

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A15
28/04/2018
COMPANIES HOUSE

#183

1 Company details

Company number 08854778

Company name in full PHD1 Construction Limited

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

2 Administrator's name

Full forename(s) Jonathan

Surname Lord

3 Administrator's address

Building name/number Bridgestones

Street 125-127 Union Street

Post town Oldham

County/Region Lancashire

Postcode OL1 1TE

Country

4 Administrator's name

Full forename(s) Robert

Surname Cooksey

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

5 Administrator's address

Building name/number Bridgestones

Street 125-127 Union Street

Post town Oldham

County/Region Lancashire

Postcode OL1 1TE

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

| | | | | | | | | |
|-----------|-----|-----|-----|-----|-----|-----|-----|-----|
| From date | d 0 | d 1 | m 1 | m 0 | y 2 | y 0 | y 1 | y 7 |
| To date | d 3 | d 1 | m 0 | m 3 | y 2 | y 0 | y 1 | y 8 |

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

| | | | | | | | | |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|
| Signature date | d 2 | d 5 | m 0 | m 4 | y 2 | y 0 | y 1 | y 8 |
|----------------|-----|-----|-----|-----|-----|-----|-----|-----|

AM10

Notice of administrator's progress report



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 **Lindsey Hall**

Company name **Bridgestones**

Address **125-127 Union Street**

Post town **Oldham**

County/Region **Lancashire**

Postcode **O L 1 1 T E**

Country

DX

Telephone **0161 785 3700**



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

PHD1 Construction Limited– In Administration

ADMINISTRATORS' PROGRESS REPORT TO CREDITORS

For the period 1st October 2017 to 31st March 2018

EXECUTIVE SUMMARY

Since my appointment, a sale contract has been entered into with North Point Global Limited to purchase the Company's physical assets as well as its Goodwill for the sum of £250,000. As detailed further within this report, the sum of £125,000 has been received to date in relation to this sale agreement.

I appointed two independent and specialist debt collection agencies to review the Company's outstanding debtor ledger with a view to maximizing possible recoveries. However, following intensive investigations, it does not appear that any realisations will be forthcoming in this regard

I have also carried out investigations into the reasons behind the failure of the Company in order to determine whether any party could be held personally culpable for its downfall.

Furthermore, following a successful application to the Court, the Administration was extended on the 23rd February 2018 for a period of 12 months. As such the Administration is currently scheduled automatically end on the 31st March 2019.

STATUTORY INFORMATION

| | |
|-------------------------------|--|
| Company name: | PHD1 Construction Limited |
| Company number: | 08854778 |
| Date of incorporation: | 21 st January 2014 |
| Trading address | 7 Webster Court Carina Business Park Warrington WA5 8WD |
| Registered office: | C/o Bridgestones 125-127 Union Street Oldham OL1 1TE |
| Principal trading activity: | Commercial Construction Services |
| Joint Administrators' names | Jonathan Lord and Robert Cooksey |
| Joint Administrators' address | Bridgestones 125-127 Union Street Oldham OL1 1TE |
| Date of appointment | 1 st April 2016 |
| Court name and reference | High Court of Justice Chancery Division Manchester District Registry No 2304 of 2016 |
| Appointment made by | Directors of the Company. Mr Samuel Beilin of C/o 3 rd Floor Muskens Building, 1 Stanley |

Street, Liverpool, L1 6AA
Ms Julie McInnes of 47 Cleveley Road, Liverpool, L18 9UW

Actions of Administrators Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

ADMINISTRATORS' ACTIONS SINCE APPOINTMENT

This report covers the period 1st October 2017 to 31st March 2018.

The purpose of the Administration is "Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration)."

As previously detailed in prior reports, due to the intrinsic problems faced in the collection of the Company's outstanding debtor ledger the Joint Administrators have worked with both Commercial Asset Management and Naismiths in order to maximise potential realisations.

However, issues arose which brought into question the recoverability of the ledger. In particular, it was found that the contracts carried out by the Company, were in the most part undervalued. Subsequent investigations revealed that the contracts were quoted for based upon stage two drawings rather than final drawings. Consequently, this resulted in the principle contractor stating that works completed prior to cessation of trade have been paid in full, and may in some cases, have been overpaid.

It was the opinion of both the Joint Administrators, Commercial Asset Management and Naismiths that it was unlikely that any realisations will be made in this regard. I can confirm that no realisations have been made in this regard and I do not anticipate this position to alter in due course.

