

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1	Company details	
Company number	1 1 1 1 7 6 9 8	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Mkm Rail Engineering Limited	
2	Liquidator's name	
Full forename(s)	Jane	
Surname	Hardy	
3	Liquidator's address	
Building name/number	Skull House Lane	
Street	Appley Bridge	
Post town	Wigan	
County/Region		
Postcode	W N 6 9 D W	
Country		
4	Liquidator's name ①	
Full forename(s)	Gary	① Other liquidator Use this section to tell us about another liquidator.
Surname	Birchall	
5	Liquidator's address ②	
Building name/number	Skull House Lane	② Other liquidator Use this section to tell us about another liquidator.
Street	Appley Bridge	
Post town	Wigan	
County/Region		
Postcode	W N 6 9 D W	
Country		

LIQ03

Notice of progress report in voluntary winding up


6 Period of progress report

From date	^d 1	^d 9	^m 0	^m 5	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 8	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature	<div>Signature</div> <div>X  X</div>							
Signature date	<div>^d2</div>	^d 7	^m 0	^m 6	^y 2	^y 0	^y 2	^y 3

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 **Eileen Law Pan**

Company name **Debtfocus**

Address **Skull House Lane**
Appley Bridge

Post town **Wigan**

County/Region

Postcode **W N 6 9 D W**

Country

DX

Telephone **01257 257030**

**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

Jane Hardy and Gary Birchall were appointed Joint Liquidators on 19 May 2022

MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

First Annual Report and account of the Joint Liquidator Pursuant to Section 104A of the Insolvency Act 1986

Period: 19 May 2022 to 18 May 2023

Contents

- Company and Joint Liquidator details
- Receipts and payments account
- Creditor claims
- Other relevant information
- Conclusion

Appendices

1. Joint Liquidator's account of Receipts and Payments for the period from 19 May 2022 to 18 May 2023 with Statement of Affairs comparative.
 2. Creditor Claims Summary Report.
 3. Estimated Outcome Statement.
 4. Fees and Expense Estimate
 5. Joint Liquidator's time costs and expenses.
 6. Proxy and Proof of Debt forms
-

1. COMPANY AND JOINT LIQUIDATORS DETAILS

Company Name	MKM RAIL ENGINEERING LIMITED
Date of Incorporation	19 December 2017
Company Number	11117698
Former Registered Office	35 High Street Kings Langley WD4 8AB
Current Registered Office	c/o Focus Insolvency Group Skull House Lane Appley Bridge Wigan WN6 9DW
Trading address	35 High Street Kings Langley WD4 8AB
Nature of Business	Repair and maintenance of other transport equipment not elsewhere classified
Office Holders	Jane Hardy and Gary Birchall Focus Insolvency Group Skull House Lane Appley Bridge Wigan WN6 9EU
Date of Appointment	19 May 2022

This report is issued under the provisions of Section 104A of the Insolvency Act 1986.

2. RECEIPTS AND PAYMENTS ACCOUNT

Attached at Appendix 1 is my account of receipts and payments from the commencement of the winding-up to the end of the first anniversary ("the period under review").

The Joint Liquidators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration of the case, which ensures that work is carried out to high professional standards. A detailed list of these tasks may be found within this report.

My comments on items appearing in the account are as follows: -

ASSET REALISATIONS

As per the director's Statement of Affairs the Company had no known assets. However, details of assets realised for the liquidation estate are below:

Deposit for Costs

It was agreed that the Director would personally pay the deposit for costs towards the Statement of Affairs fee in the sum of £2,500.00 plus VAT. This has been received in full from the Director, and, as detailed below, has been reallocated to the settlement of the Director's Loan Account.

Director's Loan Account

The position of the Director's Loan Account as of the last filed accounts, 20 November 2020, stood at £1,000.13 in credit and the Director did not owe any funds to the Company. The Director's Statement of Affairs presented at the meeting of creditors on 19 May 2022 did not detail an overdrawn Director's Loan Account.

