

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



AAH3DDWP

A15

12/11/2021

#214

COMPANIES HOUSE

1 Company details

Company number 0 9 2 6 0 3 7 4
Company name in full PM Reinforcements (NW) Ltd

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

2 Liquidator's name

Full forename(s) Dave
Surname Clark

3 Liquidator's address

Building name/number 26 York Place
Street
Post town Leeds
County/Region
Postcode L S 1 2 E Y
Country

4 Liquidator's name ①

Full forename(s)
Surname

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

5 Liquidator's address ②

Building name/number
Street
Post town
County/Region
Postcode
Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

| | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| From date | ^d 1 | ^d 7 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
| To date | ^d 1 | ^d 6 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |

7 Progress report

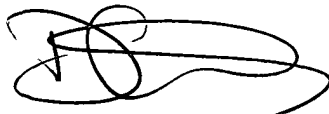
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

| | | | | | | | |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| ^d 1 | ^d 1 | ^m 1 | ^m 1 | ^y 2 | ^y 0 | ^y 2 | ^y 1 |
|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|

LIQ03

Notice of progress report in voluntary winding up



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 | Natalie Clark | | | | | | |
| Company name | Clark Business Recovery Limited | | | | | | |
| | | | | | | | |
| Address | 26 York Place | | | | | | |
| | | | | | | | |
| Post town | Leeds | | | | | | |
| County/Region | | | | | | | |
| Postcode | L | S | 1 | | 2 | E | Y |
| Country | | | | | | | |
| DX | | | | | | | |
| Telephone | 01132 438617 | | | | | | |



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

**PM REINFORCEMENTS (NW) LTD - IN
LIQUIDATION**

**SECOND ANNUAL PROGRESS REPORT TO MEMBERS
AND CREDITORS**

**PURSUANT TO SECTION 104A OF THE INSOLVENCY
ACT 1986**

**AND RULE 18.7 OF THE INSOLVENCY (ENGLAND AND
WALES) RULES 2016**

DATE OF LIQUIDATION:
17 SEPTEMBER 2019

NAME OF LIQUIDATOR:
DAVE CLARK

LIQUIDATOR'S ADDRESS:
CLARK BUSINESS RECOVERY LIMITED,
26 YORK PLACE,
LEEDS,
WEST YORKSHIRE,
LS1 2EY

CONTENTS

- 1** Introduction and statutory information
- 2** Receipts and payments account
- 3** Progress of the liquidation
- 4** Creditors
- 5** Liquidator's remuneration
- 6** Ethics
- 7** Creditors' rights
- 8** Conclusion

APPENDICES

- A** Receipts and payments account for the period from 17 September 2020 to 16 September 2021, together with the cumulative receipts and payments account for the period, 17 September 2019 to 16 September 2021
- B** The Liquidator's original fee estimate/information
- C** Time analysis for the period 17 September 2020 to 16 September 2021
- D** Time analysis for the period 17 September 2019 to 16 September 2021
- E** Additional information in relation to the Liquidator's Fees, Expenses & the use of Subcontractors

PM Reinforcements (NW) Ltd - In Liquidation ("the Company")

Company Number: 09260374

Registered Office: c/o Clark Business Recovery Limited, 26 York Place, Leeds, West Yorkshire, LS1 2EY

1 Introduction and statutory information

Dave Clark of Clark Business Recovery Limited, 26 York Place, Leeds, West Yorkshire, LS1 2EY, was appointed Liquidator of the Company by shareholders and creditors on 17 September 2019.

This second annual progress report sets out an account of the acts, dealings and of the conduct of the liquidation for the period 17 September 2020 to 16 September 2021, together with the cumulative period of the liquidation, 17 September 2019 to 16 September 2021. This report should be read in conjunction with any previous progress reports which have been issued.

Information about the way that we will use and store personal data on insolvency appointments can be found at <http://www.clarkbr.co.uk/dppn/>. If you are unable to download this, please contact us and a hard copy will be provided to you.

