

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



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07/03/2020

#318

COMPANIES HOUSE

### 1 Company details

Company number 0 6 7 9 2 9 3 1

Company name in full ST Builders Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Paul

Surname Bailey

### 3 Liquidator's address

Building name/number 257b Croydon Road

Street Beckenham

Post town Kent

County/Region

Postcode B R 3 3 P S

Country

### 4 Liquidator's name ①

Full forename(s) Tommaso Waqar

Surname Ahmad

① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 257b Croydon Road

Street Beckenham

Post town Kent

County/Region

Postcode B R 3 3 P S

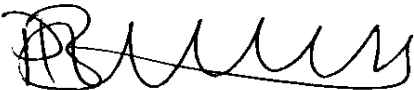
Country

② Other liquidator

Use this section to tell us about  
another liquidator.

LIQ03

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<b>6</b>	<b>Period of progress report</b>															
From date	<sup>d</sup>	0	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	1	<sup>y</sup>	9
To date	<sup>d</sup>	3	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	1	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	Signature															
	X															X
Signature date	<sup>d</sup>	0	<sup>d</sup>	5	<sup>m</sup>	0	<sup>m</sup>	3	<sup>y</sup>	2	<sup>y</sup>	0	<sup>y</sup>	2	<sup>y</sup>	0

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	Aaron Parks
Company name	Bailey Ahmad Limited
Address	257b Croydon Road
	Beckenham
Post town	Kent
County/Region	
Postcode	B R 3 3 P S
Country	
DX	
Telephone	020 8662 6070



**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



**Important information**

**All information on this form will appear on the public record.**



**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

**ST Builders Limited  
(In Liquidation)**

**Joint Liquidators' Annual Progress Report to Creditors and  
Members**

**5 March 2020**

**Paul Bailey and Tommaso Waqar Ahmad  
Joint Liquidators**

**[www.babr.co.uk](http://www.babr.co.uk)**

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## **1. Introduction and statutory information**

We, Paul Bailey and Tommaso Waqar Ahmad, both of Bailey Ahmad Business Recovery, 257b Croydon Road, Beckenham, Kent, BR3 3PS, were appointed as Joint Liquidators of ST Builders Limited (the Company) on 1 February 2019. This progress report covers the period from 1 February 2019 to 31 January 2020 (the period) and 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 <https://baileyahmad.co.uk/resources/>. If you are unable to download this, please contact us and a hard copy will be provided to you.

The principal trading address of the Company was 38 Bittacy Road, London, NW7 1BP.

The registered office of the Company was changed to 257b Croydon Road, Beckenham, Kent, BR3 3PS and its registered number is 06792931.

## **2. Progress of the Liquidation**

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

At Appendix A is our receipts and payments account for the period of this report.

### **Work done in the period**

We have dealt with the following matters during the period of this report:

- Attempting to collect the outstanding book debts
- Preparing and filing a Corporation Tax Return
- Preparing and filing VAT return(s) Preparing, circulating and filing the annual progress report
- Dealing with ad hoc creditor communication (by post, email and telephone)
- Carrying out two case reviews and regular bond reviews
- Carrying out monthly bank reconciliations
- Cashiering matters (including posting transactions to the estate cash book)

Further detail on the work carried out during the period of this report can be found below.

### **Administration (including statutory compliance and reporting)**

An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined to creditors in our initial fees information.

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 Joint Liquidators.

As noted in our initial fees information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

### **Realisation of assets**

#### **Book debts**

The Director's Statement of Affairs listed book debts with an estimated to realise value of nil. Letters have been sent to the debtor as the amount owed was £8,000 to the Company. However, it is understood that the individual is no longer at the address held and therefore there is no way of tracing his location. As a result, this debt has been written off.

It is considered that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3<sup>rd</sup> party security, result in a distribution to the preferential and unsecured creditors of the Company.

### **Creditors (claims and distributions)**

Further information on the anticipated outcome for creditors in this case can be found at section 3 of this report. The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.

Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal.

The above work will not necessarily bring any financial benefit to creditors generally, however the Joint Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.

We consider the following matters worth noting in our report to creditors at this stage:

- There are six unsecured creditors who are owed approximately £152,036.65.

### **Investigations**

Some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.

