

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

SATURDAY



A20 *A849521U* #133
27/04/2019
COMPANIES HOUSE

1 Company details

Company number 09197903
Company name in full 9197903 Limited
(formerly PGK Distribution Limited)

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

2 Court details

Court name High Court of Justice

Court case number 0087392018

3 Administrator's name

Full forename(s) Lee

Surname De'ath

4 Administrator's address

Building name/number Town Wall House

Street Balcerne Hill

Post town Colchester

County/Region Essex

Postcode CO3 3AD

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5	Administrator's name ①		① Other administrator Use this section to tell us about another administrator.
Full forename(s)	Richard		
Surname	Toone		
6	Administrator's address ②		② Other administrator Use this section to tell us about another administrator.
Building name/number	CVR Global LLP		
Street	20 Furnival Street		
Post town	LONDON		
County/Region			
Postcode	E C 4 A 1 J Q		
Country			
7	Appointor/applicant's name		
	Give the name of the person who made the appointment or the administration application.		
Full forename(s)	Paul		
Surname	Kyranides		
8	Proposed liquidator's name		
Full forename(s)	Lee		
Surname	De'ath		
Insolvency practitioner number	9 3 1 6		
9	Proposed liquidator's address		
Building name/number	Town Wall House		
Street	Balkerne Hill		
Post town	Colchester		
County/Region	Essex		
Postcode	C O 3 3 A D		
Country			

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name^①

Full forename(s)	Richard
Surname	Toone
Insolvency practitioner number	9 1 4 6

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

11 Proposed liquidator's address^②

Building name/number	CVR Global LLP
Street	20 Furnival Street
Post town	LONDON
County/Region	
Postcode	E C 4 A 1 J Q
Country	

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

12 Period of progress report

From date	d 1 6	m 1 0	y 2 0	y 1 8
To date	d 1 5	m 0 4	y 2 0	y 1 9

13 Final progress report

☒ I have attached a copy of the final progress report.

14 Sign and date

Administrator's signature

Signature

X



X

Signature date

d 1 5	m 0 4	y 2 0	y 1 9
-------	-------	-------	-------

AM22

Notice of move from administration to creditors' voluntary liquidation



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 **Tom Gardiner**

Company name **CVR Global LLP**

Address **Town Wall House**

Balkerne Hill

Post town **Colchester**

County/Region **Essex**

Postcode **C O 3 3 A D**

Country

DX

Telephone **01206 217900**



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 and dated 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

9197903 Limited (formerly PGK Distribution Limited)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 16/10/2018 To 15/04/2019 £	From 16/10/2018 To 15/04/2019 £
	ASSET REALISATIONS		
4,999.00	P&M, Equipment, Vehicles, Stock	4,999.00	4,999.00
1.00	Goodwill	1.00	1.00
35,000.00	Book Debts	35,000.00	35,000.00
8,300.00	Cash at Bank	2,412.71	2,412.71
	Sundry Receipts	210.00	210.00
		<u>42,622.71</u>	<u>42,622.71</u>
	COST OF REALISATIONS		
	Specific Bond	131.00	131.00
	Pre Administration Fees	5,000.00	5,000.00
	Office Holders Fees	24,000.00	24,000.00
	Agents/Valuers Fees (1)	2,500.00	2,500.00
	Legal Fees (1)	3,010.00	3,010.00
	Stationery & Postage	21.66	21.66
	Statutory Advertising	78.45	78.45
		<u>(34,741.11)</u>	<u>(34,741.11)</u>
	PREFERENTIAL CREDITORS		
(2,104.00)	Pension Schemes	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(134,073.00)	Trade & Expense Creditors	NIL	NIL
(348,938.00)	PGK Distribution Trust Loan	NIL	NIL
(252,092.00)	Global Electrical & Solar Ltd	NIL	NIL
(215,190.00)	HM Revenue & Customs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(904,098.00)		<u>7,881.60</u>	<u>7,881.60</u>
	REPRESENTED BY		
	Vat Receivable		6,946.22
	Interest Bearing Bank Account		935.38
			<u>7,881.60</u>

High Court of Justice

No. 008739 of 2018

**9197903 Limited (formerly PGK Distribution Limited) - In Administration
("the Company")**

The Joint Administrators' Final Progress Report to 15 April 2019

**Lee De'ath
Richard Toone**

**CVR Global LLP
Town Wall House, Balkerne Hill, Colchester, Essex, CO3 3AD
01206 217900
tgardiner@cvr.global**

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Lee De'ath and Richard Toone were appointed Joint Administrators of 9197903 Limited (formerly PGK Distribution Limited) on 16 October 2018. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

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1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration ("the Review Period").

