

LIQ03

Notice of progress report in voluntary winding up



Companies House

MONDAY



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04/05/2020

#284

COMPANIES HOUSE

1 Company details

Company number

Company name in full

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

2 Liquidator's name

Full forename(s)

Surname

3 Liquidator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s)

Surname

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

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region


Postcode

Country

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

LIQ03

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6	Period of progress report									
From date	^d 2	^d 8	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9		
To date	^d 2	^d 7	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0		
7	Progress report									
<input checked="" type="checkbox"/> The progress report is attached										
8	Sign and date									
Liquidator's signature	<div>Signature</div> <div>X  X</div>									
Signature date	^d 0	^d 4	^m 0	^m 5	^y 2	^y 0	^y 2	^y 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 **Sue Markham**Company name **BM Advisory**Address
Arundel House
1 Amberley CourtPost town **Whitworth Road**County/Region **Crawley**Postcode

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Country

DX

Telephone **01293 410333 / 01293 428530****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

Commercial Glass (London) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 28/03/2019 To 27/03/2020 £	From 28/03/2019 To 27/03/2020 £
	ASSET REALISATIONS		
NIL	Book debts	NIL	NIL
5,000.00	Tangible Assets	5,000.00	5,000.00
		5,000.00	5,000.00
	COST OF REALISATIONS		
	Preparation of SoA	5,000.00	5,000.00
		(5,000.00)	(5,000.00)
	PREFERENTIAL CREDITORS		
(2,775.45)	Employees/Former employees	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(42,000.00)	Directors Loan Account	NIL	NIL
(61,982.16)	Employees/Former employees	NIL	NIL
(25,465.29)	HM Revenue & Customs	NIL	NIL
(50,083.62)	HSBC Bank	NIL	NIL
(38,244.36)	Trade & expense creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary shareholders	NIL	NIL
		NIL	NIL
(215,552.88)		NIL	NIL
	REPRESENTED BY		
			NIL

BM Advisory.

Corporate Advisory & Restructuring

Arundel House
1 Amberley Court
Whitworth Road
Crawley RH11 7XL

T +44 (0)1293 410 333
F +44 (0)1293 428 530

www.bm-advisory.com

TO ALL MEMBERS AND KNOWN CREDITORS

Our ref: SM/COM003MS

4 May 2020

Dear Sirs

Commercial Glass (London) Limited – In Creditors’ Voluntary Liquidation (“the Company”)

As you are aware, Richard Keley and I were appointed Joint Liquidators of the Company on 28 March 2019. I have prepared my first annual progress report on the Company for the period 28 March 2019 to 27 March 2020 (the reporting period). Statutory information regarding the Company is attached at **Appendix I**.

The Liquidators have acted jointly and severally in all matters relating to the Liquidation and there have been no changes in the office holders since my last report. This report should be read in conjunction with my previous reports, copies of which are available on request. Further information can also be found at www.creditorinsolvencyguide.co.uk which is designed to provide creditors with a step by step guide to the insolvency process.

CONDUCT OF LIQUIDATION

The Company traded successfully until 2015 in the joinery installation and commercial glazing market. During 2015 the Company undertook a project for Apex Construction but unfortunately at the end of the project they refused to pay for the completed works, owing the Company £230,000. During 2016 to the start of 2017 legal action was in place which resulted in a successful outcome for the Company but this was received too late as other works being undertaken by the Company could not be completed due to a lack of working capital. This led to a loss of clients and an increase in the Company debt.

Throughout 2018 the Company suffered further losses when their biggest customer (BG Construction) went into Liquidation and another customer (Kubik Construction) suffered financial difficulties due to the slowdown of the housing market, causing further financial hardship for the Company.

In an effort to support the Company’s working capital, the shareholders decided to forego their salaries and took out personal loans however, they were not in a position to continue to provide this financial support indefinitely.

In the circumstances, the director approached BM Advisory LLP (via their accountants Gilbert, Allan & Co) for advice on the Company’s financial position and it was agreed a Creditors’ Voluntary Liquidation was appropriate. Our strategy was to realise the known assets of the Company and carry out a review of the Company’s dealings and conduct of the director to ascertain whether any potential asset recoveries, claims, antecedent transactions

or conduct matters justified further action.

Following our appointment as Liquidators', we have spent time in endeavouring to realise the assets of the Company for the benefit of creditors which, as outlined in the director's estimated Statement of Affairs ("SOA"), consisted of the tangible assets of the Company and book debts. Further details regarding asset realisations can be found later in this report.