We can confirm that we have submitted a report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986. As this is a confidential report, we are unable to disclose the contents. My investigations remain ongoing.

Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors either at the s98 meeting or as a response to my request to complete an investigation questionnaire. Our investigations have not revealed any issues requiring further report or any further potential recoveries which could be pursued for the benefit of creditors.

## **3. Creditors**

### Unsecured creditors

We have received claims totalling £152,036.65 from six creditors.

We would confirm that it is anticipated there will be insufficient funds realised after defraying the expenses of the liquidation to pay a dividend to unsecured creditors, however any potential dividend is dependent upon the outcome of my investigations.

#### **4. Joint Liquidators' remuneration**

Details of all resolutions passed by creditors in relation to remuneration and disbursements are included at Appendix C.

At Appendix D to this report, we attach our fees information which was approved by creditors on 28 February 2019. Our fees information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time.

A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.insolvency-practitioners.org.uk/regulation-and-guidance/guides-to-fees>.

Attached as Appendix B is additional information in relation to the Joint Liquidators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

#### **Work still to be done before the liquidation can be concluded**

As detailed as above, the following matters need to be finalised:

- My investigations

#### **5. Creditors' rights**

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.

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

#### **6. Next report**

We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.

#### **7. Assistance**

If you require any assistance, please do not hesitate to contact a member of our team on 020 8662 6070 or email us at [info@babr.co.uk](mailto:info@babr.co.uk).



## **Appendix A**

Receipts and payments account for the period 1 February  
2019 to 31 January 2020

**ST Builders Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 01/02/2019 To 31/01/2020 £	From 01/02/2019 To 31/01/2020 £
	<b>ASSET REALISATIONS</b>		
NIL	Book debts	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(55,330.39)	Banks/Institutions	NIL	NIL
(6,871.00)	Directors	NIL	NIL
(2,305.00)	HM Revenue & Customs - CT	NIL	NIL
(3,957.00)	HM Revenue & Customs - PAYE/NI	NIL	NIL
(44,898.00)	HM Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(1.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
<b>(113,362.39)</b>		<b>NIL</b>	<b>NIL</b>
	<b>REPRESENTED BY</b>		
			<b>NIL</b>

## Appendix B

### Additional information in relation to the Joint Liquidators' fees, expenses and disbursements

#### Staff allocation and the use of sub-contractors

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 Director, 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.

We have not utilised the services of any sub-contractors to date.

#### Professional advisors

We have not utilised the services of any professional advisors to date.

#### Current position of Joint Liquidators' expenses

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

Expenses paid by Office Holders' firm	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Statutory advertising	0.00	146.00	0.00	146.00
Specific penalty bond	0.00	40.00	0.00	40.00
<b>Total</b>	<b>0.00</b>	<b>186.00</b>	<b>0.00</b>	<b>186.00</b>
<b>Amount recharged to case</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidators' fees were approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

## Appendix C

### Fee resolutions

**The following resolutions were passed by creditors by correspondence on 1 February 2019:**

"It was reported that Bailey Ahmad Limited's fee for convening the meeting of creditors and assisting the directors in the preparation of the statement of affairs was £5,000 plus VAT and disbursements. The Joint Liquidators be authorised to draw this fee from asset realisations, subject to any third party contribution referred to in the notes to the statement of affairs."

**The following resolutions were passed by creditors by way of a postal vote held on 28 February 2019:**

"That the remuneration of the Joint Liquidators be fixed as a combination of a set amount and a percentage of the value of the Company's assets realised in accordance with the fee basis provided to creditors. The Joint Liquidators be authorised to draw their remuneration on account of costs incurred as and when funds permit."

"That the basis for recharging Category 2 disbursements incurred by the Joint Liquidators be fixed and payable on the basis of the firm's published tariff, disclosed to creditors and that the Joint Liquidators be authorised to be reimbursed such disbursements as and when funds permit."

## **ST BUILDERS LIMITED (the Company)**

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

#### **Introduction**

Prior to an insolvency practitioner agreeing the basis of their 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 they and their staff will spend dealing with the affairs of the insolvent company, a fees 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.

In this case, we are not proposing to agree the basis of our remuneration as liquidators on time spent dealing with the Company's affairs and are therefore not required to provide creditors with a fees estimate. However, we are required to confirm the fee basis we are seeking in the alternative and confirm the work proposed to be done in this case.