In addition to the above, following their appointment the Joint Administrators negotiated the sale of the Company's tangible assets and its goodwill.

Following ratification of the sale by the creditors in attendance at the creditors meeting on the 9th June 2016, the Joint Administrators worked with their duly appointed solicitors in order to finalise the terms of the sale agreement and receive funds into the Administration. The sale agreement was signed on the 10th October 2016 with payments under the contract being agreed on a deferred basis, as covered in greater detail further on within this report.

Payments under the sale contract remain ongoing at this time

There is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment is contained in Appendix 1.

RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 1st October 2017 to 31st March 2018 is attached at Appendix 2.

The balance of funds are held in an interest bearing estate bank account.

ASSETS

Office Furniture & Equipment and Goodwill

As detailed in previous reports, on the 10th October 2016 a sale agreement was entered into with North Point Global Limited to purchase the Company's office furniture, equipment and goodwill for £250,000.

The sale agreement allowed for the payment of monies due on a deferred basis, with a view to all funds having been received by March 2017. The payments due under the terms of the sale agreement were as follows:

| | |
|---------|---|
| £25,000 | Due on completion of the sale agreement |
| £25,000 | Due on or before the 7 th October 2016 |
| £25,000 | Due on or before the 30 th October 2016 |
| £25,000 | Due on or before the 20 th November 2016 |
| £50,000 | Due on or before the 20 th January 2017 |
| £50,000 | Due on or before the 20 th February 2017 |
| £50,000 | Due on or before the 20 th March 2017 |

To date the sum of £125,000 has been received under the terms of the sale agreement. Consequently, North Point Global is currently in default with the terms of the sale agreement in relation to the outstanding arrears of £125,000.

As no security was offered or granted by North Point Global in relation to the sale agreement, it has proved problematic to enforce the terms of the sale agreement.

However, I have since entered into negotiations with a third party which if successful, will allow me to novate the sale agreement over to them. This will result in the balance of monies being paid through prior to my next progress creditors becoming due

Bank Interest Net of Tax

All funds received into the Administration are banked into an interest bearing bank account opened in the Company's name. In this reporting period the sum of £4.01 has been received in relation to interest accumulated on the funds held in the account

LIABILITIES

Secured Creditor

During the course of trade, Blue Ray Enterprises FZE injected funds into the Company originally on an unsecured basis. However, in February 2016 Blue Ray Enterprises FZE obtained a debenture over the Company and its assets by way of security against all future cash injections made into the business. Following the creation and registration of this charge, the sum of £60,000 was advanced to the Company.

Consequently, Blue Ray Enterprises FZE is only a secured creditor to the amount of £60,000.

Under the terms of their fixed charge Blue Ray Enterprises FZE will be entitled to receive £60,000 from the funds received following the sale of the Company's Goodwill subject to the charge being verified by the Joint Administrators lawyers.

Preferential Creditors

Prior to Administration, the Company's employees had been transferred to Bilt Group under the provisions of the Transfer of Undertaking (Protection of Employment) Regulations 1981 ("TUPE") and as such no preferential claims are expected to be made in this regard.

Floating Charge Creditor

As detailed above Blue Ray Enterprises FZE registered a debenture over the Company at Companies House on 15th February 2016. This debenture provides for both a fixed and floating charge over the Company's assets.

However as previously disclosed, it is anticipated that the amount secured by the Charge will be repaid under the terms of the fixed element of the debenture. Therefore, no payment to Blue Ray Enterprises

FZE in their capacity as a Floating Charge Creditor is expected to be made.

Crown Creditors

Included within the unsecured creditor claim amount, as detailed below, is an amount of £251,408.26 claimed by HM Revenue & Customs. This claim is broken down as follows:

VAT £159,573.00
PAYE £91,835.26

In the original proposal to creditors, an estimated statement of financial position was included which valued the claims of HM Revenue & Customs (VAT) at £75,000

The claim is currently under review to establish its accuracy.

Unsecured Creditors

In addition to the amounts due to HM Revenue & Customs, unsecured claims totalling £8,864,776.94 have been received.

In the original proposal to creditors, an estimated statement of financial position was included which valued the claims of unsecured creditors at £7,893,473.57 of which £75,000 was believed to be due to HM Revenue & Customs.

However, following the circulation of the Joint Administrators proposals, additional unsecured creditors have come forward and claims have been received from known creditors in excess of the estimates provided by the Company.

This has created a substantial difference between the estimated and actual figures. It is now estimated that the total value of the Company's unsecured creditors (including the increased claims from HM Revenue & Customs) is £14,716,992.37.