Following my appointment, I reviewed the Company's books and records and bank statements and liaised with the Director in order to reconcile the ledger. Several transactions were highlighted as recoverable for the liquidation estate for the benefit of the Company's creditors. The quantum of the claim was reconciled at £16,038.79 following protracted negotiations. Correspondence was issued to the Director setting out the claims against him.

The Director advised that he was not in a position to repay the claims against him in full due to his personal financial commitments and provided adequate supporting documentation to this effect. A search of the Land Registry was performed and established that two properties were owned by the Director in joint names with another party. The equity positions of these properties were unknown. However, the Director disclosed that one of the properties, a buy-to-let property, was on the market for sale and attracted very little interest.

The Director offered a full and final settlement of £10,000 for any, and all, claims against him, the funds for which would be derived from a personal loan of £6,000 and the remainder from family and friends. The settlement being offered represented 62% of the £16,038.79 claim that the Liquidators have against the Director. Together with the Statement of Affairs fee of £2,500 plus VAT (total £3,000) paid by the Director personally to commence the liquidation of the Company, the settlement was equivalent to 81% of the Liquidators' claim against the Director.

On 18 May 2023, I wrote to creditors in order to allow them the opportunity over a 21-day period to object to steps being taken to accept the settlement offer from the Director for the benefit of the liquidation estate. I believed that this would be a better outcome than commencing legal proceedings since accepting a material offer from the Director in this way would avoid incurring further costs. Creditors were invited, as an alternative, to fund the litigation costs of pursuing the identified claims against the Director. The costs were estimated to be in the region of £15,000 to £20,000, dependent on whether the claim was defended.

No response was received from creditors, therefore, no objections were raised by creditors to my proposed course of action. I therefore proceeded to accept the Director's offer of £10,000. The lump sum is required to be paid into the liquidation by no later than 27 June 2023. I can confirm that the Director has made this payment in full on 26 June 2023, after the period under review.

The matter is now concluded, and no further realisations are expected from this source.

Other

My investigations into the affairs and conduct of the Company and its Director have not uncovered any previously undisclosed assets other than those noted above.

In accordance with SIP 13 I would advise that there have been no related party transactions.

I have earned bank interest of £0.10 for the period 19 May 2022 to 18 May 2023.

Outstanding Matters

All assets realisations have been concluded. However, the Joint Liquidators are now seeking creditors' approval of the basis of their remuneration as detailed further in this report.

PAYMENTS

Statement of Affairs Fee

Prior to my appointment on 19 May 2022 the Company agreed to pay my Statement of Affairs fee of £2,500.00 plus VAT, this has been paid in full by the director personally, and has been applied towards the settlement of the Director's Loan Account.

Category 1 Expenses

Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities.

Category 1 expenses are payments to persons providing a service to which the expense relates who are not associates and where the specific expenditure is directly referable to the appointment in question. These are charged to the estate at cost, with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that liquidators may discharge Category 1 expenses from the funds held in the insolvent estate without further recourse to creditors.

Category 2 expenses are other expenses which are payable to associates or which have an element of shared cost. Payments may only be made in relation to Category 2 expenses after the creditors have approved the bases of their calculation.

The table below details the Category 1 expenses I have incurred to date. No Category 2 expenses have been incurred.

Description	Professional Advisor/Payee	Paid to Date (plus VAT where applicable) £
Statutory Advertising (net)	Courts Advertising	170.80
Specific Bond	AON Risk Solutions	20.00
Other Property Expenses	HM Land Registry	11.00
TOTAL		201.80

The statutory advertising cost to date is in respect of the adverts of the Liquidators' appointment and winding up resolutions which were placed in the Gazette. This expense is expected to increase by £92.00 plus VAT due to the need to advertise the forthcoming virtual creditors' meeting which is being held to approve the Joint Liquidators' remuneration.