A summary of key information in this report is detailed below.

Asset realisations

Asset	Estimated to realise per Statement of Affairs £	Realisations in the Administration £
Plant, Machinery, Equipment, Vehicles & Stock	4,999	4,999
Goodwill	1	1
Book Debts	35,000	35,000
Cash at Bank	8,300	2,413
Sundry Receipt	-	210

Expenses

Expense	Estimate per Proposals £	Total expense incurred £	Total expense paid £
Joint Administrators' Pre- Appointment fees	5,000	5,000	5,000
Joint Administrators' Post- Appointment fees	25,000	24,000	24,000
Agent's fees	2,500	2,500	2,500
Legal fees	3,300	3,010	3,010
All other expenses	2,967	231	231

Dividends

Creditor class	Dividend paid in the Administration £
Secured creditor	N/A
Preferential creditors	N/A
Unsecured creditors	NIL

1.1 Outcome of the Administration

It had been envisaged that the second Administration objective would be achieved, namely that there would be a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration). This report explains how this Administration objective was achieved.

The Company is now being moved from Administration to Creditors' Voluntary Liquidation to enable a dividend to be paid to unsecured creditors. The Joint Liquidators will also continue

to pursue the remaining assets and other matters described in this report. As noted in Appendix II, the Joint Administrators' approved Proposals included that, absent any alternative nomination, the Joint Administrators would take the appointment as Joint Liquidators without further recourse to the creditors. There were no other nominations and therefore the Joint Administrators shall be appointed Joint Liquidators.

2. THE PROGRESS OF THE ADMINISTRATION

2.1 The Joint Administrators' final receipts and payments account

Attached at Appendix III is a receipts and payments account covering the period from 16 October 2018 to 15 April 2019 ("the Review Period").

In this section, we have summarised the main asset realisations during the Administration, together with details of the associated costs incurred. For a detailed list of work undertaken by the Joint Administrators, see Appendix V.

2.2 Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards. During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
- Issuing the Joint Administrators' Proposals, seeking relevant creditors' approvals and issuing notice of the outcome;
- Considering which exit route from Administration is appropriate and drafting this final report;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

2.3 Realisation of assets

Sale of Business and Assets

Full details of the sale of the Company's assets were set out in the Administrators' Proposals dated 24 October 2018 and included full disclosure in accordance with Statement of Insolvency Practice ("SIP") 13 and 16.

The assets were sold on 16 October 2018, with the consideration received by the Administrators' Solicitors on that date. The assets have been purchased on a going concern basis by Pacific Equity Group Limited ("PEG"). Whilst there are no directors or shareholders in common, the purchaser is considered connected with the Company due to the sole director and shareholder of PEG, Diane Crocker, being an associate of the Director. The Administrators have not been notified of the nature of the association between the Director and Diane Crocker. Details of the assets sold and consideration value are as follows:

Asset type	Net Consideration (£)
Book debts	35,000
Chattels: Motor Vehicle, Plant, Machinery, Furniture, Equipment and Stock	4,999
Goodwill, Website, Intellectual Property Rights	1
	40,000

Roland Cramp MRICS of Lambert Smith Hampton ("LSH") was instructed by this office to provide his comments and recommendations on the offer received from PEG. LSH attended the Company's former trading premises in order to advise the Administrators on the value of the Company's tangible assets. These comprised of a small quantity of office furniture, racking, and quantity of mainly redundant stock. Assets not available for inspection included a motor vehicle.

LSH advised that the offer received for £40,000 appeared to be far in excess of any offers that might be obtained from any unconnected third-party interest and did not believe it would be worthwhile marketing the business and assets, with the potential of costs exceeding any alternative offers received. It was therefore recommended that the offer of £40,000 be accepted.

Creditors are referred to Attachment B of the Administrators' Proposals, for full details of the sale of assets in accordance with SIPs 13 and 16.