We have also considered and reviewed accounting information provided by the Company together with bank statements, to determine if there are any further assets or claims available for the benefit of creditors and spent time dealing with queries from unsecured creditors in relation to their claims and other matters brought to our attention. Time has also been spent communicating with former employees regarding their claims and ensuring the appropriate information was submitted to the Redundancy Payments Service ("RPS") to assist with lodgement and payment of their claims.

We have attended to the statutory duties incumbent upon Liquidators generally, including (but not limited to) case management, case progression (which included periodic reviews), sending notice of my appointment to members, creditors and the Registrar of Companies, advertising notice of my appointment in the London Gazette and completing and submitting post-appointment tax returns to HM Revenue & Customs ("HMRC"), maintaining electronic and physical case files, maintaining and processing the Company's Liquidation bank account for receipts and payments and dealing with all routine correspondence. We have also completed an investigation into the trading activities of the Company and considered the conduct of persons who have acted as directors for the Company in the three years prior to the Liquidation and submitted our report to The Insolvency Service.

We are not yet in a position to conclude the Liquidation as we are continuing to review the position and ascertain if any recovery can be made in regard to the book debts. The realisations achieved (to date) in the Liquidation were not sufficient to enable a distribution to be made to creditors.

RECEIPTS AND PAYMENTS ACCOUNT

A receipts and payments account since my appointment to 27 March 2020 (the reporting period), is attached at **Appendix II** and shows a nil balance. Estate funds were banked into a designated non-interest bearing estate account.

ASSETS

The principal assets at the date of liquidation, as shown in the director's estimated SOA, comprised tangible assets with a book value ("BV") of £1,325 and book debts with a BV of £100,655.

Tangible Assets

The tangible assets of the Company comprised furniture, fittings, and equipment (including one motor vehicle) which have a combined net book value of £1,325 in the last filed accounts for the year ending 30 April 2017.

Unfortunately, due to the age and condition of the furniture and fittings it was concluded that they were likely to be uneconomical to realise.

Independent valuer Mr Mark Humphrey (MRICS) of Key Appraisal Ltd (for the purposes of the SoA) valued the Company's motor vehicle, a Ford Transit panel van at £4,200. An offer of £5,000 was received from the director for the purchase of the motor vehicle and this was paid during this reporting period.

Book Debts

The book debts represent aged debtor balances totalling £100,655 owed by two contractors. One debtor is B & G Construction Engineering Ltd ("B & G") with a balance owing of £47,610. B & G went into Creditors' Voluntary Liquidation on 21 September 2018 and while we have submitted a claim in the Liquidation, dividend prospects

are not known at this stage. The other debtor is Kubik Construction Ltd ("Kubik") who owe £53,045. This claim is disputed by Kubik who say they owe nothing to the company. In order to ascertain the correct position and if any recovery can be achieved, supporting evidence is required and this is being sought from the director and the Company's books and records however in the absence of this, the debt is likely to be irrecoverable.

LIABILITIES

Secured creditor

The Company's mortgage register held by the Registrar of Companies shows that the Company has no current charges over its assets.

Preferential creditors

The Company had two employees who were estimated to have preferential claims totalling £2,775.45 however no claims have been received from the RPS or by the employees.

Unsecured creditors

No adjudication of unsecured creditor claims has been undertaken as there are insufficient funds to pay a dividend. As reflected in the director's estimated SoA unsecured creditors comprise the following:

- **Directors' Loan Account**

The director, Moshe Tsemah and former director Alina Doloui are owed £42,000 in respect of funds lent to the Company and a claim of £42,000 has been received.

- **Employees**

The SOA estimated the unsecured element of employees' claims to total £61,982.16 in respect of outstanding notice and redundancy pay and was subject to employees submitting their claims to the RPS. Whilst we understand claims were submitted by the employees to the RPS and payments made in respect of this matter, no claim has been received from the RPS.

- **HM Revenue & Customs**

The director estimated outstanding PAYE, National Insurance and tax due under the Construction Industry Scheme accruing from November 2017 at £15,119.04, outstanding VAT at £940.25 and outstanding Corporation Tax of £9,406. A combined claim from HMRC totalling £43,098.56 has been received.

- **HSBC Bank**

The Company had an overdrawn balance of £50,083.62 which is subject to a personal guarantee provided by both shareholders. A claim of £55,956.74 has been received.

- **Trade and expense creditors**

Trade and expense creditors totalled £38,244.36 as per the director's SoA. Claims totalling £58,998.54 have been received.