The Specific Bond was estimated to cost £20 on assets estimated to realise £500 as per the Director's Statement of Affairs. Following my investigations into the affairs and conduct of the Company and its Director, the bond is being increased to cover asset realisations of up to £25,000 to reflect the previously undisclosed overdrawn Director's Loan Account and in respect of which the Director has paid £10,000 plus £3,000 in the Statement of Affairs fee, totalling £13,000 as detailed above. The bond premium will be increased to £64.80.

The other property expenses relate to the cost incurred for applying to the Land Registry for information on any properties owned in the Director's name.

Specialist Advice and Services

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Liquidator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken. The firm reviews annually the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below. No specialist advice or services have been required by the Joint Liquidators to date.

Details of all estimated expenses are provided on the enclosed estimated outcome statement and expense estimate.

Details of the Joint Liquidator's Remuneration are detailed in Section 4 below.

3. CREDITOR CLAIMS

Irrespective of whether sufficient realisations are achieved to pay a dividend to creditors, the Joint Liquidator has had to carry out key tasks. The following sections explain the anticipated outcomes to creditors and any distributions paid.

Secured Creditor Claims

There were no charges registered against the Company at Companies House and there will be no prescribed part in this Liquidation.

Preferential Creditor Claims

No preferential claims were detailed in the Statement of Affairs.

I have not received any preferential claims against the Company.

Secondary Preferential creditors

In any insolvency process started from 1 December 2020, HMRC is a secondary preferential creditor for the following liabilities:

- VAT
- PAYE Income Tax
- Employees' NIC
- CIS deductions
- student loan deductions

This will mean that, if there are sufficient funds available, any of the above amounts owed by the Company will be paid after the preferential creditors have been paid in full.

HMRC was not estimated to have any secondary preferential claims against the Company.

No secondary preferential claims have been received.

Unsecured Creditor Claims

Attached at Appendix 2 is a schedule of agreed claims to date.

Distributions

At present, there will be insufficient funds to pay a distribution to any class of creditor as may be seen from the Estimated Outcome Statement appended to this report.

4. OTHER RELEVANT INFORMATION

Enquiries and Investigations

You may be aware that a Liquidator has a duty to investigate generally the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a Liquidator is also required to consider the conduct of the Company's Directors and to make an appropriate submission to the Directors Disqualification Unit of the Department for Business, Innovation & Skills as required.

During the Review Period, the Joint Liquidators carried out an initial review of the Company's affairs in the period prior to appointment. This included seeking information and explanations from the directors by means of questionnaires, making enquiries of the Company's accountants; reviewing information received from creditors; and collecting and examining the Company's bank statements, accounts and other records.

This work was carried out with the objective of making an initial assessment of whether there were any matters that may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This initial assessment was completed and the Joint Liquidators identified that there was an overdrawn Director's Loan Account that was owed by the Director to the Company. No further assets have been identified which might lead to a recovery for creditors.

I can confirm that I have discharged my duties in this regard. However, if any creditor wishes to raise any concerns which they have not already, then please do so in writing.

Joint Liquidators' remuneration

It is the firm's practice to ensure that work is conducted by the appropriate staff member at the appropriate level of experience. Junior members of staff deal with the day to day administration on cases and a manager and Insolvency Practitioner then oversees the work undertaken. Where the issues are complex and litigious, the work will be closely supervised or undertaken by a senior manager or Insolvency Practitioner.

Total time spent on this assignment during the period under review amounts to 37.7 hours at an average charge out rate of £257.81 per hour resulting in total time costs to date of £9,719.50 plus VAT:

Classification of Work Function	Total Hours (To date)	Time Cost, £ (To Date)	Average Hourly Rate, £
Statutory & Compliance	5.7	1,475.00	258.77
Administration & Planning	12.4	3,042.50	245.36
Realisation of Assets	5.8	1,720.00	296.55
Creditors & Employees	2.2	522.00	237.27
Investigations	11.2	2,890.00	258.04
Cashiering	0.4	70.00	175.00
TOTAL	37.7	9,719.50	257.81

An estimate of the anticipated total time costs, likely to be incurred by the Joint Liquidators in discharging their duties for the duration of the Liquidation is provided at Appendix 4 alongside a comparison of the time costs incurred to date.