2.4 Estimated future realisations

Whilst there are no remaining assets to be realised, there are potential recoveries to be made in relation to matters set out at section 4 of this report and below as follows:

Misappropriated Stock

Prior to the Administrators appointment and following a reconciliation exercise it appeared over £200,000 of stock at cost value had been misappropriated. Since the Administration has commenced a detailed stock take was undertaken which reflects the value of missing stock at £243,736. The individual responsible for the theft reported themselves to the police prior to the Administration. No update on the criminal proceedings have been received as yet, however it is the Administrators' intention, if appropriate, to consider seeking a compensation order against the individual enabling a financial recovery to the estate, for the benefit of the creditors.

Antecedent Transactions

The Administrators' investigations have uncovered potentially questionable transactions. A detailed review of this will be undertaken in the subsequent Liquidation, to establish whether there may be funds recoverable to the estate for the benefit of the creditors.

2.5 Costs incurred but remaining unpaid

The Administrators are not aware of any unpaid costs of the Administration at this time. However, should any unpaid costs come to light, these will be discharged from the liquidation estate funds.

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses. Further details of these costs are set out in section 5 below.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

3.1 Secured creditors

There are no charges registered at Companies House and the Administrators have not been notified of any secured liabilities.

3.2 Preferential creditors

The asset sale agreement provides that by virtue of the operation of TUPE, any such claim will properly be a claim against the buyer and therefor no preferential claims are anticipated.

3.3 Prescribed Part

Section 176A of the Act requires Administrators to make a prescribed part of the Company's net property, which is the balance remaining after discharging the preferential claims, but before paying the floating charge-holder, available for the satisfaction of unsecured debts.

In this case, the prescribed part provision does not apply, as there are no secured creditors.

3.4 Unsecured creditors

Unsecured claims were estimated at £950,203 in the Director's Estimated Statement of Affairs, against which, claims totalling £752,164 have been received to date, categorised as follows:

Creditor Category	Estimated Statement of Affairs (£)	Actual Claims Received (£)
Trade & Expense	133,983	25,064
HM Revenue and Customs	215,190	9,246
Associated Creditors	601,030	717,854

Future claims which are yet to be received are estimated at c. £330,726.

A dividend to unsecured creditors is expected and this will be paid by the Joint Liquidators.

3.5 Claims process

Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report.

A proof of debt form is attached at Appendix VI for creditors who have not yet submitted a claim. All claims submitted must be accompanied by documentation in support of the full value of the balance claimed.

4. INVESTIGATIONS

4.1 Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 16 January 2019.

4.2 Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we reviewed shortly after appointment all the information available to us and conducted an initial assessment of whether there were any matters which may have led to any recoveries for the benefit of creditors.

Although the work undertaken to date has not yet generate any financial benefit to creditors, it was necessary to meet the statutory duties as well as conduct appropriate enquiries and investigations into potential rights of actions to enhance realisations.

As noted above at section 2.4 of this report, the Liquidators will undertake a further review to establish whether there may be financial recoveries available to the estate in accordance with certain provisions of the Insolvency Act.

5. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1 Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

These costs were approved as detailed below:

Party instructed	Amount approved (£)	Date approved
CVR Global LLP: Administrators' pre-appointment time costs	5,000	12/11/2018
Lambert Smith Hampton: Agent's Costs	2,500	12/11/2018
AMB Law LLP: Legal fees re. Administrators' appointment	1,500	12/11/2018
Birkett Long LLP: Legal fees re. sale of assets	1,800	12/11/2018
TOTAL APPROVED	10,800	

The Administrators' sought creditors' approval of the above costs in the Proposals. The above costs were approved via decision by correspondence on 12 November 2018. These costs have been paid in full.

5.2 The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 12 November 2018 by the general body of creditors via a decision by correspondence as follows:

- That the Joint Administrators' and Liquidators' remuneration be fixed as a fixed fee of £25,000 plus VAT, with such remuneration being drawn from time to time from the insolvent estate funds. In the event of a subsequent Liquidation and in accordance with Rule 18.20 the basis of remuneration fixed in the Administration will apply in the Liquidation.

Further information regarding the charge-out rates of the Joint Administrators and their staff is provided at Appendix IV. A summary narrative of work undertaken in the Review Period is provided at Appendix V.