I would note that I have yet to receive a formal claim from Blue Ray Enterprises FZE.

Prescribed Part

There are provisions of the insolvency legislation that require an administrator to set aside a percentage of a company's assets for the benefit of the unsecured creditors in cases where the company gave a "qualifying floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An administrator has to set aside:

- 50% of the first £10,000 of the net property; plus
- 20% of the property which exceeds £10,000;

up to a maximum prescribed part of £600,000.

Although Blue Ray Enterprises FZE hold a qualifying floating charge, it is anticipated that liabilities secured by the charge will be repaid under the fixed element, and therefore the prescribed part provisions will not apply.

DIVIDEND PROSPECTS

Secured creditors

As noted above, Blue Ray Enterprises FZE holds security over the Company's assets which is limited to the amount of £60,000.

It is anticipated that this will be repaid in full following the completion of the sale of the Company's

goodwill.

Preferential creditors

No redundancies were made by the Company and as such no claims have been made in this regard.

Floating charge creditors

Although Blue Ray Enterprises FZE hold a qualifying floating charge, it is anticipated that the secured element of their claim will be discharged in full under the terms of their fixed charge.

As such no dividend is expected to be made to Blue Ray Enterprises FZE under the terms of their floating charge.

Non-preferential unsecured creditors

Dividend prospects remain uncertain. They are reliant upon the completion of the sale contract with North Point Global Limited, as noted above in the "Assets" section of this report.

If a sale of the assets and goodwill is signed and payments are made under its terms, the non-preferential creditors can expect to receive a dividend.

INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I have undertaken an investigation into the Company's affairs to establish whether there are any potential asset recoveries or conduct matters that justified further investigations, taking account public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Following appointment my investigations have focused upon the reasons for the failure of the Company and whether any individual party could be deemed culpable for that failure.

As detailed in my previous report, the Directors have not lodged a statement of affairs as such I have compared the information within the original estimated statement of financial position included within the proposals with the last accounts produced by the Company to ascertain whether all significant assets can be identified and material movements in asset values can be explained.

I have investigated the position and role of various parties connected to the Company, in addition to the registered Directors, to establish whether they can be deemed as shadow directors. My investigations have focused upon the roles of Kevin Corish, Peter McInnes and Blue Ray Enterprises FZE.

However due to issues surrounding either the net worth or geographical location of these parties, I do not believe that it would be commercially viable to instigate legal action against these parties, due to the lack of prospects of a favourable return.

It is my opinion that it is unlikely that any financial return will be made as a result of these investigations, however the findings have been submitted to the Department for Business, Innovation and Skills (formerly the Department of Trade and Industry). In accordance with my statutory duties a Conduct Report pursuant to the Company Directors Disqualification Act 1986 has been submitted. This report is confidential so its contents cannot be disclosed.

I have also reviewed the nature of the contracts entered into between the Company, the SPV's and the principle contractor. The contracts themselves are standard JCT contracts and as such are not prejudicial to the Company's interests other than the fact that the Company has not been paid under them. The SPV's solvency problems appear to stem from a cash flow problem caused by their internal corporate structure. I do not believe that there are any actions arising from any wrongdoing under the terms of the contracts.

PRE-ADMINISTRATION COSTS

As previously disclosed Bridgestones were paid the sum of £50,000 + VAT by the Company to fund the Administration.

On 9th June 2016 the following pre-appointment costs were approved by the creditors

Pre-appointment fees charged: £23,865.90 + VAT

Pre-appointment expenses incurred: £7,595.50 + VAT where applicable.

In this reporting period the following pre-appointment expenses have been paid in full:

Legal Fees

The sum of £4,765.50 + VAT has been paid to Turner Parkinson LLP in relation to their assistance in the preparation and filing of the necessary legal paperwork required to place the Company into Administration and appoint the Joint Administrators.

Legal Disbursements

In addition to the above the sum of £1,030.00 + VAT (where applicable) has also been paid to Turner Parkinson LLP in relation to disbursements incurred by them in relation to placing the Company into Administration

ADMINISTRATORS' REMUNERATION (POST APPOINTMENT)

The Joint Administrator's remuneration was authorised by the creditors at a creditors meeting held on the 9th June 2016. The Joint Administrator's remuneration was authorised on a time cost basis based on a fees estimate of £75,455 + VAT. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors and or the Court.

My time costs to 31st March 2018 amount to £101,105.50, representing 332 of hours work at an average charge out rate of £304.53 per hour.