I estimated my total time costs to be in the region of £12,525.00 plus VAT.

The following further information as regards time costs and expenses is set out at Appendix 4 and Appendix 5:

- Fees and Expenses estimate
- Focus Insolvency Group policy for re-charging expenses and charge out rates.
- Summary of time costs incurred and summary by staff grade and work activity.

You will note from the information provided that the estimated realisable value of all assets totals £13,000.10 and, as described in my Expenses Estimate, I expect to incur necessary expenses to independent parties, which will need to be paid in priority to my fees. Therefore, I anticipate that time

costs in the region of £2,863.50 of those fees will not be recovered from the estate and these will have to be written off.

As creditors will appreciate the work involved in administering the liquidation has been complex and substantial. A great deal of time has been incurred with dealing with the following matters: -

Statutory Compliance and Reporting

Time has been incurred in performing my statutory duties as Joint Liquidator including such matters as filing appointment documents and returns. I am also required to complete quarterly file reviews. Further time has been incurred in preparing this annual report, and will be incurred in preparing my final report to shareholders and creditors. This work was performed purely to comply with my statutory requirements and did not add any value to the liquidation estate.

Administration and Planning

Complying with the statutory and regulatory duties as regards filing, maintaining records, monitoring the case progression and conducting periodic case reviews. This work was performed purely to comply with my statutory requirements and did not add any value to the liquidation estate.

Realisation of Assets

A great deal of time has been incurred in liaising with the Director and reviewing the Company's books and records and bank statements and reconciling the director's loan account ledger and reviewing the Director's income and expenditure budget in order to agree the level of repayment. A search was also done at the Land Registry to establish if the Director owned properties in his name. Time was also incurred in entering into protracted negotiations with the Director to reach an agreeable sum to settle the overdrawn Director's Loan Account and any other, and all, claims that the Joint Liquidators have against him in respect of the Company's liquidation. This work has been performed to add value to the liquidation estate and to comply with my statutory requirements. This matter has been time consuming for my office but has now concluded.

Creditor Correspondence

Time has been incurred in liaising with the Company's creditors, ensuring the creditor claims met with the expectation of the former director, answering creditor concerns, queries and acknowledging creditor claim forms.

Investigation

I have to investigate the assets and affairs of the Company as part of my duties as Joint Liquidator. Time has been incurred in reviewing the Company's books and records, tracking asset movements, and reporting my findings to the disqualification unit of the Department for Business Innovation & Skills.

As detailed above, a great deal of time has been incurred in liaising with the Director and reviewing the Company's books and records and bank statements, reconciling the director's loan account ledger, reviewing the Director's income and expenditure, and submitting a request for a search to be done at the Land Registry to establish if the Director owned properties in his name. This work has been performed to add value to the liquidation estate and to comply with my statutory requirements. This matter has been time consuming for my office but has now concluded.

Cashiering

Time has been incurred in performing cashiering functions in relation to the administration of the Liquidation estate. This work was performed purely to comply with my statutory requirements and did not add any value to the liquidation estate.

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 Joint 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 the basis fixed for the Joint Liquidators remuneration, the remuneration charged or the expenses incurred by the Joint Liquidators as set out in this progress report are excessive.

CONCLUSION

The administration of the case will be continuing to finalise the following outstanding matters that are preventing this case from being closed:

- Seeking creditors' approval of the quantum and basis of the Joint Liquidators' remuneration.