DIVIDENDS

Notice is given that no dividend is available to preferential or unsecured creditors in this matter because net asset realisations have been insufficient to cover the costs and expenses of the Liquidation.

PRESCRIBED PART

The Prescribed Part Fund is created out of the Company's net floating charge property pursuant to Section 176A of the Insolvency Act 1986, as long as the floating charge was registered later than 15 September 2003.

As previously advised, there is no floating charge registered after 15 September 2003 and therefore the prescribed part does not apply.

JOINT LIQUIDATORS' INVESTIGATIONS

Under the insolvency legislation, the Liquidators have a duty to consider the conduct of those persons who have been directors of the Company, shadow directors or de facto directors at any time within three years preceding the Liquidation and consider whether any civil proceedings should be taken.

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation, taking into account public interest and the potential recoveries and costs involved. I have recovered the Company's accounting records, obtained copy bank statements for the twelve months prior to my appointment and compared information in the Company's accounts with that in the *statement of affairs*. I have made enquiries where necessary and concluded that there were no matters that justified further investigation.

Within three months of my appointment as Liquidator, I was required to submit a confidential report to the Secretary of State to include any matters which came to my attention during the course of my work, which may have indicated that the conduct of any past or present director would make them unfit to be concerned with the management of the Company. I confirm that my report has been submitted.

PRE-APPOINTMENT REMUNERATION

The director and creditors have previously authorised the payment of my fees for assistance with preparing the statement of affairs in the sum of £2,500 and facilitating the creditors' decision in the sum of £2,500, plus VAT and disbursements. These fees were paid from first realisations in the Liquidation.

JOINT LIQUIDATORS' REMUNERATION

On 28 March 2019, creditors approved that the Joint Liquidators be remunerated by reference to time properly spent by them and their staff in attending to matters arising from the Liquidation of the Company.

A total of 60.90 hours have been spent during this reporting period at a cost of £12,069, resulting in an average hourly charge out rate of £198.18. This is compared to anticipated hours of 44.60 at an average hourly rate of £242.26 being £10,805, which I estimated at the outset of my appointment for the whole period of the Liquidation.

A summary of my time costs for this reporting period and the work undertaken is attached at **Appendix III**, together with a comparison to the original fee estimate approved by creditors and BM Advisory's policy on fees. I have not been able to draw any remuneration in this matter to date, due to insufficient asset realisations.

As a result of comprehensive investigations into the Company being undertaken, additional time spent in obtaining, reviewing and seeking additional information in order to ascertain if any recoveries can be made in regard to book debts, additional time spent in undertaking work involved in the routine administrative functions of the case and dealing with questions and matters raised by creditors, time costs have exceeded the original estimate, however, due to insufficient asset realisations I do not intend to seek further fee approval and I will not draw remuneration in excess of my original estimate.

A guide to fees can be found at www.bm-advisory.com/resources/ and provides information relating to Liquidators' remuneration. A hard copy is available on request.

Please note that a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question), may request further details of the Joint Liquidators' remuneration and expenses, within 21 days of receipt of this report.

Furthermore, a secured creditor, or unsecured creditor with the permission of the Court or with the concurrence of 10% in value of the creditors (including the creditor in question), may apply to Court to challenge the amount and/or basis of the Joint Liquidators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report.

JOINT LIQUIDATORS' DISBURSEMENTS

On 28 March 2019, creditors agreed my Category 2 disbursements as detailed in my firm's policy on fees, attached at **Appendix III**. Category 1 disbursements do not need approval and can be drawn at the Liquidators' discretion without authority.

Detailed below are the expenses I expected to incur during the Liquidation and what I have incurred in this reporting period, together with details of what has been paid in this period and what remains unpaid.

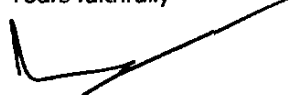
		Estimated total cost	Incurred in period	Incurred to date	Paid during period	Remains unpaid
		£	£	£	£	£
Statutory advertising	Category 1	295.00	220.65	220.65	-	220.65
Printing	Category 2	40.00	2.25	2.25	-	2.25
Postage	Category 1	25.00	9.15	9.15	-	9.15
Virtual meeting	Category 1	200.00	-	-	-	-
Storage	Category 1	120.00	-	-	-	-
Bond	Category 1	30.00	30.00	30.00	-	30.00
TOTAL		£710.00	£262.05	£262.05	-	£262.05

The expenses incurred have not exceeded the estimate previously given to creditors and I do not anticipate that they will exceed the original estimate.