A creditors' guide to liquidators' fees can be downloaded from: <https://baileyahmad.co.uk/resources/>

A hard copy of the guide can be requested by contacting our office.

#### **Summary of work to be done**

A summary of the work that we anticipate to carry out during the course of this liquidation is detailed below.

#### **Statutory duties**

As liquidators, we have a number of statutory duties to carry out during our appointment. These include carrying out anti-money laundering checks, statutory notifications, filings at Companies House, protecting assets, advertising, reporting and communicating with members and creditors.

#### **Investigations**

As liquidators, we are 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 we are required to undertake by statute. Our initial investigations may reveal that further recoveries could be available for the insolvent estate and if this proves to be the case and we consider that further work will be required to pursue these assets, we will refer to creditors about the likely costs involved in pursuing such recoveries.

## Activities associated with a direct financial benefit to creditors

### Creditors

In this case, the directors statement of affairs has disclosed five unsecured creditors. As liquidators, we will deal with all correspondence and claims as received, including any claims of creditors under retention of title.

### Assets

Based on the information currently available, the assets of the Company would appear to comprise book debts with an uncertain estimated to realise value. Should any additional assets come to light, these will be confirmed in subsequent reports to creditors.

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. We will undertake appropriate investigations into and obtain valuations of, the Company's assets and will confirm the likely return to creditors in our first progress report.

### Proposed fee

Based on the circumstances of this liquidation and assuming that this case runs for no more than one year, our fee estimate is as follows (excluding disbursements):

**Fixed fee of £21,000 plus VAT and;**

**A percentage of asset realisations in accordance with the attached charging structure (Appendix 1)**

Creditors will note that given limited current and anticipated future asset realisations as detailed earlier, we expect to only receive a contribution to our projected fees in this matter.

The above is calculated based on the appropriate elements of our general charging structure shown at Appendix A and is fair and reasonable given the work we anticipate will be necessary and the complexity of this case.

In arriving at our proposed fee basis, we consider market competitiveness, the level of skill and professional training necessary, risk and complexity, resource allocation and our investment in robust systems and processes. All these factors combine to ensure that we deliver a high-quality service to creditors and other stakeholders.

Please note that in circumstances where our initial investigations reveal matters for further detailed investigation or previously unknown assets to be realised, we reserve the right to refer back to creditors to establish how we are to be remunerated for such additional work, which may be proposed on a time cost basis. If such work proves necessary, we will revert to creditors accordingly.

Where agents are used to assist with asset recoveries, we will ensure that their professional fees (excluding necessary disbursements) are within the percentage fee shown.

### 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. 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. The enclosed fee structure and accompanying notes detail which aspects of our work fall into the above two categories.

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. Again 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.

Based on the Company's estimated statement of affairs, we think that no dividend will be available to creditors in this case. We 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.

## Appendix 1

### General charging structure and associated work

#### Statutory duties

	£
<b>1 Charges fixed for the duration of the liquidation</b>	
Statutory work associated with appointment and closure	3,000
If appropriate, work associated with dealing with pension scheme(s)	2,250
If appropriate, cost of convening and holding a requisitioned creditors' meeting	2,000
Preliminary review of company records	2,250
Unsecured creditor base charge (up to 25 unsecured creditors)	7,500
Employee base charge (up to 10 employees)	3,750
Creditor committee base charge	2,000
<b>2 Annual charges payable each year from commencement</b>	
Annual statutory obligations and reporting	3,000
Cashiering	2,000
Case monitoring/review	1,750
<b>3 Unit charges</b>	
Preliminary director investigation and reporting	1,500 per director
Additional unsecured creditors (over and above the 25 included in the base cost)	250 per unsecured creditor
Additional employees (over and above the 10 included in the base cost)	300 per employee
Creditor committee report	2,000 per report
Creditor committee meeting	1,000 per meeting