Given that no resolution was passed previously in respect of the quantum and basis of the Joint Liquidators' remuneration, and given the asset realisations made for the benefit of the liquidation estate, I respectfully request creditors' approval to the Joint Liquidators' drawing of fees on the basis of time costs subject to a cap of £12,000 plus VAT and expenses plus VAT in order to cover the time costs already incurred, and those that are expected to be incurred in administering the liquidation up to closure.

Please note that I am seeking approval of the resolution from non-associate creditors, however if no non-associate votes are received it may be necessary to take votes from creditors who could be perceived as an associate of the Joint Liquidators into account.

As detailed within the attached Estimated Outcome Statement at Appendix 3, it is estimated that there will be no dividend available to any class of creditor in the liquidation.

This virtual meeting is being convened under Rule 15.34(1) of the Insolvency Rules 2016, which requires the resolution to be passed by a majority in value of those voting by proxy.

Information about this insolvency process may be found on the R3 website at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/creditor-guides/more/29110/page/1/creditors-voluntary-liquidation/>

If you require any further information, please contact this office.



Jane Hardy, MIPA, MABRP
Joint Liquidator

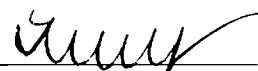
Dated: 27 June 2023

MKM RAIL ENGINEERING LIMITED - IN LIQUIDATION

**JOINT LIQUIDATORS' ACCOUNT OF RECEIPTS AND PAYMENTS FOR THE PERIOD FROM
19 MAY 2022 TO 18 MAY 2023 WITH STATEMENT OF AFFAIRS COMPARATIVE.**

Mkm Rail Engineering Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 18/05/2023

S of A £		£	£
	ASSET REALISATIONS		
	Bank Interest Gross	0.10	
	Deposit for Costs	3,000.00	3,000.10
	COST OF REALISATIONS		
	Specific Bond	20.00	
	Preparation of S. of A.	2,500.00	
	Irrecoverable VAT	500.00	
	Statutory Advertising	170.80	
	Other Property Expenses	11.00	(3,201.80)
	UNSECURED CREDITORS		
(120.00)	Trade & Expense Creditors	NIL	
(25,205.14)	Banks/Institutions	NIL	
(9,259.27)	HM Revenue & Customs - Corporation	NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
(34,684.41)			(201.70)
	REPRESENTED BY		
	Bank 1 Current		0.01
	Office		(201.71)
			(201.70)


Jane Hardy
Joint Liquidator

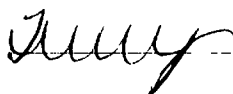
MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

CREDITOR CLAIMS SUMMARY REPORT

Debtfocus
Mkm Rail Engineering Limited
Creditor Claims Summary Report

Key	Name	Rep. By	S of A £	Claim £	Agreed Claim £
CF00	Financial Guardian		120.00	0.00	0.00
CH00	HM Revenue & Customs (CVL & WUP) 6231456521790		9,259.27	0.00	0.00
CM00	Metro Bank Insolvency Team 49049		25,205.14	25,205.14	0.00
CZ00	Zinc Group Limited		0.00	0.00	0.00
RM00	Migel Muka		0.00	0.00	0.00
5 Entries Totalling			34,584.41	25,205.14	0.00

Signature



MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

ESTIMATED OUTCOME STATEMENT

Mkm Rail Engineering Limited - in Liquidation**Estimated Outcome Statement as at 27 June 2023**

	Notes	To Date £	Future £	Total £
Assets				
Bank Interest Gross		0.10	ongoing	0.10
Deposit for Costs		3,000.00	0.00	3,000.00
Overdrawn Director's Loan Account		10,000.00	0.00	10,000.00
			0.00	0.00
Total		13,000.10	0.00	13,000.10
Expenditure				
Specific Bond		(20.00)	(44.80)	(64.80)
Preparation of S of A		(2,500.00)	0.00	(2,500.00)
Liquidator's Fees	1	0.00	(9,661.50)	(9,661.50)
Irrecoverable VAT		(500.00)	0.00	(500.00)
Other Property Expenses		(11.00)	0.00	(11.00)
Statutory Advertising	2	(170.80)	(92.00)	(262.80)
Total		(3,201.80)	(9,798.30)	(13,000.10)
Available for Preferential Creditors		9,798.30	(9,798.30)	0.00
Preferential Creditors	3			0.00
Estimated Secondary Preferential Creditors	4			0.00
Estimated Unsecured Non-Preferential Creditors	5			(34,584.41)
Estimated Dividend				0.00 p/£