Prior to liquidation the Company operated as a construction company and traded from Unit 7 Whitehall Industrial Estate, Whitehall Road, Leeds, LS12 5JB. This address also acted as the Company's registered office prior to the liquidation.

2 Receipts and payments account

Attached at **Appendix A** is the receipts and payments account for the period 17 September 2020 to 16 September 2021 ("the Reporting Period"). Cumulative receipts and payments for the period 17 September 2019 to 16 September 2021 are also shown.

Where possible all funds have been held on an interest bearing account in order to maximise the level of realisations.

Please note the receipts and payments account provides details of the remuneration charged and expenses incurred and paid by the Liquidator. Those receipts and payments during the course of the Reporting Period can be seen on the attached receipts and payments account. Further details surrounding these transactions are detailed later in this report.

3 Progress of the liquidation

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

Administration (including statutory compliance & reporting)

An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work the Liquidator anticipated would need to be done in this area was outlined in the initial fees estimate/information which was sent to creditors on 3 October 2019.

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 Liquidator.

As noted in the 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

It is not anticipated that the work the Liquidator has carried out to deal with the Company's assets will provide a financial benefit to creditors. This is because the value of the assets was insufficient to produce a financial benefit after the associated costs of realisation were taken into consideration.

The realisations during the course of the liquidation can be seen on the attached receipts and payments account. This also shows a comparison to the Statement of Affairs. Further details of those realisations which have taken place during the reporting period can be found below.

Retentions

As previously reported, the Liquidator was continuing to chase recovery of the Company's 2 outstanding retentions which totalled £21,000.00. Since the last report to creditors, both debtors have provided documentation which shows that the remedial works that have been required for each of these contracts have outweighed the value of the retentions due. As a result these debts have been written off.

Debtors

Since the report to creditors, the 1 remaining outstanding book debt of £2,475.00 has been written off. After managing to make contact with the debtor, they disputed the debt and unfortunately, insufficient documentary evidence was held to challenge this. The only remaining option was to instruct solicitors. However, the costs in doing so would outweigh the potential benefit. Accordingly, as it was uncommercial to continue to chase this debt, it has been written off.

There are no further realisations anticipated in this case.

As with the issues relating to the retention debtors, problems in contacting the outstanding debtors were experienced by the Liquidator, and as such, once the same restrictions started to lift, the Liquidator made contact with the debtors, of which they confirmed that the same significant snagging works and faults had been identified and as such the balance outstanding was not due to be paid, as the costs to rectify these faults, outweighed any sums due.

Therefore, this balance has been written off and there are no anticipated funds due from this source.

There are no further realisations anticipated in this case.

Creditors (claims and distributions)

The Liquidator is 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.

Work undertaken by the Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidator is 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 Liquidator in dealing with those claims.

More information on the anticipated outcome for all classes of creditors in this case can be found in Section 4 below.

At this stage, the Liquidator considers the following matters worth bringing to the attention of creditors:

- There are no secured creditors in this case;
- There are also no preferential creditors;
- There are 51 unsecured creditors in this case as per the Company's Statement of Affairs which total £309,593.84;
- There have been 22 unsecured creditor claims received during the liquidation which total £386,254.25; and
- Insufficient asset realisations have been made to allow a distribution to creditors in this matter. Accordingly, there is no requirement to adjudicate creditors' claims in this matter.

Investigations

You may recall from the first progress report that some of the work a Liquidator is 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 Liquidator can pursue for the benefit of creditors.

The 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.

Since the last progress report, the Liquidator can advise that no further asset realisations have come to light that may be pursued for the benefit of creditors.

Matters still to be dealt with

The Liquidator can confirm that there are no further matters to be dealt with in this case and he will shortly be seeking his release from office.

4 Creditors

Secured creditors

According to information available at Companies House there are no outstanding debentures or charges registered against the Company.

Preferential creditors

No preferential creditor claims have been received in the liquidation.

Prescribed part

In accordance with Section 176A of the Insolvency Act 1986, the Liquidator is required to set aside a prescribed amount of the Company's 'net property' towards the satisfaction of unsecured debts. Net property is the amount of property that would otherwise be available for satisfaction of holders of debentures, secured by, or holders of, any floating charge created by the Company after 15 September 2003. As there is no charge the prescribed part provisions do not apply in this case.