SUMMARY

I shall report again on the next anniversary of my appointment, or the closure of the Liquidation whichever is sooner. Information about our privacy policy, complaints procedure, Professional Indemnity insurance and the Provision of Services Regulations, can be found at www.bm-advisory.com/about/legals-compliance/. If you have any queries regarding this report, please contact Sue Markham of this office on 01293 452844 or email sue.markham@bm-advisory.com.

Yours faithfully



Michael Solomons
Joint Liquidator

Enclosures:

Appendix I – Statutory information

Appendix II – Receipts and payments account

Appendix III – Summary of time costs and work undertaken and BM Advisory's policy on fees

APPENDIX I

STATUTORY INFORMATION

Company name:	Commercial Glass (London) Limited
Registered office:	Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL
Former registered office:	8 Rodborough Road, London, NW11 8RY
Former trading address:	Capitol Industrial Park, Unit 23 Capitol Way, London, NW9 0EQ
Registered number:	07228491
Joint Liquidators' names:	<i>Michael Solomons and Richard Keley</i>
Joint Liquidators' address:	Arundel House, 1 Amberley Court, Whitworth Road, Crawley, West Sussex, RH11 7XL
Liquidators' date of appointment:	28 March 2019

Commercial Glass (London) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 28/03/2019 To 27/03/2020 £	From 28/03/2019 To 27/03/2020 £
	ASSET REALISATIONS	
NIL	Book debts	NIL
5,000.00	Tangible Assets	5,000.00
		5,000.00
	COST OF REALISATIONS	
	Preparation of SoA	5,000.00
		(5,000.00)
	PREFERENTIAL CREDITORS	
(2,775.45)	Employees/Former employees	NIL
		NIL
	UNSECURED CREDITORS	
(42,000.00)	Directors Loan Account	NIL
(61,982.16)	Employees/Former employees	NIL
(25,465.29)	HM Revenue & Customs	NIL
(50,083.62)	HSBC Bank	NIL
(38,244.36)	Trade & expense creditors	NIL
		NIL
	DISTRIBUTIONS	
(2.00)	Ordinary shareholders	NIL
		NIL
(215,552.88)		NIL
	REPRESENTED BY	
		NIL

COMMERCIAL GLASS (LONDON) LIMITED - IN LIQUIDATION

Summary of work undertaken during the period 28 March 2019 to 27 March 2020

BM Advisory.

Task	ORIGINAL ESTIMATE			REPORTING PERIOD			WHOLE PERIOD OF LIQUIDATION		
	Estimated hours	Estimated cost £	Average charge out rate £	Actual hours in period hrs	Actual costs in period £	Average charge out rate £	Actual hours to date hrs	Actual costs to date £	Average charge out rate £
Administration and planning	4.60	984.00	213.91	6.50	1,204.00	185.23	6.50	1,204.00	185.23
Statutory compliance	24.40	6,171.50	252.93	23.50	4,926.50	209.64	23.50	4,926.50	209.64
Investigations	9.70	2,330.00	240.21	14.40	2,825.50	196.22	14.40	2,825.50	196.22
Asset realisations	0.40	127.00	317.50	5.10	1,052.00	206.27	5.10	1,052.00	206.27
Creditors	5.50	1,192.50	216.82	11.40	2,061.00	180.79	11.40	2,061.00	180.79
TOTAL	44.60	10,805.00	242.26	60.90	12,069.00	198.18	60.90	12,069.00	198.18

A summary of the work undertaken in this reporting period is detailed below and was required to be undertaken to deal with the specific circumstances of the case, as well as meet our statutory duties obligations

ADMINISTRATION AND PLANNING

Strategy & planning - devising an appropriate strategy for dealing with the case and giving instructions to staff
Opening, maintaining and managing the officeholders' estate bank account
Undertaking regular reconciliations of the officeholders' estate bank account.