1. Liquidator's fees will be limited to the funds available. Any fees that are unable to be drawn owing to insufficient funds will be written off.

2. This is the cost of the statutory advertisements in respect of the Joint Liquidators' appointment and the forthcoming creditors' meeting to approve the Joint Liquidators' remuneration.

3. There are not expected to be any preferential claims.

4. There are not expected to be any secondary preferential claims.

5. The total estimated unsecured creditor claims consists of a single creditor claim that has been received so far of £25,205.14 and estimates from the Statement of Affairs.

MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

FEES AND EXPENSES ESTIMATE

FOCUS INSOLVENCY GROUP

MKM RAIL ENGINEERING LIMITED

Fees & Expenses Estimate Statement - Creditors Voluntary Liquidation

To enable creditors to assess the basis of the joint liquidators' fees I am seeking I have provided the following information:

In accordance with the provisions of the Statement of Insolvency Practice 9 ("SIP9"), the firm's estimated fees for dealing with the liquidation estate applicable to this appointment, exclusive of VAT, are as follows along with a comparison of the time incurred to date:-

Classification of Work Function	Estimated Fees			Fees to Date		
	Total Hours	Time Cost £	Average Hourly Rate £	Total Hours	Time Cost £	Average Hourly Rate £
Statutory & Compliance	11.2	2,800.00	250.00	5.7	1,475.00	258.77
Administration & Planning	17.1	4,275.00	250.00	13.1	3,200.00	244.27
Realisation of Assets	7.3	1,825.00	250.00	7.3	2,052.50	281.16
Creditors	2.2	550.00	250.00	2.2	522.00	237.27
Investigations	11.2	2,800.00	250.00	11.2	2,890.00	258.04
Cashiering	1.1	275.00	250.00	0.6	112.50	187.50
TOTAL	50.1	12,525.00	250.00	40.1	10,252.00	255.66

For illustration purposes the above is a blended rate of all staff working on the case including Partner, Manager, Other Senior Professionals and Assistants and Support Staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units). Time billed is subject to Value Added Tax at the applicable rate. Time spent by partners and insolvency staff in relation to the insolvency estate is charged to the estate.

If the above fee estimate is likely to be exceeded details will be provided within the annual progress report to creditors and a further resolution by correspondence may be necessary to increase the level of fees incurred.

For the avoidance of doubt, it is proposed the Joint Liquidators' fees (excluding disbursements) be capped at £12,000 plus VAT.

The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the estimates in accordance with the statutory provisions:

- any further investigations will not reveal any matters that require investigation with a view to pursuing a recovery for the insolvent estate;
- no exceptional work will need to be conducted in order to realise any remaining assets;
- there will be insufficient funds to pay a distribution to any class of creditor; and
- the liquidation will be concluded in approximately 4 months' time.

On the basis of these assumptions, I do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the estimate. However, in the event that the liquidation does not proceed as envisaged, I will seek approval for any fees in addition to those estimated that I wish to draw from the liquidation estate.

A description of the routine work to be undertaken in the liquidation is as follows:

Statutory & Compliance / Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation as required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS
- Review and storage
- Case bordereau
- Case planning and administration
- Preparing reports to members and creditors
- Convening and holding meetings of/decision procedures for members and creditors

This work is purely to comply with statutory requirements and will not add any value to the liquidation estate.