Of this the amount of £16,231.50, representing 55.40 hours of work charged at an average charge out rate of £292.99 per hour, has been accrued in the period since my last report.

The actual average charge out rate incurred compares with the estimated average charge out rate of £281.55 in my fees estimate

To date the Joint Administrators' have drawn post appointment remuneration of £75,454.10 + VAT, leaving a balance outstanding of £25,651.40.

No remuneration has been drawn within this reporting period.

A detailed schedule of my time costs incurred to date is attached as Appendix 2.

As at 31st March 2018 the total time costs I will incur in this matter in respect of the categories of work for which I am being remunerated on a time cost basis has exceeded the total estimated remuneration. Consequently, it is now my intention to seek authority to increase my remuneration in line with the additional time costs incurred.

The increase is a result of the problems and delays encountered in the realisation of the Company's assets under the terms of the sale agreement. These delays had a further effect of extending the period of the Administration, creating the need to issue more creditor reports than originally anticipated.

The fee estimate as circulated as part of the Joint Administrators proposals estimated that realisation of the Company's assets would take roughly 62 hours, creating time costs of £18,670, being a blended rate of £301.13 per hour.

In addition, it also estimated that the work involved in the general day to day administration of the case would take roughly 78 hours, creating time costs of £22,610, being a blended rate of £312.41 per hour.

However, to date time costs in connection to asset realisations currently stand at £29,166.50 being 89 90 hours at a blended rate of £324.43 per hour whereas the time costs in connection to general administration currently stand at £37,146 being 118.90 hours at a blended rate of £289.87 per hour.

As the realisation of the Company's assets remains ongoing at this time, I anticipate that my time costs in this regard will continue to grow. At this stage I estimate that the additional work required to complete the realisation of monies due under the sale agreement will take approximately 50 hours at a total time cost of £16,187.50, creating a blended rate of £323.75 per hour

This will increase my total fees to an estimated £117,293.

As such I am seeking approval from the Company's creditors to increase my time cost approval from £75,455 + VAT to £117,293 + VAT.

In the absence of a Liquidation Committee it falls to the creditors to fix the basis of my fees.

If you wish to vote on the decision, you must complete and return the enclosed voting form to me by no later than 23.59 on 14th May 2018, the decision date.

If you have not already submitted proof of your debt, please complete the enclosed form and return it to me, together with the relevant supporting documentation. Your vote on the decisions will not count unless you have lodged proof of your debt by no later than 23.59 on 8th May 2018.

The following documents are enclosed with this report:

- Creditor Proxy Form; and
- Proof of debt form.

Please note that I must receive at least one vote by the decision date or the decision will not be made. I would therefore urge you to respond promptly.

If approved, this increased estimate will act as a cap on my time costs so that I cannot draw fees of more than the total estimated time costs without further approval from creditors or the Court.

CREDITOR'S RIGHTS

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Bridgestones' fee policy are available at the link <http://www.bridgestones.co.uk/technical.html>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the April 2017 version.

ADMINISTRATORS' EXPENSES

I have incurred total expenses of £33,592.10 since my appointment as Administrator, of which £301.95 was incurred in the period since 1st October 2017.

I have drawn £32,436.70 to 31st March 2018 of which £7.20 was drawn in the period since 1st October 2017.

I have incurred the following expenses in the period since my last progress report:

| Type of expense | Amount incurred/ accrued in the reporting period |
|-----------------|--|
| Bank Charges | £7.20 |

I have used the following agents or professional advisors in the reporting period:

| Type of category 2 disbursement | Amount incurred/ accrued in the reporting period |
|---|--|
| Printed Paper being 365 sheets at £0.15 per sheet | £54.75 |
| Copy Paper being 1,122 sheets at £0.10 per sheet | £112.20 |
| Box Storage being 9 boxes at £2.50 per month | £135.00 |

I have used the following agents or professional advisors in the reporting period:

| Professional Advisor | Nature of Work | Basis of Fees |
|----------------------|----------------|---------------|
| Turner Parkinson LLP | Solicitors | Time Costs |

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money. I have reviewed the charges they have made and am satisfied that they are reasonable in the circumstances of this case.

Legal Fees and disbursements have been incurred primarily in relation to the ongoing sales discussions and negotiations with North Point Global in connection with the purchase of the assets of the Company. This work includes the drafting of sales contracts, carrying out all relevant due diligence and correspondence with the purchasing party's solicitor.