STATUTORY COMPLIANCE

Setting up physical/electronic case files
Setting up the case on insolvency practice management software and inputting necessary data
Dealing with all correspondence and emails relating to the case
Delivering statutory notifications to creditors and others as required on appointment, including advertising the officeholders' appointment in the Gazette
Conduct statutory searches to identify company pension schemes
Obtaining a specific penalty bond
Reviewing the adequacy of the specific penalty bond on a quarterly basis
Undertaking periodic reviews of the progress of the case
Overseeing and controlling the work done
Preparing, reviewing and issuing progress reports to creditors and members
Filing returns at Companies House and/or Court (as applicable)
Preparing and filing VAT returns
Preparing and filing Corporation Tax returns
Seeking closure clearance from HMRC and other relevant parties
Preparing, reviewing and issuing final accounts/reports to creditors and members
Filing final accounts/reports at Companies House and/or Court (as applicable)

INVESTIGATIONS

Recovering the Company's books and records
Scheduling the Company's books and records
Preparing a report on the conduct of the directors as required by the Company Directors Disqualification Act
Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
Reviewing books and records to identify any suspicious transactions or actions the officeholder may take against a third party in order to recover funds for the benefit of creditors

ASSET REALISATIONS

Corresponding with debtors and attempting to collect outstanding book debts
Liaising with the bank to recover any credit balances and close the account(s)
Liaising with the directors and obtain assistance to assist in the realisation of book debts

CREDITORS

Obtaining information from the case records about employee claims
Completing documentation for submission to the Redundancy Payments Office
Corresponding with employees regarding their claims
Liaising with the Redundancy Payments Office regarding employee claims
Dealing with all creditor correspondence, emails and telephone conversations regarding their claims
Maintaining up to date creditor information on the insolvency practice management system

Notes:

- 'Administration and planning' represents the work involved in the routine administrative functions of the case. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory requirements and obligations under the Insolvency legislation and the Statements of Insolvency Practice
- 'Statutory compliance and reporting' represents the work involved in the statutory functions of the case, together with the necessary control and supervision by senior staff. It does not give direct financial benefit to the creditors, but has to be undertaken to meet our statutory obligations
- 'Investigations' represents the work required to comply with our statutory obligations and has no direct financial benefit to creditors unless there are potential recovery actions identified. Details of the investigations undertaken and outcomes are set out in the report.
- 'Asset realisation' represents the work required to be undertaken to realise the known assets in the case for the benefit of the creditors, details of which are set out in the report.
- 'Creditors' represents the work required to deal with the various creditors of the Company and maintain records of each claim. All queries and correspondence are dealt with as part of our statutory obligations

BM ADVISORY

STATEMENT OF POLICY ON FEES

Introduction

This statement has been prepared in accordance with guidelines set out in Statement of Insolvency Practice 9 issued by the Association of Business Recovery Professionals (R3).

The following information applies to all appointments of partners, directors, consultants or staff of BM Advisory, to act as any of the following:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company or Limited Liability Partnership
Trustee in Bankruptcy
Supervisor of an Individual, Company or Partnership Voluntary Arrangement
Administrator under the Insolvent Estates Order

When acting as Nominee, the provisions of the Insolvency Act 1986 ("the Act") require that the amount of the fees payable to the Office Holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office Holder's expected time costs arising as referred to below.

Policy on fees

In accordance with the Act, the Office Holder may seek approval of their remuneration either on a fixed fee basis, on a percentage basis or on a time costs basis. When an Office Holder's fees are charged by reference to time costs, they will be charged at the firm's usual rates applicable at the time the work is carried out. Rates may be varied from time to time, at the sole discretion of BM Advisory, and such changes will be notified in retrospect with each report to Creditors. It is the policy of BM Advisory to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

As at 1st March 2014 the rates applicable are:

Grade	£
Partner 1	430
Partner 2	380
Associate Director	360
Senior Manager	340
Manager	310
Assistant Manager	285
Senior Administrator	240
Administrator	185
Junior Administrator	125
Cashier	115
Support staff	85

Rates vary between individuals, reflecting experience and qualification. For certain more complex tasks, BM Advisory may seek to apply a higher rate in respect of work undertaken, but subject to prior authorisation in accordance with the Act.

Further information on the manner in which an Office Holder's fees may be fixed, can be found in the guidance notes on our website: www.bm-advisory.com/resources/.

Disbursements

Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the case or BM Advisory; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the case. These disbursements are recoverable in full from the case without the prior approval of creditors either by a direct payment from the case or, where BM Advisory has made payment on behalf of the case, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage and specific bond insurance.

Category 2 expenses are incurred by BM Advisory and recharged to the case; they are not attributed to the case by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the case, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of Category 2 disbursements are photocopying, internal room hire and internal storage.

It is proposed that the following Category 2 disbursements are recovered:

Meeting room hire	Up to £200
Postage	£0.51 - £2.25
Mileage (per mile)	£0.45
Photocopies (per sheet)	£0.15
Storage (per box per month)	£0.35

The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.