Realisation of Assets

- Review of financial records in respect of the potential overdrawn director's loan account, reconciliation of the account and pursuing the directors for recovery
- Liaise with the director in relation to a settlement in respect of the overdrawn Director's Loan Account
- Liaising with the director with regard to his income and expenditure and assets and liabilities in order to agree on the level of repayment
- Undertaken investigations with HM Land Registry

This work is purely to add value to the liquidation estate.

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on database
- Reviewing proofs of debt received from creditors

This work is performed to comply with statutory requirements.

Investigations

- Review and storage of books and records
 - Preparing a return pursuant to the Company Directors Disqualification Act
 - Conduct investigations into suspicious transactions
 - Review of books and records and bank statements to identify any transactions or actions a liquidator may take against a third party in order to recover funds for the benefit of creditors
 - Investigation into any other potential pre-liquidation financial transactions in order to ascertain what, if any, civil remedies could be sought
- Review of financial records in respect of

the potential overdrawn director's loan account, reconciliation of the account and pursuing the director for recovery

- Liaising with the Company's bankers to close the Company's bank account
- Pursuing potential litigation claims
- Undertaken investigations with HM Land Registry
- Liaising with the director with regard to his income and expenditure and assets and liabilities in order to agree on the level of repayment
- Liaise with the director in relation to a settlement in respect of the overdrawn Director's Loan Account

This work is performed both to comply with statutory requirements and to add value to the liquidation estate.

Cashiering

- Maintaining and managing the liquidators' cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

This work is purely to comply with statutory requirements and will not add any value to the liquidation estate.

Expenses Estimate

Direct Expenses (Category 1 Expenses)

Category 1 expenses, as defined by SIP 9 as payments to persons providing a service to which the expense relates who are not an associate of the office holder, will be charged to the estate at cost. Creditor approval for these expenses is not required. These include, but are not limited, to such items as advertising, bonding and other insurance premiums. These may include disbursements which are first met by the liquidator and then reimbursed to the liquidator by the liquidation.

The following Category 1 expenses have been, and are anticipated to be, charged in the liquidation estate:

Description	Professional Advisor	Fee Arrangement	Cost £
Statutory Advertising	Courts Advertising Ltd	Fixed Fee	262.80
Specific Bond	AON Risk Solutions	Fixed Fee	64.80
Other Property Expenses	HM Land Registry	Fixed Fee	11.00
TOTAL			338.60

Category 1 expenses are billed subject to Value Added Tax at the applicable rate.

Indirect Expenses (Category 2 Expenses)

Category 2 expenses are payments to associates or which have an element of shared costs. The expenses require approval from creditors. Where it is expected that category 2 expenses are required to be paid from the estate creditors will be given full details and asked to provide confirmation that they can be drawn.

It is not anticipated that any Category 2 Expenses will be charged.

A creditors' guide to Office Holder's fees can be downloaded from the following site:-

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

If you require a hard copy of this guide, please contact Focus Insolvency Group on 01257 257 030.

Third Party Costs

Solicitors, debt collectors and agents may have to be instructed on the administration of the liquidation estate.

It is not anticipated that any third party costs will be charged in this appointment.

MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

JOINT LIQUIDATORS' TIME COSTS AND EXPENSES

- a. Focus Insolvency Group policy for re-charging expenses and charge out rates;
- b. Summary of time costs incurred and summary by staff grade and work activity

FOCUS INSOLVENCY GROUP

FEE CHARGING, EXPENSES AND DISBURSEMENT POLICY STATEMENT

Fee Charging Policy

In accordance with the provisions of the Statement of Insolvency Practice 9 ("SIP9"), the firm's current charge out rates applicable to this appointment, exclusive of VAT, are as follows:-

Grade of Staff	FROM 01.08.2016 (£ per hour)
Senior Partner	380
Partner	350
Manager	250
Administrator / Cashier	175
Support	110

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units). Time billed is subject to Value Added Tax at the applicable rate.