In addition to the above, legal fees have also been incurred following the defending of two winding up petitions brought against the Company as well as providing legal advice on claims brought by creditors.

The debt recovery agents were engaged to review, report on, and where possible to recover, monies due to the Company by the Principle Contractor. This review has now been completed and it is the opinion of both agencies that it is unlikely that any recoveries will be made in relation to the outstanding debtor ledger.

FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Bridgestones

can be found at <http://www.bridgestones.co.uk/index.html>

SUMMARY

The Administration will remain open until the following matters have been finalised: -

The collection of the monies due under the terms of the sale agreement has been finalised;

Creditor claims have been agreed and a distribution made.

Once these matters have been finalised the Administration will be scheduled for closure.

If creditors have any queries regarding the conduct of the Administration, or if they want hard copies of any of the documents made available on-line, they should contact Lindsey Hall on the above telephone number, or by email at lindsey@bridgestones.co.uk



Jonathan Lord
Joint Administrator

The Joint Administrators are agents of the Company and act without personal liability.

Appendix 1

1. Administration

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Dealing with all routine correspondence and emails relating to the case
- Opening, maintaining and managing the office holder's estate bank account.
- Creating, maintaining and managing the office holder's cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds
- Reviewing the adequacy of the specific penalty bond on a quarterly basis.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by case administrators.
- Preparing, reviewing and issuing progress reports to creditors and members.
- Filing returns at Companies House.
- Preparing and filing VAT returns.
- Preparing and filing Corporation Tax returns.
- Obtaining a Court approved extension of the Administration for a period of 12 months

2. Creditors

- Dealing with creditor correspondence, emails and telephone conversations regarding their claims.
- Maintaining up to date creditor information on the case management system.
- Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.
- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.

3. Asset Realisation

- Negotiating the novation of the existing sale agreement to a third party
- Chasing North Point Global in relation to monies owed under the terms of the sale agreement

No

Analysis of Time Costs for the Period from 1 April 2016 to 31 March 2018

| Classification of work function | Hours | | | | | | | |
|---------------------------------|-------------------------|----------|----------------|---------|--------------------|------------|---------------|-------------|
| | Insolvency Practitioner | Director | Senior Manager | Manager | Case Administrator | Cashiering | Support Staff | Total Hours |
| Administration and Planning | 45.40 | 0.00 | 73.30 | 0.00 | 0.20 | 0.00 | 0.00 | 118.90 |
| Realisation of Assets | 39.95 | 0.00 | 49.95 | 0.00 | 0.00 | 0.00 | 0.00 | 89.90 |
| Creditors | 8.75 | 0.00 | 68.50 | 0.00 | 0.00 | 0.00 | 0.00 | 77.25 |
| Investigation | 18.75 | 0.00 | 27.20 | 0.00 | 0.00 | 0.00 | 0.00 | 45.95 |
| Total Hours | 112.85 | 0.00 | 218.95 | 0.00 | 0.20 | 0.00 | 0.00 | 332.00 |
| Total Fees Claimed (£) | 48,525.50 | 0.00 | 52,548.00 | 0.00 | 32.00 | 0.00 | 0.00 | 101,105.50 |
| | | | | | | | | 304.53 |
| | | | | | | | | 312.41 |
| | | | | | | | | 324.43 |
| | | | | | | | | 261.52 |
| | | | | | | | | 317.53 |
| | | | | | | | | 304.53 |

| Hourly Rate Range | From | To |
|----------------------------|--------|--------|
| Insolvency Practitioner | 430.00 | 430.00 |
| Director | 0.00 | 0.00 |
| Senior Manager | 240.00 | 240.00 |
| Manager | 0.00 | 0.00 |
| Case Administrator | 160.00 | 160.00 |
| Cashier | 0.00 | 0.00 |
| Assistants & Support Staff | 0.00 | 0.00 |