"A Creditors' Guide to Administrators' Remuneration" is available for download at: <https://www.r3.org.uk/what-we-do/publications/professional/fees>

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

5.3 Comparison of estimates

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Expenses incurred in the Review Period £	Expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Administrators' Pre-Appointment fees	5,000	5,000	5,000	N/A
Administrators' fees	25,000	24,000	24,000	N/A
Agent's fees & disbursements	2,500	2,500	2,500	N/A
Legal fees	3,300	3,010	3,010	N/A
Insurance	uncertain	56	56	N/A
Statutory advertising	235	78	78	N/A
Statutory insolvency bond	150	131	131	N/A
Postage	70	22	22	N/A
Electronic upload fee	12	12	12	Currently remains unpaid and therefore is to be paid in the subsequent Liquidation.
Storage of books & records	500	-	-	N/A
Sundry Provision	2,000	-	-	N/A
Category 2 expenses	-	-	-	N/A
TOTAL	<u>38,767</u>	<u>34,753</u>	<u>34,753</u>	

As can be seen above:

- the original fees estimate has not been exceeded; and
- the original expenses estimate has not been exceeded.

5.4 Payment of the Joint Administrators' unpaid fees and costs

In accordance with the Insolvency Act 1986, all unpaid fees (subject to any approved fees estimate) and costs, as described in the sections above, are charged on and payable out of the Company's property. Thus, the Joint Liquidators will be responsible for discharging these sums from the assets and funds handed over to them by the Joint Administrators.

5.5 Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

5.6 Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, *reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.*

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

Please note that information relevant and useful to creditors can be found at the following websites: www.creditorinsolvencyguide.co.uk and <https://www.r3.org.uk/what-we-do/publications/professional/fees>

Hard copies of these publications are available on request by contacting the Joint Administrators' office.

6 THE OUTCOME OF THE ADMINISTRATION

6.1 Comparison of the outcome with the Joint Administrators' Proposals

Attached at Appendix II is a summary of the Joint Administrators' Proposals as approved. It had been envisaged that the second Administration objective would be achieved, namely that *there would be a better result for creditors as a whole than would be likely if the Company were wound up (without first being in Administration).*

As described above, it can be seen that this Administration objective was achieved, by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation). The Administration has enabled a sale of the business and assets to be achieved and has resulted in a better realisation than possible in a liquidation, due to a premium being paid for the Company's business and assets by the purchaser. In addition, the Director and the associated (majority) creditors have committed to waive any right to unsecured dividends from the Company's estate, those liabilities reported as totalling in excess of £717,000.

On the basis of the current realisations and the potential future realisations, a dividend will be declared to unsecured creditors in the subsequent Liquidation, resulting in a better result to creditors as a whole. The Administrators have therefore achieved the second objective set out above at section 1.1 of this report.

The balance in the Joint Administrators' account of £935 plus VAT to be reclaimed totalling £6,946, together with control of the remaining assets yet to be realised / claims to be progressed as described above, is being transferred to the Joint Liquidators. An Estimated Outcome Statement is not provided in this report, owing to the current uncertainty surrounding the potential recoveries as set out at sections 2.4 and 4.2 of this report.

The Joint Administrators are now moving the Company from Administration to Creditors' Voluntary Liquidation to enable a dividend to be paid to unsecured creditors. The Joint

Liquidators will also continue to pursue the remaining assets / potential recoveries and other matters described in this report. As noted in Appendix II, the Joint Administrators' approved Proposals included that, absent any alternative nomination, the Joint Administrators would take the appointment as Joint Liquidators without further recourse to the creditors. There were no other nominations and therefore the Joint Administrators will be appointed Joint Liquidators.

If you require any further information, please contact Tom Gardiner on 01206 217 900. CVR Global LLP's data privacy policy can be found at www.cvr.global.

A handwritten signature in black ink, appearing to read 'L M DE'ATH', with a large, stylized loop at the end.

L M DE'ATH
Joint Administrator

APPENDIX I**STATUTORY INFORMATION**

Company Name	9197903 Limited (formerly PGK Distribution Limited)
Previous Names	PGK Distribution Limited
Proceedings	In Administration
Court	High Court of Justice
Court Reference	008739 of 2018
Date of Appointment	16 October 2018
Joint Administrators	Lee De'ath Richard Toone CVR Global LLP Town Wall House, Balkerne Hill, Colchester, Essex, CO3 3AD
Registered office Address	c/o CVR Global LLP Town Wall House, Balkerne Hill, Colchester, Essex, CO3 3AD
Company Number	09197903
Appointment by	Director - Mr Paul Kyranides