Unsecured creditors

The directors Statement of Affairs estimated unsecured creditors to total the sum of £309,593.84.

To date, the Liquidator has received 22 unsecured creditors claims which total the sum of £386,254.25. The Liquidator can confirm that he will not be adjudicating creditor claims as there is no prospect of a dividend in this case.

Notice of no dividend

In accordance with Rule 14.36 of the Insolvency (England and Wales) Rules 2016, the Liquidator must notify creditors when there is no prospect of a dividend. The Liquidator confirmed that there will be no prospect of a dividend to creditors in this case on 25 October 2021.

5 Liquidator's remuneration

Creditors approved that the unpaid pre-liquidation fees which totalled the sum of £8,218.00 plus VAT and expenses be paid from the estate. However, the Liquidator was restricted to drawing the sum of £2,500.00 plus VAT for his costs for the preparation of the Statement of Affairs and the sum of £2,500.00 in relation to his Decision Procedure fee.

The Liquidator can confirm that the sum of £2,500.00 plus VAT has been received for his costs in relation to the preparation of the Statement of Affairs and in addition the Liquidator can confirm that the sum of £2,500.00 has been received in relation to his Decisions Procedure fee. Both of these fees have been drawn after the Reporting Period.

In addition, creditors approved the basis of the Liquidator's remuneration to be a set amount of £25,030.00. The sum of £14,796.00 plus VAT has subsequently been received outside of the Reporting Period, in respect of his remuneration fee and the remaining balance shall be written off. The Liquidator's fees information was originally provided to creditors when the basis of his remuneration was requested and was based on information available at that time. A copy of the initial fee information is attached at **Appendix B**.

Statement of Insolvency Practice 9 ("SIP9") outlines the information to be provided to creditors by the office holder when dealing with the matter of his remuneration, this includes a creditors guide to these costs. This is available upon request or can be viewed in the Creditor Reports section at www.clarkbr.co.uk.

The time spent on the liquidation from 17 September 2020 to 16 September 2021 was 31.50 hours, at an average rate of £261.30 per hour, giving total time costs of £8,231.00. A breakdown in accordance with SIP9 is attached at **Appendix C**.

The time spent on the liquidation from 17 September 2019 to 16 September 2021 was 87.10 hours, at an average rate of £256.07 per hour, giving total time costs of £22,304.00. A breakdown in accordance with SIP9 is attached at **Appendix D**.

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <https://www.clarkbr.co.uk/creditor-guides/>.

Attached as **Appendix E** is additional information in relation to the Liquidator's fees and expenses including where relevant, information on the use of subcontractors and professional advisers.

6 Ethics

The Liquidator is bound by the Insolvency Code of Ethics and considered their professional bodies guide to conduct and ethics in relation to accepting an instruction from the Board of this Company. They are satisfied that there is no evidence to suggest that there is any matter that would affect their independence or objectivity in dealing with this matter, and that no threat has arisen to their compliance with the fundamental principles and safeguards applied by the code during the period of this report.

7 Creditors' rights

In accordance with Rule 18.9 of The Insolvency (England and Wales) Rules 2016, Members or Creditors have the right to request further information about the office holder's remuneration or expenses and may request additional information relating to the conduct of the liquidation. Such requests should be made within 21 days of this report in writing to the office holder at the address shown above.

Furthermore, in accordance with Rule 18.34 of The Insolvency (England and Wales) Rules 2016, creditors have the right to claim that the office holder's remuneration or expenses are excessive. Such applications should be made to court no later than 8 weeks after receipt of this report.

8 Conclusion

There are no matters that remain outstanding in this case and the Liquidator has commenced closure proceedings. This report has been generated to meet with the Liquidator's statutory requirements.

If you require any further information or clarification on any matter, please do not hesitate to contact Natalie Clark on 0113 2438617 or by email at natalie@clarkbr.co.uk.