No

Analysis of Time Costs for the Period from 1 October 2017 to 31 March 2018

| Classification of work function | Hours | | | | | | | | | |
|---------------------------------|-------------------------|----------|----------------|---------|--------------------|------------|---------------|-------------|----------------|-------------------------|
| | Insolvency Practitioner | Director | Senior Manager | Manager | Case Administrator | Cashiering | Support Staff | Total Hours | Time Costs (£) | Average Hourly Rate (£) |
| Administration and Planning | 4.70 | 0.00 | 27.40 | 0.00 | 0.00 | 0.00 | 0.00 | 32.10 | 8,597.00 | 267.82 |
| Realisation of Assets | 9.25 | 0.00 | 3.75 | 0.00 | 0.00 | 0.00 | 0.00 | 13.00 | 4,877.50 | 375.19 |
| Creditors | 0.00 | 0.00 | 5.90 | 0.00 | 0.00 | 0.00 | 0.00 | 5.90 | 1,416.00 | 240.00 |
| Investigation | 1.50 | 0.00 | 2.90 | 0.00 | 0.00 | 0.00 | 0.00 | 4.40 | 1,341.00 | 304.77 |
| Total Hours | 15.45 | 0.00 | 39.95 | 0.00 | 0.00 | 0.00 | 0.00 | 55.40 | 16,231.50 | 292.99 |
| Total Fees Claimed (£) | 6,643.50 | 0.00 | 9,588.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | |

| Hourly Rate Range | From | To |
|----------------------------|--------|--------|
| Insolvency Practitioner | 430.00 | 430.00 |
| Director | 0.00 | 0.00 |
| Senior Manager | 240.00 | 240.00 |
| Manager | 0.00 | 0.00 |
| Case Administrator | 0.00 | 0.00 |
| Cashier | 0.00 | 0.00 |
| Assistants & Support Staff | 0.00 | 0.00 |

PHD1 Construction Limited - In Administration
Joint Administrators' Abstract of Receipts & Payments

From 01 April 2016 To 31 March 2018

| S of A £ | | As Previously Reported | 01/10/17 to 31/03/18 | Total £ |
|-----------------|-----------------------------------|-----------------------------------|-------------------------------------|---------------------|
| RECEIPTS | | | | |
| 20,669 | Cash at Bank | 6,869.18 | NIL | 6,869.18 |
| NIL | Bank Interest Net of Tax | 8.52 | 4.01 | 12.53 |
| NIL | Third Party Funds | 50,000.00 | NIL | 50,000.00 |
| NIL | Sundry Refund | 10,373.80 | NIL | 10,373.80 |
| NIL | Sale of Business | 125,000.00 | NIL | 125,000.00 |
| 512,324 | Pre Appointment VAT refund | NIL | NIL | NIL |
| NIL | Contribution to legal fees | 5,100.00 | NIL | 5,100.00 |
| <u>532,993</u> | | <u>197,351.50</u> | <u>4 01</u> | <u>197,355.51</u> |
| PAYMENTS | | | | |
| NIL | Legal Fees | (2,900.00) | NIL | (2,900.00) |
| NIL | Legal Fees | (17,906.50) | NIL | (17,906.50) |
| NIL | Statutory Advertising | (79.00) | NIL | (79.00) |
| NIL | Bank Charges | (19.20) | (7.20) | (26.40) |
| NIL | Professional Fees | (10,990.00) | NIL | (10,990.00) |
| NIL | Creditor report hosting | (82.00) | NIL | (82.00) |
| NIL | Administrator's Remuneration | (75,454.10) | NIL | (75,454.10) |
| NIL | Administrators remuneration (Pre) | (23,865.90) | NIL | (23,865.90) |
| NIL | Legal Fees (Pre) | (4,765.50) | NIL | (4,765.50) |
| NIL | Legal Disbursements (Pre) | (1,030.00) | NIL | (1,030.00) |
| NIL | Specific Bond | (460.00) | NIL | (460.00) |
| <u>0</u> | | <u>(137,552.20)</u> | <u>(7 20)</u> | <u>(137,559.40)</u> |
| <u>532,993</u> | CASH IN HAND | <u>59,799.30</u> | <u>(3.19)</u> | <u>59,796.11</u> |

Rule 16.3

Insolvency Act 1986

Proxy (Liquidation)

Notes to help
completion of the
form

Re: PHD1 CONSTRUCTION LIMITED – IN ADMINISTRATION

Please give full name of
person (who must be
18 or over) or the
“Chair”. 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.

Name of creditor _____

Address _____

Name of proxy-holder _____

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 proxy-holder at the meeting of creditors to be held on 8th May 2018 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).

Voting instructions for resolutions

Any other resolutions
which the proxy-
holder is to propose or vote
in favour of or paragraphs
in the space provided
below paragraph 2.

i). That the Joint Administrators be allowed to increase their time costs from £75,455 + VAT to £117,293 + VAT in line with the information provided in the Joint Administrators progress report.

If more room is required
please use the other side of
this form

This form must be
signed

Signature _____ **Date** _____

Name in CAPITAL LETTERS _____

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

Position with creditor or relationship or other authority for signature _____