#### Activities associated with a direct financial benefit to creditors

<b>4 Unsecured creditors (excluding employees)</b>	
Claim agreement	200 per creditor
Dividend calculation and payment (charge per distribution)	80 per creditor
<b>5 Employees and Redundancy Payments Service</b>	
Claim agreement	200 per employee
Dividend calculation payment (charge per distribution)	100 per employee
<b>6 Secured creditors</b>	
General provision for communication	600 per secured creditor
Claim agreement (including prescribed part calculation)	2,500 per secured creditor
Dividend calculation and payment (charge per distribution)	250 per secured creditor
<b>7 Prescribed part payments to unsecured creditors</b>	
Claim agreement	200 per creditor participating in the prescribed part payment
Dividend payment (charge per distribution)	100 per creditor participating in the prescribed part payment
<b>8 Asset recovery</b>	
Cash at bank	400 per bank account

Asset recovery	Headline rate, but all are subject to the minimum charge stated	Minimum charge
Debtors	40% of gross realisations per debtor	£250 per debtor
Property/Leasehold interest	15% of gross realisations per property/lease	£7,500 per property/lease
Plant and machinery	20% of gross realisations	£2,000
Fixtures and fittings	20% of gross realisations	£2,000
Intellectual property/Goodwill	40% of gross realisations per item	£2,000
Directors' loan account	40% of gross realisations per DLA	£2,500 per annum per DLA
Assets not disclosed in the Statement of Affairs	50% of gross realisations	£2,000
Stock	20% of gross realisations	£2,000
Motor vehicles	30% of gross realisations	£1,000 per vehicle
Rent deposits	40% of gross realisations	£2,500 per deposit
Legal actions	50% of gross realisations	£5,000
Tax refunds	30% of gross realisations	£1,500

\* Please note that all prices shown are excluding VAT



## Appendix 2

### Summary of the work involved in administering a Creditors' Voluntary Liquidation

This document explains the work that Bailey Ahmad Business Recovery will typically complete when administering a Creditors' Voluntary Liquidation.

#### Charges fixed for the duration of the liquidation

##### Statutory duties upon appointment

- Set up of the case on our internal systems
- Anti-money laundering checks and due diligence where required
- Set-up of case checklists and system diary
- Preparing contents listing of records delivered up by directors, re-boxing if necessary
- Statutory notifications to Companies House and members
- Advertisements
- Notifications to directors, former bankers, professional advisors, local authority, HM Revenue & Customs (HMRC) and Information Commissioner
- Arranging insurance cover over assets and bonding

##### Statutory duties upon closure

- Preparing clearance letters and returns to HMRC advising them of intended closure of the liquidation
- Preparing minutes of the final meetings, proxy schedules, attendance registers
- Holding final meetings
- Issuing a final statutory receipts and payments account to Companies House
- Checking receipt of statutory filings at Companies House website

##### Pension scheme(s)

- Notification to Pensions Regulator
- Obtaining Pensions Regulator unique code for each case to enable an online notification of liquidation
- Online notification to Pension Protection Fund of pension scheme(s)
- Postal notifications to Pension Protection Fund and scheme provider
- Instructing specialist pensions agent to report on any occupational pension schemes and advise of the Liquidators' statutory obligations
- Carrying out obligations as recommended by the pensions agent
- Establishing from records, bank statements and scheme provider whether there are any arrears of contributions prior to liquidation
- Preparing and submitting RP15 (arrears of pension contributions claim) to Redundancy Payments Service (RPS)

##### Preliminary director investigation and reporting

- Letters and telephone calls to banks for information and statements where required
- Correspondence with creditors regarding investigation matters (where relevant)
- Chasing (where necessary) and review of directors' questionnaires, general correspondence with directors
- General correspondence with The Insolvency Service
- Submission of return/report to the Directors' Disqualification Unit of the UK Department for Business Innovation & Skills under the provisions of the Company Directors Disqualification Act
- Review of books and records, accounts and bank statements

#### Unsecured creditor base cost and communication

- Statutory notifications to creditors
- Maintaining creditor records on our internal systems
- General correspondence and telephone calls
- Recording claims
- Opening and processing incoming post
- Processing outgoing post and filing

#### Employee base cost and communication

- Preparation of RP14 (insolvency detailed disclosure) and RP14A (schedule of employees and entitlements) to be uploaded to the RPS online system
- Statutory notifications to employees
- Dealing with queries from former employees and the RPS
- Dealing with any discrepancies with claims, liaising with directors, advising the RPS accordingly
- Dealing with RPS queries in relation to asset sales