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency (England & Wales) Rules 2016
The Joint Administrators	Lee De'ath and Richard Toone of CVR Global LLP
The Company	9197903 Limited (formerly PGK Distribution Limited) (in Administration)
The Court	High Court of Justice
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 16 October 2018 to 15 April 2019

APPENDIX II

THE JOINT ADMINISTRATORS' PROPOSALS, AS APPROVED

The following summary Statement of Proposals was deemed approved by creditors on 12 November 2018:

In order to achieve the purpose of the Administration:

- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (ii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion, in order to achieve the purpose of the Administration, or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- the Joint Administrators make distributions to any secured or preferential creditors, should any such valid claims be received. In accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) In the event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the Registrar of Companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Lee De'ath and Richard Toone will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidators. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
 - (ii) in the unlikely event that there is no remaining property that might permit a distribution to the Company's unsecured creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation, in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Lee De'ath and Richard Toone may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.

APPENDIX III

THE JOINT ADMINISTRATORS' FINAL RECEIPTS AND PAYMENTS ACCOUNT

9197903 Limited (formerly PGK Distribution Limited)
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 16/10/2018 To 15/04/2019 £	From 16/10/2018 To 15/04/2019 £
	ASSET REALISATIONS		
4,999.00	P&M, Equipment, Vehicles, Stock	4,999.00	4,999.00
1.00	Goodwill	1.00	1.00
35,000.00	Book Debts	35,000.00	35,000.00
8,300.00	Cash at Bank	2,412.71	2,412.71
	Sundry Receipts	210.00	210.00
		<u>42,622.71</u>	<u>42,622.71</u>
	COST OF REALISATIONS		
	Specific Bond	131.00	131.00
	Pre Administration Fees	5,000.00	5,000.00
	Office Holders Fees	24,000.00	24,000.00
	Agents/Valuers Fees (1)	2,500.00	2,500.00
	Legal Fees (1)	3,010.00	3,010.00
	Stationery & Postage	21.66	21.66
	Statutory Advertising	78.45	78.45
		<u>(34,741.11)</u>	<u>(34,741.11)</u>
	PREFERENTIAL CREDITORS		
(2,104.00)	Pension Schemes	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(134,073.00)	Trade & Expense Creditors	NIL	NIL
(348,938.00)	PGK Distribution Trust Loan	NIL	NIL
(252,092.00)	Global Electrical & Solar Ltd	NIL	NIL
(215,190.00)	HM Revenue & Customs	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(904,098.00)</u>		<u>7,881.60</u>	<u>7,881.60</u>
	REPRESENTED BY		
	Vat Receivable		6,946.22
	Interest Bearing Bank Account		935.38
			<u>7,881.60</u>

APPENDIX IV

THE JOINT ADMINISTRATORS' CHARGE-OUT RATES AND BASES OF CATEGORY 2 DISBURSEMENTS

Staff	Charge out rates
	£
Partners	390-495
Consultants	390-495
Directors	360-390
Associate Directors	330-360
Managers	300-330
Assistant Manager	290-310
Senior Executive	240-275
Executive	155-190
Cashier	135-185
Secretarial/Admin/Analyst	90-125

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as advertising our appointment, meetings and requesting claims from creditors, storage in relation to the books and records of the company or individuals and the assignment records, online reporting facilities in relation to the uploading of documents and reports for creditors, bonding and other insurance premiums to protect the estate and its assets, and properly reimbursed expenses incurred by personnel in connection with the case. Such expenses currently anticipated and estimated are as follows:

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors:

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT may be levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 45p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