Dave Clark

Liquidator

Date: 11 November 2021

PM Reinforcements (NW) Ltd
(In Liquidation)

LIQUIDATOR'S RECEIPTS AND PAYMENTS ACCOUNT

| | Statement of affairs £ | From 17/09/2020 To 16/09/2021 £ | From 17/09/2019 To 16/09/2021 £ |
|------------------------------------|------------------------------|---------------------------------------|---------------------------------------|
| RECEIPTS | | | |
| WIP | NIL | 0.00 | 0.00 |
| Retentions | Uncertain | 0.00 | 0.00 |
| Debtors | 2,475.00 | 0.00 | 0.00 |
| Cash held in Client Account | 20,700.00 | 0.00 | 20,700.00 |
| | | <u>0.00</u> | <u>20,700.00</u> |
| PAYMENTS | | | |
| WIP | | 0.00 | 0.00 |
| Specific Bond | | 0.00 | 100.00 |
| Agents/Valuers Fees (1) | | 650.00 | 650.00 |
| Statutory Advertising | | 0.00 | 154.00 |
| Trade & Expense Creditors | (263,438.54) | 0.00 | 0.00 |
| Directors | (1,905.30) | 0.00 | 0.00 |
| HM Revenue & Customs - CIS | (18,000.00) | 0.00 | 0.00 |
| HM Revenue & Customs - CT | (24,000.00) | 0.00 | 0.00 |
| Ordinary Shareholders | (100.00) | 0.00 | 0.00 |
| Vat Receivable | | 130.00 | 130.00 |
| Vat Control Account | | 0.00 | 30.80 |
| | | <u>780.00</u> | <u>1,064.80</u> |
| BALANCE - 16 September 2021 | | | <u><u>19,635.20</u></u> |

APPENDIX B

PM Reinforcements (NW) Ltd

Fee Estimate

| | <u>Director</u> | <u>Senior Manager/ Manager</u> | <u>Cashier</u> | <u>Administrator/ Support Staff</u> | <u>Total</u> | <u>Time Costs (£)</u> | <u>Average hourly rate (£)</u> |
|--|------------------|------------------------------------|------------------|---|--------------|---------------------------|--|
| Administration, Planning & Statutory Compliance | 4.00 1,720.00 | 8.00 2,320.00 | 1.00 250.00 | 13.00 2,860.00 | 26.00 | 7,150.00 | 275.00 |
| Creditors & Distribution | 1.00 430.00 | 9.00 2,610.00 | 1.00 250.00 | 12.00 2,640.00 | 23.00 | 5,930.00 | 257.83 |
| Cashiering | 1.00 430.00 | 1.00 290.00 | 6.00 1,500.00 | 1.00 220.00 | 9.00 | 2,440.00 | 271.11 |
| Investigations | 2.00 860.00 | 8.00 2,320.00 | 0.00 0.00 | 6.00 1,320.00 | 16.00 | 4,500.00 | 281.25 |
| Realisation of Assets | 2.00 860.00 | 9.00 2,610.00 | 0.00 0.00 | 7.00 1,540.00 | 18.00 | 5,010.00 | 278.33 |
| Total | 10.00 | 35.00 | 8.00 | 39.00 | 92.00 | 25,030.00 | 272.07 |

PM Reinforcements (NW) Ltd (“the Company”)

Fees Information in accordance with The Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 9

Fees Overview

Prior to an Insolvency Practitioner agreeing the basis of his remuneration as Liquidator, details of the work proposed to be done and the expenses it is considered will be, or are likely to be, incurred in dealing with a company's affairs must be provided to creditors.

In addition, where the Liquidator proposes to take all or any part of this remuneration based on the time he and his staff will spend dealing with the affairs of the insolvent company, a **fee estimate** must also be provided. This will outline the anticipated cost of that work, how long it is anticipated the work will take and whether any further approvals may be needed from creditors in due course.

It should be noted that a **fee estimate** may be provided to a particular milestone or for a designated period in a case, where it is not possible to accurately estimate the work that will need to be done at the outset.

Creditors should be aware that the **fees estimate** is based on all of the information available now and may be subject to change due to unforeseen circumstances that may arise during the liquidation. If it is considered that the **fees estimate** will be exceeded, the Liquidator will provide an update and seek approval to increase the previously agreed **fees estimate**.

Work anticipated and the likely return to creditors

Some of the work undertaken by an Insolvency Practitioner is required by statute and may not necessarily provide a financial benefit to creditors. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of former employees via the National Insurance Fund.

Where the work to be done is anticipated to produce a financial benefit to creditors, this will be stated and it may be necessary for the Liquidator to instruct third parties to assist in this process because of a particular expertise that the third party may bring such as valuation, tax or legal advice.

Where it is practical to do so, a Liquidator will provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration. Due to the complex nature of the work undertaken by Insolvency Practitioners and the uncertainties that may exist in relation to the realisation of a company's assets at the outset of a case, this may not be possible. A Liquidator is however, required by statute to provide periodic reports to creditors on the progress of a case which will include an update as to the likely return creditors may expect.

Proposed Fee Basis

In this case, it is being proposed that the basis of my remuneration as Liquidator will be based on the time spent by me and my staff in dealing with the Company's affairs. Attached to this document is my fees estimate, together with an explanation of the work I propose undertaking.

Each part of the work to be undertaken will necessarily require different levels of expertise and therefore related cost. In order to aid understanding, for the purposes of my fees estimate, I have indicated an average blended rate of the grades of staff such as myself, the case manager, the case administrator and cashier when estimating the total hours to be spent on each part of the work.

This fees estimate is produced on the basis of all the work I currently propose will be necessary in the liquidation. If I consider the fees estimate will be exceeded, I will notify creditors accordingly, provide a revised estimate and seek further approval for my increased fees.

Outline of work to be done by the Liquidator

Below are details of the work I propose undertaking in support of the fee estimate for the liquidation:

Administration (including statutory compliance & reporting)

Liquidators are required to carry out certain tasks in nearly every insolvency assignment, namely administrative duties and dealing with the Company's creditors. Whilst these tasks are required by statute or regulatory guidance or are necessary for the orderly conduct of the proceedings, they do not necessarily produce any direct financial benefit for creditors, but nonetheless still have to be undertaken.

This work includes:

- Post appointment notifications (excluding notice to creditors) and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House;
- Lodging periodic returns with the Registrar of Companies for the liquidation;
- Complying with statutory duties in respect of the Liquidator's specific penalty bond;
- Creation and update of case files on the firm's insolvency software;
- Establishing and holding periodic meetings of the liquidation committee and associated filing formalities (if a committee is appointed);
- Securing the Company's books and records;
- Pension regulatory reporting and auto-enrolment cancellation;
- Completion and filing of the notice of the Company's insolvency to HMRC;
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter); and
- Closing the liquidation and preparing and issuing the Liquidator's final account to prescribed parties.

Realisation of assets

Retentions

- Reviewing the current retention position;
- Writing to all retentions requesting payment;
- Reviewing retention correspondence; and

- Communication with the directors and debt recovery agent (in the event of non-cooperation)

Book Debts

- Writing to debtors requesting payment;
- Reviewing debtor correspondence regarding outstanding balances; and
- Communication with the directors and debt recovery agent (in event debtors refuse to co-operate with Liquidator).

Cash held in Client Account

- Ensuring the Company bank accounts are closed and dealt with correctly.

Motor Vehicles

- Confirming valuations and liaising with agents regarding the same;
- Correspondence with finance companies to ascertain outstanding finance and determine equity positions;
- Securing and realising if necessary; or
- Disclaiming interest in and novating agreements if required.

Work done by the Liquidator, his staff and any third parties engaged to assist the Liquidator in realising the Company's assets will, it is anticipated, provide a financial benefit to creditors. This may involve realising assets to facilitate 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/or unsecured creditors of the Company. Further information on the likely outcome of the liquidation process will be provided in the Liquidator's subsequent progress reports.