#### Creditor committee base cost

- Formation and initial meeting
- Preparing minutes
- Provision of various guidance and documents
- Statutory filing of constitution documents at Companies House

#### Annual charges payable each year from commencement

##### Annual statutory obligations

- Preparing annual corporation tax returns
- Receipts and payments account to Companies House
- Checklist/Diary review and update

##### Cashiering

- Raising invoices and associated paperwork
- Raising deposit vouchers
- Posting deposits and expenditures to our internal systems
- Preparing recharge vouchers for items of expenditure met from the firm's account
- Setting up a designated case account
- Liaising with bankers
- Setting up payments by bank transfer and cheque for professional and other disbursements
- Monthly bank reconciliation
- Maintaining receipts and payments account
- Periodic VAT reconciliation and returns
- Bond calculation and submission

##### Case monitoring/review

- Periodic case reviews
- Strategy discussions and file notes
- Reviewing and updating checklists
- File notes

- Bond reviews and increases where necessary
- Review of insurance cover and liaising with insurers following identification or disposal of assets

#### Statutory reporting

- Initial report to members and creditors following appointment
- Annual reports to members and creditors and filing copy with Companies House
- Reporting to committee (where applicable)
- Additional reporting to creditors where required
- Preparing draft final reports to members and creditors
- Updating the final report at the date of the final meetings and filing at Companies House
- Set up of creditor/member log in area on our website, uploading reports, providing hard copies of reports when requested

#### Creditor committee annual obligations

- Liaising with committee members
- Notices as applicable regarding asset disposals
- Seeking direction via postal resolutions
- Provision of receipts and payments to members where requested
- Dealing with committee expense claims
- Circulation of reports
- Carrying out investigations as required

#### Unit charges

##### Preliminary director investigation and reporting

- Letters and telephone calls to banks for information and statements where required
- Correspondence with creditors regarding investigation matters (where relevant)
- Chasing (where necessary) and review of directors' questionnaires, general correspondence with directors
- General correspondence with The Insolvency Service
- Submission of return/report to the Directors' Disqualification Unit of the UK Department for Business Innovation & Skills under the provisions of the Company Directors Disqualification Act

##### Additional unsecured creditors

- See 'Unsecured creditor base cost and communication'

##### Additional employees

- See 'Employee base cost and communication'

##### Creditor committee report

- Preparing reports on the outcome of investigations into matters raised by the committee and of the conduct of the liquidation

##### Creditor committee meeting

- Holding physical committee meetings as required
- Preparing and documenting minutes

## Unsecured creditors (excluding employees)

- Review of claims and supporting documentation in conjunction with the Company's records
- Seeking director input where required
- Liaising with creditors regarding agreement process and general queries
- Requesting further evidence of claim from creditors
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques
- Managing the rejection of claims which are either out of time or without basis
- Payment of unclaimed dividends to The Insolvency Service

## Employees and Redundancy Payments Service

- Requesting detailed breakdown of RPS claim which details the payments made to each claimant
- Agreement of preferential claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Agreement of unsecured claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required
- Payment of unclaimed dividends to The Insolvency Service

## Secured creditors

- General correspondence with secured creditors
- Review of debentures
- Seeking legal advice regarding validity if appropriate
- Seeking secured creditor views on proposed strategy
- Agreement of claim(s)
- Preparing estimated outcome statements
- Processing and payment of dividend

## Prescribed part payments to unsecured creditors

- Procuring claim from any qualifying floating charge holder
- Calculation of prescribed part following payment in full of any preferential claims
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required

## Asset recovery

### Debtors

- Review and reconciliation of debtor records
- Setting up and maintaining debtor records on our internal systems

- Writing to debtors with evidence of debt and requesting payment
- Chaser letters as required
- File notes
- Dealing with debtor queries, disputes, reverting to directors where required
- If applicable, preparing a handover to a debt collection agent
- Dealing with the agent's queries and monitoring
- Reconciliation of bank statements, and requesting further information from banks
- Considering legal action and write offs
- Chasing/monitoring dividends from debtor insolvencies and ensuring the Company's claim is acknowledged

#### Property/leasehold interest

- Securing assets
- Preparing and circulating notice of disclaimer where relevant
- Land Registry searches and applications
- Instructing and liaising valuation and other professional agents
- Instructing and liaising with solicitors
- Considering viability of lease assignment
- General correspondence with landlord
- Sale/assignment negotiation
- Monitoring recovery of asset and receipt of sale proceeds