APPENDIX V

DETAILED LIST OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS

General Description	Includes
Administration (including statutory reporting)	Work involved in this category relates mainly to routine and statutory functions. It does not necessarily provide financial benefit to creditors, but ensures that the case is managed and administered in accordance with legislation and in a professional manner. Specific work is detailed below:
Statutory/advertising	Preparation of statutory forms for filing at Companies House and the Court. Filing of forms and reports with Companies House and the Court to meet statutory requirements. Advertising in accordance with statutory requirements. Calculation, set up and ongoing reviews and maintaining an adequate statutory insolvency bond. Correspondence with the director to seek an Estimated Statement of Affairs of the Company.
Document maintenance/file review/checklist	Case file maintenance. Completing initial strategy note and subsequent case review. Completing Exit Route Decision form. Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards. Maintenance of statutory and case progression task lists/diaries. Completing and updating checklists.
Cashiering/Bank account administration	Opening a bank account for the Administration Estate. Correspondence with bank. Maintenance of the estate cash book. Banking remittances and issuing cheques/BACS payments. Monitoring bank account receipts. Completion of payment, deposit and journal forms. Internal correspondence with cashiers.
Planning/review/general administration	Discussions regarding strategies to be pursued. Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case. Correspondence with the director, former employees and advisors to the Company in relation to various matters.
Pension matters	Completion of pension reviews and checklist to ensure compliance. Corresponding with the pension scheme provider. Completion of statutory matters in relation to auto-enrolment. Completion and submission of S.120 Notices to the Pensions Regulator, Pension Protection Fund and Pension Scheme managers/provider.
Investigations	The office holders are required to undertake an investigation in to the affairs of the company or individual prior to the commencement of the insolvency process. An office holder is required to submit a report on the conduct of the Directors who were in office in the period three years prior to the commencement of the insolvency process, to the Insolvency Service, in accordance with legislation. Occasionally such investigations identify further potential asset recoveries. Specific work is detailed below:
SIP 2 Review	Correspondence to request information on the Company's dealings, making further enquiries of third parties. Reviewing directors questionnaires. Reviewing company's records available. Review of specific transactions.

General Description	Includes
	Liaising with the director with regards to the misappropriated stock.
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports. Liaising with the Insolvency Service and providing various information to them where requested. <i>Submission of report to the Insolvency Service.</i> Assisting the Insolvency Service with its investigations and providing any such information and documentation as they may require.
Antecedent Transactions	Brief review of movement/reduction in an outstanding balance of a connected party in the two year period prior to the date of Administration.
Realisation of Assets	
Sale of Business as a Going Concern	Liaising with solicitors regarding the Sale Agreement and providing bank details of funds to be transferred. Internal correspondence with cashiers to check for funds received and forwarding subsequent deposit form.
Leasehold Property	Obtaining a copy of any lease which may remain in existence. Corresponding with the director and/or former employees in relation to any such lease. Corresponding with the landlord regarding the forfeiture of the lease to the trading premises. Correspondence with a letting agent regarding a residential property leased. Review of request by letting agent to offset deposit and subsequent internal discussions in this respect.
Cash at bank	Corresponding with the company's bankers regarding closure of the bank accounts, transfer of funds held and requesting various information.
Other Assets	Call from previous supplier regarding a credit balance held and subsequently refunded to the estate.
Creditors (claims and distribution)	This involves work in dealing with creditor queries and correspondence, including reports and where funds permit agreeing creditor claims and provision of dividends to creditors. This may also involve assisting employees. Specific work is detailed below:
Creditor communication / correspondence	Receive and follow up creditor enquiries. Review and prepare correspondence to creditors and their representatives.
Pension Scheme	Obtaining and reviewing pension scheme documentation. Review of the Asset Sale Agreement in respect of employee related claims and TUPE. Manager's review of S.120 notice and letters prepared.
Processing proofs of debt	Receipt and recording proof of debt forms ("POD").
Creditor reports	Reviews and collation of information required to prepare the Administrators' Proposals. Preparing the Administrators' proposals. Reviews and collation of information required to prepare this six month (and final) report to creditors. Preparing this report and associated correspondence. Circulating reports/correspondence to creditors.
Creditors' decisions	Preparation of decision notices and proxy forms. Collate and examine proofs and voting forms to establish decisions. Prepare outcome of votes / record of decision. Issuing notice of result of decision process.
SHAREHOLDERS	

General Description	Includes
Reports / Circulars / Correspondence	Preparing and issuing correspondence to the shareholder. Sending copies of the Administrators' Proposals to the Shareholder.
OTHER SPECIFIC MATTERS Pre/Post Administration tax / Legal matters / Other Special Issues	Correspondence with HM Revenue and Customs ("HMRC"). Receipt of VAT 100s and Notice to Deliver Corporation Tax returns for the pre-administration periods. Review the Company's accounting period for the periods required for Corporation Tax return submissions during the Administration period.

APPENDIX VI

PROOF OF DEBT FORM

PROOF OF DEBT - GENERAL FORM

9197903 Limited (formerly PGK Distribution Limited) (In Administration)

Date of Administration: 16 October 2018

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO