of this category will include</p> <ul style="list-style-type: none"> Establishing whether the company held a pension scheme <p>This category of work has no direct benefit to the creditors</p>	2 40	396 00	165 00
<p><u>Creditors</u></p> <p>It is estimated that there are likely to be in the region of £4.145 million in unsecured creditor claims, in accordance with the Company's books and records. In order to ensure that creditors are dealt with appropriately, the following work will be required</p> <ul style="list-style-type: none"> Reviewing, agreeing and updating creditor claims as appropriate <p>My estimate above assumes that no more than 10 claims will be received and that there are no immediate issues with the formal agreement of creditors' claims. There is an indirect benefit to creditors for work undertaken in this category of work as accurate and correct creditors claim will lead to a timely dividend payment as and when the situation occurs</p>	20 80	3,432	165 00

DETAILED FEES ESTIMATE

Description of work	Total Time (hours)	Total Cost (£)	Blended Hourly Rate (£)
<p><u>Reporting</u> Reporting requirements as prescribed by statute are as follows</p> <ul style="list-style-type: none"> • Reporting to creditors on appointment • Reporting to creditors on an annual basis as per the statutory guidelines • Preparing the necessary documents for fee resolutions <p>My estimate above assumes that the case will remain open for a minimum of two years which will include two annual reports to creditors along with a closure report</p> <p>There is no direct benefit for creditors in this category of work but it allows for the creditors to keep up to date with the latest position in the proceedings</p>	31 10	5,491 00	176 56
<p><u>Distributions</u> It is expected that a distribution will be paid to unsecured creditors, subject to future asset. The work involved in this regard will include</p> <ul style="list-style-type: none"> • Agreeing, declaring and distributing a dividend to unsecured non preferential creditors <p>My estimate assumes that only one dividend will be paid to creditors and that none of the claims will require any substantial verification</p>	10 00	1 369 10	136 91
<p><u>Cashiering</u> Cashiering work is required to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body. Work in this regard is likely to involve</p> <ul style="list-style-type: none"> • Establishing set up of case details on our insolvency software system • Setting up bank accounts including deposit accounts as necessary • Bank account maintenance including periodic reconciliations • Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions <p>My estimate above assumes that the case will be open for a minimum of two years</p>	26 00	3,778 70	136 91
<p><u>Statutory and Compliance</u> Statutory and compliance work as required by statute or our internal procedures involves</p> <ul style="list-style-type: none"> • Preparation and lodgement of statutory appointment documents • Initial notices following appointment • Case monitoring and statutory compliance, including internal case reviews • Case bordereau <p>My estimate above assumes that the case will be open for a minimum of two years. There is no direct benefit for creditors for this category of work but it is essential to the ongoing management of the case</p>	17 50	3,166 10	180 92
<u>Overall</u>	341 90	86,163 14	252 01

County Developments (Northampton) Limited - In Liquidation**Estimated Outcome Statement****As at 4 November 2016**

	Costs/receipts incurred to date	Estimated Future Receipts & (Payments)	Total
ASSETS			
Leasehold Land	-	Uncertain	Uncertain
Cash at Bank	1,810	-	1,810
Rents	8,156	3,000	11,156
Debtor	55,000	236,000	291,000
Bank Interest	11	-	11
	<u>64,977</u>	<u>239,000</u>	<u>303,966</u>
COSTS OF REALISATIONS			
Joint Liquidators Fees	-	(86,163)	(86,163)
Joint Liquidators Disbursements	-	(645)	(645)
Agency Fees	-	(221)	(221)
Legal Fees & Disbursements	-	(24,202)	(24,202)
Property Maintenance Fees	-	(1,481)	(1,481)
Insurance	-	(5,256)	(5,256)
High Court Enforcement Fees	(846)	-	(846)
OR Debit Balance	(1,150)	-	(1,150)
Petitioning Fees	(13,517)	-	(13,517)
Secretary of State Fees on realisations	(3,711)	(43,167)	(46,878)
Other Costs	(170)	(228)	(398)
VAT Unrecoverable	-	-	-
Allowance for tax liability on sale	-	Uncertain	Uncertain
	<u>(19,394)</u>	<u>(161,363)</u>	<u>(180,756)</u>
AVAILABLE FOR CREDITORS	<u>45,583</u>	<u>77,638</u>	<u>123,210</u>
PREFERENTIAL CLAIMS	-	-	-
AMOUNT AVAILABLE FOR UNSECURED	<u>45,583</u>	<u>77,638</u>	<u>123,221</u>
ESTIMATED UNSECURED CREDITOR CLAIMS	(5,921,137)	(100,000)	(6,021,137)
ESTIMATED DIVIDEND FOR UNSECURED			0 02

EXPENSE ESTIMATE

The estimated expenses in this case are expected to total £177 872 89 as per the Estimated Outcome Statement attached. Explanations as to why those expenses are required are detailed below.