#### Plant and machinery, fixtures and fittings

- Securing assets
- Instructing and liaising with agents
- Discussion and negotiation with interested parties
- Considering finance, leased or third party interests
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

#### Intellectual Property/Goodwill

- Instructing and liaising with agents
- Instructing and liaising with solicitors where necessary
- Discussion and negotiation with interested parties
- Review of agent's recommendations regarding offers and acceptance
- Liaising with secured creditor(s) regarding offers to purchase (if applicable)
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

#### Directors' loan accounts

- Procuring up to date reconciliation from professional advisors as applicable
- Negotiating repayment proposal or settlement
- Periodic request and review of income and expenditure
- Requesting and review of details of the directors' personal asset/liability position
- Monitoring settlement
- Liaising with director regarding late payments or amendments to repayment strategy
- Instructing solicitors/agents if required

#### Stock

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds
- Dealing with creditors regarding claims for retention of title over goods supplied

#### Cash at bank

- Identify company bankers
- Correspond with bankers with a view to procurement of balances held
- Monitoring of bank accounts for any ongoing receipts if likely
- Consider exchange rates where foreign currency is involved
- Procurement of any known prepayments or deposits

#### Motor vehicles

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Liaising with finance/lease companies
- Dealing with general correspondence from DVLA and finance companies

#### Rent deposits

- General correspondence with landlord
- Instructing specialist agents if necessary (e.g quantity surveyors)
- Instructing solicitors as required
- Considering set-off
- Negotiating recovery and monitoring receipt

#### Legal actions

- Considering whether to continue with any legal action already commenced by the Company
- Any action required following director investigations
- Instructing solicitors to review the relevant paperwork
- Agreeing proposed course of action with legal advisors after considering facts and prospect of success/failure
- Liaising with creditors and other interested parties as required
- Seek sanction for costs as required
- Consider funding and ATE insurance

#### Tax refunds

- Preparation/Submission of tax returns
- Where appropriate, instruct specialist tax agents/accountants
- Consider potential Crown Set-off

- Procuring information to assist agent/accountant with preparing application
- General correspondence with HMRC
- Monitoring receipt of any refund due

## Liquidators' disbursements

There are two types of disbursements; Category 1 and Category 2 disbursements. Category 1 disbursements are generally external supplies of incidental services that are specifically identifiable to the case against which they are being charged. These include insolvency bonds, swearing fees, redirection of mail, accommodation, subsistence, company searches, hire of external meeting rooms\* or any other miscellaneous item which is by nature a Category 1 disbursement paid out in respect of the administration of the liquidation. Creditor approval of Category 1 disbursements is not required.

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

Expense	Fee arrangement	Paid to date (£)	Estimated cost (£)
Statutory advertising	£73 per advert	0	146
Specific penalty bond	Premium dependent on asset level	0	40
<b>Total</b>		<b>0</b>	<b>186</b>

The above costs are exclusive of VAT.

### Category 2 disbursements

Category 2 disbursements are those which, whilst being in the nature of expenses or disbursements, include an element of shared or allocated costs. Approval of the committee, or the creditors if there is no committee, is required before Category 2 disbursements can be drawn. We will seek to recover the following Category 2 disbursements:

1. Storage of company books and records at the insolvency practitioners' storage facility. The books and records will be stored in standard storage boxes and a storage fee of £5 plus VAT per box per month will be charged. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after expiration of the statutory retention period.
2. The recharge of travelling by motor vehicle on business for the administration of the insolvency will be charged to the liquidation at 45p per mile.

\*Hire of meetings rooms may be required should creditors requisition a physical meeting.

The choice of professionals 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 my fee arrangement with them. We are satisfied that the fee arrangement is reasonable in the circumstances of this case.

It may be necessary for us to instruct other professionals such as specialist agents or subcontractors to assist us with carrying out certain aspects of our role as liquidators. Examples include debt collection agents, quantity surveyors, solicitors, accountants and pensions experts. The fee basis of appointed agents will be agreed by the liquidators by reference to the service being offered and the complexity/risk associated with the assignment. Such costs will be paid as an expense of the liquidation at the liquidators' discretion.