Time spent by partners and insolvency staff in relation to the insolvency is charged to the estate.

Expenses and Disbursement Policy

Category 1 Expenses

Category 1 expenses, as defined by SIP 9 as payments to persons providing a service to which the expense relates who are not an associate of the office holder, will be charged to the estate at cost. Creditor approval for these expenses is not required. These include, but are not limited, to such items as advertising, bonding and other insurance premiums. These may include disbursements which are first met by the liquidator and then reimbursed to the liquidator by the liquidation.

Category 2 Expenses

Category 2 expenses are payments to associates or which have an element of shared costs. The expenses require approval from creditors. Where it is expected that category 2 expenses are required to be paid from the estate creditors will be given full details and asked to provide confirmation that they can be drawn.

A creditors' guide to Office Holder's fees can be downloaded from the following site:-

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

Should you require a hard copy of this guide, please contact Focus Insolvency Group on 01257 257 030.

Anthony Fisher FIPA, FABRP, Gary Birchall FIPA, FABRP and Jane Hardy MIPA, MABRP are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

Time Entry - SIP9 Time & Cost Summary

X2244 - Mkm Rail Engineering Limited
All Post Appointment Project Codes
From: 19/05/2022 To: 18/05/2023

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.60	8.60	0.00	0.00	9.20	2,360.00	256.52
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashier/ Banking	0.00	0.00	0.00	0.40	0.40	70.00	175.00
Creditors	0.00	2.00	0.00	0.20	2.20	522.00	237.27
Employees	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Finalisation	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.90	10.30	0.00	0.00	11.20	2,890.00	258.04
Legal	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pensions	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	2.70	3.10	0.00	0.00	5.80	1,720.00	296.55
Reviews	0.70	0.00	0.00	2.50	3.20	682.50	213.28
Statutory	0.50	5.20	0.00	0.00	5.70	1,475.00	258.77
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	5.40	29.20	0.00	3.10	37.70	9,719.50	257.81
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

MKM RAIL ENGINEERING LIMITED – IN LIQUIDATION

PROXY AND PROOF OF DEBT FORMS

Proxy

In the matter of Mkm Rail Engineering Limited

and

Notes to help completion of the form

in the matter of the Insolvency Act 1986

Please give full name and address for communication

Name of creditor _____

Address _____

Please insert name of person or "chair of the meeting". If you wish to provide for alternative proxy-holders in the circumstances that your first choice is unable to attend please state the names of the alternatives as well

Name of proxy-holder

1 _____

2 _____

3 _____

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

I appoint the above person to be my/the creditor's proxy-holder at the meeting of creditors to be held on 25 July 2023, or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

VOTING INSTRUCTIONS FOR RESOLUTIONS:

1. That the Joint Liquidators be authorised to draw their fees on a time costs basis, subject to a cap of £12,000 plus VAT and disbursements plus VAT.

YES / NO*

This form must be signed

Signature _____ Dated _____

Name in CAPITAL LETTERS _____

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

POSITION WITH CREDITOR OR RELATIONSHIP TO CREDITOR OR OTHER AUTHORITY

FOR SIGNATURE: _____

Are you are the sole member/shareholder of the creditor?

YES / NO

THIS PROXY MAY BE COMPLETED WITH THE NAME OF THE PERSON OR THE CHAIR OF THE MEETING WHO IS TO BE THE PROXY-HOLDER.

PROOF OF DEBT - GENERAL FORM**Mkm Rail Engineering Limited****DETAILS OF CLAIM**

Date of Winding-up Order/Resolution for voluntary winding up 19 May 2022

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; and 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. [Note the liquidator 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

NOMINATIONS FOR MEMBERS OF A LIQUIDATION COMMITTEE

On behalf of (name of Creditor): _____ ,

at (address of Creditor): _____ ,

I nominate the following creditor(s) to be member(s) of a Liquidation Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you the sole member/shareholder of the Creditor (where it is a Company)?

Yes / No