Creditors (claims and distributions)

As Liquidator, I will deal with all secured, preferential and unsecured creditor correspondence and claims as received, including any claims of creditors under retention of title. Based on the Company's estimated Statement of Affairs, it is too early to determine whether a dividend to creditors will be paid.

I will deal with the review and adjudication of creditors' claims as appropriate, if and when it is determined that a dividend is to be declared to that class of creditor.

It should be noted that the above is based on the estimated Statement of Affairs and the projected realisable value of the Company's assets which at this stage is unconfirmed, together with the anticipated costs of the liquidation. I will undertake appropriate investigations into and obtain valuations of, the Company's assets and will confirm the likely return to creditors in my first progress report.

Work carried out in respect of this category will also include:

- Notifying creditors of the Liquidator's appointment; and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House;
- Preparing and issuing annual progress reports to members and creditors;

- Liaison with secured creditors, obtaining charge documents and validating the security; and
- Closing the liquidation and preparing and issuing the Liquidator's final account to creditors.

Cashiering

- Opening, maintaining and managing the liquidation estate cashbook and bank account(s);
- Dealing with all post-appointment VAT and corporation tax compliance; and
- Reconciliation of Liquidator's case specific bank account.

Investigations

As Liquidator, I am required to conduct investigations into the conduct of the directors of the Company and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2 (Investigations by Office Holders in Administrations and Insolvent Liquidations).

This work may not necessarily lead to any financial benefit to creditors yet is work I am required to undertake by statute. I have listed this work below:

- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the liquidation;
- Review the recent transaction with an associated company in respect of the sale of the former trading premises and the discharge of the secured creditors charge against the Company; and
- Submitting a statutory report to the Insolvency Service under the CDDA.

If my initial investigations reveal that further recoveries may be available for the insolvent estate, all work undertaken to pursue these recoveries will be estimated within this time category.

At this stage, I do not foresee any substantial investigation work will be required but if following the conclusion of my initial investigations I consider that further investigation work is then required to pursue assets of the Company, I will provide creditors with an update on my **fees estimate** in due course.

Liquidator's Expenses

As also noted, I am required to provide creditors with details of the expenses I consider will be, or are likely to be, incurred in the liquidation. These may include expenses such as agent's costs for assisting in the disposal and realisation of the company's physical assets or other routine expenses associated with an insolvency case such as statutory advertising costs or the office holder's specific penalty bond.

Below is a summary of the expenses I consider will be, or are likely to be, incurred in this case. I will provide a further update in my first progress report to creditors at the anniversary of my appointment as Liquidator or sooner, if the case is concluded beforehand.

| Expense | Estimated cost £ |
|---|--------------------------|
| <ul style="list-style-type: none"> ▪ Agents' costs for providing a valuation of the Company's assets. | Up to £500.00 plus VAT |
| <ul style="list-style-type: none"> ▪ Agents' costs assisting with the collections of book debts, WIP and retentions. | Up to £7,500.00 plus VAT |
| <ul style="list-style-type: none"> ▪ Statutory advertising | Up to £154.00 plus VAT |
| <ul style="list-style-type: none"> ▪ Specific penalty bond | The sum of £100.00 |
| Category 2 disbursements charged by the firm: | |
| <ul style="list-style-type: none"> • Stationery & postage | The sum of £71.00 |

Clark Business Recovery Limited's Category 2 disbursements policy

Attached are details of my firm's Category 2 disbursements policy.

Category 2 disbursements 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. Any Category 2 disbursements which this firm proposes to charge in this case are reflected in the table of expenses above. Approval to charge these will be sought from creditors when the basis of my remuneration as Liquidator is fixed.