Note	Type of Expenditure	Requirement for Expenditure	Likely Cost (£)										
1	Official Receiver's Costs	The Official Receiver's initial costs of administration must be paid as a priority in all cases. In this case the sum of £1,150 has been charged	1,150										
2	Secretary of State realisation fee	<p>All funds collected in a compulsory winding up must be banked with The Insolvency Service at the Bank of England. The Insolvency Service apply 15p for BACS payments, a £22 quarterly banking charge and a fee of £1.10 per cheque that is raised.</p> <p>I have assumed that I will issue 30 cheques a cost of £33. I have also assumed that the case will remain open for 24 months and the quarterly banking charge will total £176.</p> <p>There is also a Secretary of State fee on funds that are banked over £2,500. The fee contributes towards the costs of administering the cases. Such cases are charged on a sliding scale as capped as follows:</p> <table><tr><td>First £2,500</td><td>0%</td></tr><tr><td>Next £1,700</td><td>75%</td></tr><tr><td>Next £1,500</td><td>50%</td></tr><tr><td>Next £396,000</td><td>15%</td></tr><tr><td>Remainder*</td><td>1%</td></tr></table> <p>*Maximum of £80,000</p> <p>On the assumption that assets realised are estimated to total £301,226 the Secretary of State fee on realisations will total £46,353.90</p>	First £2,500	0%	Next £1,700	75%	Next £1,500	50%	Next £396,000	15%	Remainder*	1%	46,562.90
First £2,500	0%												
Next £1,700	75%												
Next £1,500	50%												
Next £396,000	15%												
Remainder*	1%												
3	Petitioning creditors' costs	The petitioning creditor is entitled to receive their costs in presenting a petition and obtaining a bankruptcy order as a priority after the Official Receiver's costs. The petitioning creditor has confirmed that their outstanding costs were £13,516.75	13,516.75										
4	Liquidators' remuneration	To project manage the orderly winding-up of the Company's affairs, and to perform those tasks required of a Liquidator as dictated by statute	86,163.14										

EXPENSE ESTIMATE

5	Chattel Agent's fees	To provide an independent professional valuation of the assets I have already instructed Andrew & Ashwell because of their experience in providing such valuations in an insolvency scenario These fees are on a time cost basis Andrew & Ashwell have confirmed their independence to this firm and also to the Company	220 50
6	Legal fees	Howes Percival LLP have been instructed to provide advice on all elements regarding asset realisations and ongoing investigations They currently have time costs of £21,640 50 with disbursements of £161 There has also been a further £2,400 incurred by counsel in dealing with the leases This firm of lawyers was chosen based on their experience in insolvency matters	24,201 50
7	Corporation tax	It is likely that corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account Due to the uncertain nature of the assets and their potential realisable value, we do not have an estimated liability for tax at this stage	Uncertain
8	Advertising	Notice of any creditors' meetings and notice to claim (if appropriate) must be advertised in the London Gazette This estimate assumes three adverts are required	228
9	Insurance of Assets	I have appointed JLT Specialty Limited, Restructuring and Recovery Risk Practice as my insurance brokers Insurance may be necessary to protect creditors' interest in the assets and the cost of the insurance will depend on the length of time that it takes to realise the assets On the assumption that it will take 24 months to realise the assets the insurance expenses are estimated at £5,256 Please note that this is an estimate and it will be subject to change depending upon the value of assets	5,256
10	Liquidators' disbursements	These costs relate to mileage, parking, refreshments as well as advertising costs and bonding fees (which has been incurred by Mazars LLP and will be reclaimed through the case)	645 35
11	Property Maintenance Costs	We incurred £585 in respect of our property contractors securing and maintaining the leasehold land We also incurred costs of £896 instructing bailiff's to remove travellers from the land	1,481
Total			179,425 64

County Developments (Northampton) Limited - In Liquidation**Rates and Disbursements Policy****Charge-out rates**

Details of the current charge-out rates of the personnel working on this case are set out below

	Partner	Director	Manager	Administrator	Cashier	Support Staff
Range	£370-£470	£390	£185-£350	£110-£165	£103-£100	£46-£80

Charge-out rates are reviewed annually on 1 September and in common with other professional firms, may increase over the period of the administration of a case. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Specialist departments within our Firm, (such as Tax and VAT) may charge a number of hours if and when their expert advice is required. The rate ranges above incorporate these different rates.

Disbursements

Some of the expenses incurred on this matter are likely to be paid by this firm in the first instance and subsequently re-charged to the estate. Such disbursements fall into 2 categories as follows:

Category 1 disbursements: These are payments to independent third parties where there is specific expenditure directly referable to the case and as such can be drawn without prior approval.

Category 2 disbursements: These are costs that are directly referable to the case but not to a payment to an independent third party. They may include shared or allocated costs that may be incurred by the Liquidators or their firm, and that can be allocated to the case on a proper and reasonable basis. Such disbursements require approval in the same manner as remuneration.

It is proposed that the following Category 2 disbursements incurred in administering the case be charged:

- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile
- Photocopying bulk circulars

All other disbursements are to be reimbursed at cost.

The Liquidators reserve the right to increase the charges applicable to mileage and photocopying during the course of the Liquidation in line with inflation or increases from our suppliers. Any material amendments will be advised to creditors in the next statutory report.