CLARK BUSINESS RECOVERY LIMITED - DISBURSEMENTS RECOVERY POLICY - SIP 9

Category 1 disbursements

| | |
|--------------------------|--|
| Postage and stationery | Charged at cost |
| Bordereau/ insurance | Charged at cost |
| Case advertising | As per advertisers/ agents invoice |
| Courier | Charged at cost |
| DTI IVA registration fee | Charged at cost (in relevant cases) |
| Land Registry/ Searches | As per Land Registry, agents or Companies House invoice |
| Post re-direction | Charged at cost |
| Subsistence | Charged at cost |
| Travel | Charged at cost for public transport and taxis. Car travel charged at 45p per mile. |

Category 2

| | |
|-----------|--|
| Room hire | <i>£140.00 for room hire made available in-house for case specific meetings. Charge is only be made when attendance of debtor/ director and/or creditors is likely and a meeting room has been set aside. Where appropriate, external room hire at cost (Category 1)</i> |
| Storage | <i>Either pro-rata per number of boxes per storage charge invoice where an external records storage provider provides this facility to the firm (Category 1). Or £5.00 for each box and £5.00 per box per annum storage. (Category 2)</i> |

TIME COST ANALYSIS - EXPLANATION OF WORK DONE

| Category | Examples of Work |
|-----------------------------|---|
| Administration and Planning | Case planning, case reviewing, administrative set-up, appointment notification, maintenance of records, statutory reporting and compliance. |
| Cashiering | Maintenance of cash books, bank reconciliation, processing receipts and payments, statutory returns |
| Investigations | SIP 2 review, CDDA reports, Investigating antecedent transactions |
| Realisation of Assets | Identifying, securing, insuring assets, retention of title, debt collection, property, business and asset sales free from encumbrance, dealing with charged assets, correspondence with secured creditor, and verification of security documentation. |
| Creditors | Communication with creditors, creditors' claims (including employees' and other preferential creditors'), adjudication on claims and closure. |

Details of the charge out rate of staff employed by Clark Business Recovery Limited are as follows:

| STAFF GRADE | CHARGE OUT RATE £ PER HOUR |
|----------------------------------|----------------------------|
| Director | 380.00 – 430.00 |
| Senior Manager/Manager | 350.00 – 290.00 |
| Cashier | 250.00 |
| Case Administrator/Support Staff | 220.00 – 150.00 |

APPENDIX C

PM Reinforcements (NW) Ltd - In Liquidation
Time Cost Analysis In Hours
for the period 17 September 2020 to 16 September 2021

| | <u>Partner</u> | <u>Senior Manager / Licence Holder</u> | <u>Manager</u> | <u>Cashier</u> | <u>Case Administrator</u> | <u>Total</u> | <u>Time Costs (£)</u> | <u>Average hourly rate (£)</u> |
|--|----------------|--|-------------------|----------------|-------------------------------|--------------|---------------------------|------------------------------------|
| Administration, Planning & Statutory Compliance | 1.20 516.00 | 0.00 0.00 | 3.00 870.00 | 0.00 0.00 | 3.10 682.00 | 7.30 | 2,068.00 | 283.29 |
| Case Specific Matters | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 | 0.00 | 0.00 |
| Cashiering | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 3.00 750.00 | 0.00 0.00 | 3.00 | 750.00 | 250.00 |
| Creditors & Distribution | 0.50 125.00 | 0.00 0.00 | 5.10 1,479.00 | 0.00 0.00 | 4.00 880.00 | 9.60 | 2,484.00 | 258.75 |
| Investigations | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 0.00 | 1.50 435.00 | 10.10 2,929.00 | 0.00 0.00 | 0.00 0.00 | 11.60 | 2,929.00 | 252.50 |
| Total Hours by grade of staff | 1.70 | 1.50 | 18.20 | 3.00 | 7.10 | 31.50 | 8,231.00 | 261.30 |
| Hourly rate per grade of staff | 430.00 | 290.00 | 290.00 | 250.00 | 220.00 | | | |
| Total Time Costs by grade of staff | 641.00 | 435.00 | 5,278.00 | 750.00 | 1,562.00 | 8,231.00 | | |

APPENDIX D

PM Reinforcements (NW) Ltd - In Liquidation
Time Cost Analysis In Hours
for the period 17 September 2019 to 16 September 2021

| | <u>Partner</u> | <u>Senior Manager / Licence Holder</u> | <u>Manager</u> | <u>Cashier</u> | <u>Case Administrator</u> | <u>Total</u> | <u>Time Costs (£)</u> | <u>Average hourly rate (£)</u> |
|--|------------------|--|-------------------|------------------|-------------------------------|--------------|---------------------------|------------------------------------|
| Administration, Planning & Statutory Compliance | 3.20 1,376.00 | 0.20 58.00 | 8.90 2,581.00 | 0.60 150.00 | 15.30 3,366.00 | 28.20 | 7,473.00 | 265.00 |
| Case Specific Matters | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.00 0.00 | 0.30 66.00 | 0.30 | 66.00 | 220.00 |
| Cashiering | 0.60 258.00 | 0.20 50.00 | 0.00 0.00 | 9.00 2,250.00 | 0.20 44.00 | 10.00 | 2,552.00 | 255.20 |
| Creditors & Distribution | 2.20 550.00 | 0.00 0.00 | 8.50 2,465.00 | 0.00 0.00 | 10.40 2,288.00 | 21.10 | 5,303.00 | 251.33 |
| Investigations | 0.10 43.00 | 0.00 0.00 | 3.60 1,044.00 | 0.00 0.00 | 8.60 1,892.00 | 12.30 | 2,979.00 | 242.20 |
| Realisation of Assets | 0.00 0.00 | 1.50 435.00 | 13.10 3,799.00 | 0.00 0.00 | 0.60 132.00 | 15.20 | 3,931.00 | 258.62 |
| Total Hours by grade of staff | 6.10 | 1.90 | 34.10 | 9.60 | 35.40 | 87.10 | 22,304.00 | 256.07 |
| Hourly rate per grade of staff | 430.00 | 290.00 | 290.00 | 250.00 | 220.00 | | | |
| Total Time Costs by grade of staff | 2,227.00 | 543.00 | 9,889.00 | 2,400.00 | 7,722.00 | 22,238.00 | | |

Additional Information in Relation to the Liquidator's Fees, Expenses & the use of Subcontractors

Staff Allocation and the use of Subcontractors

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

The constitution of the case team will usually consist of a Partner, 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.

In this case we have not utilised any subcontractors.

Professional Advisors

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.

| Name of Professional Advisor | Basis of Fee Arrangement |
|---|---------------------------------|
| Michael Steel & Co (Plant & Machinery) Ltd (valuation and disposal advice) | Timecosts on work undertaken |

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.

Liquidator's Expenses

The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of the Liquidator's fees were approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate. Those Category 1 expenses incurred in this matter are as follows:

APPENDIX E

| Expense | Estimated overall cost £ | Paid in the period 17/09/2019 to 16/09/2020 £ | Paid in the period 17/09/2020 to 16/09/2021 £ | Incurred but not paid to date £ |
|-----------------------|-----------------------------|--|--|------------------------------------|
| Agents Fees (Valuers) | 500.00 | 0.00 | 650.00 | 0.00 |
| Statutory advertising | 154.00 | 154.00 | 0.00 | 0.00 |
| Specific Penalty Bond | 100.00 | 100.00 | 0.00 | 0.00 |

Category 2 expenses

These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors. Those Category 2 expenses incurred to date are as follows:

| Expense | Estimated overall cost £ | Paid in the period 17/09/2019 to 16/09/2020 £ | Paid in the period 17/09/2020 to 16/09/2021 £ | Incurred but not paid to date £ |
|------------------------|-----------------------------|--|--|------------------------------------|
| Postage and stationery | 71.00 | 0.00 | 0.00 | 153.00 |

Clark Business Recovery Limited's hourly charge out rates change periodically with effect from 1 April. The rates that are applicable in this case are as follows:

| Grade of Staff | 2018 (£) |
|------------------------------------|-----------------|
| Director | 430.00 |
| Senior Manager / Manager | 350.00 - 290.00 |
| Cashier | 250.00 |
| Case Administrator / Support staff | 220.00 - 150.00 |

Please note that time is charged in 6 minute units rounded up to the nearest unit.