

Liquidator's Progress Report
Pursuant to section 92A, 104A and 192 of
the Insolvency Act 1986

S.192

To the Registrar of Companies

Company Number

00136740

Name of Company

(a) Insert full name of
company

(a) Solent SD Limited

(b) Insert full name(s)
and address(es)

I / We, (b) Robert Hunter Kelly

Charles Graham John King

Ernst & Young LLP

1 Bridgewater Place, Water
Lane, Leeds, LS11 5QR

the liquidator(s) of the company attach a copy of my/our Progress Report under
section 192 of the Insolvency Act 1986

The Progress Report covers the period from 6 August 2013

to 5 August 2014

Signed



Date 3 October 2014

Presenter's name,
address and reference
(if any)

Chris Scott
Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

For Official Use

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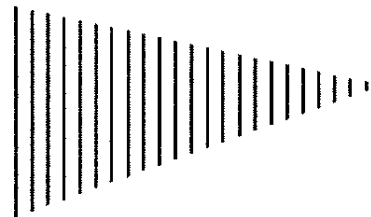
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COMPANIES HOUSE

Solent (SD) Limited
(in Creditors Voluntary Liquidation)
S 104A Report for the year ended 5 August 2014

3 October 2014

Ernst & Young LLP



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1. Introduction

Information about the company and the liquidators

Registered office address of the company	c/o Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Registered number	00136740
Full names of the liquidators	Robert Hunter Kelly and Charles Graham John King
Liquidators' address(es)	Ernst & Young LLP 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR
Date of appointment of the joint liquidators	6 August 2010
Details of any changes of liquidator	None

R H Kelly and I were appointed Joint Liquidators of the Company on 6 August 2010 following the end of the Administration. Our appointment was made by the creditors pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986 and Rule 2.117 of the Insolvency Rules 1986, in accordance with the Joint Administrators' Proposals dated 17 September 2009.

This report should be read in conjunction with the Joint Administrators' Proposals, dated 17 September 2009, the Joint Administrators' reports to creditors dated 24 February 2010 and 29 July 2010 and the Joint Liquidators reports to creditors dated 4 October 2011, 3 October 2012, 3 October 2013 and 3 October 2014.

This report on the progress of the Liquidation is in accordance with Section 104A of the Insolvency Act 1986.

2. Summary of progress in the Liquidation

2.1 Asset Realisations

2.1.1 Intercompany distribution from Surridge

There have been no further distributions from Surridge Dawson Limited ("Surridge") during the period covered by this report. Surridge is currently awaiting direction from the Court with regard to the treatment of funds held in an account containing customer deposits, the outcome of which will materially affect the dividend.

We anticipate the final dividend will range between £7,000 and £15,000.

2.2 Creditors

2.2.1 Secured and preferential creditors

There are no secured or preferential creditors in Solent.

2.2.2 Unsecured creditors

As previously advised, the directors' Statement of Affairs assumed that the Dawson Holdings Pension Scheme would submit an unsecured claim in Solent. However, the Pension Protection Fund has confirmed that any such claims will rest in Surridge only.

The only unsecured claim that we are aware of in Solent is from HMRC for pre-administration Corporation Tax liabilities totalling £157,223.

As Solent's trading was performed through Surridge, all trade creditors who claimed against Solent were deemed to have a claim against Surridge instead. The Joint Liquidators of Surridge have contacted all creditors who have claimed against Solent to inform them of this situation and the status of their claim in Surridge.

2.2.3 The Prescribed Part

As there are no secured creditors of Solent it is not necessary to calculate a Prescribed Part.

3. Receipts and payments account

I enclose a receipts and payments account for the Company for the period from 6 August 2010 to 5 August 2014 at Appendix A

Receipts in the period since our last report total £518, which represents bank interest

Payments total £142 and comprise of corporation tax and bank charges

4. Joint Liquidators' remuneration and disbursements

The Joint Liquidators' remuneration was fixed by reference to the time properly given by the Liquidators and their staff in attending to matters arising in the Liquidation by a resolution passed at the First Statutory Meeting of Creditors on 9 September 2010

Time costs of £41,935 have been incurred since our appointment as Joint Liquidators

Work during the period from 6 August 2013 to 5 August 2014 principally relates to the following areas

- ▶ Accounting and administration, and
- ▶ Dealing with statutory duties and taxation matters

Joint liquidators' statement of expenses incurred

Expenses incurred to date totalling £181 are summarised below

Type of expense	Incurred (£)	Paid (£)	Outstanding (£)
Bonding	106	-	106
Printing and postage	75	-	75
Total	181	-	181

Our current charge out rates are set out in Appendix C. No Liquidators' fees or disbursements have been drawn to date. A summary of our time costs is attached at Appendix B in accordance with Statement of Insolvency Practice No. 9 and the Liquidation charging policy for remuneration is attached at Appendix C.

Creditors' rights to further information regarding remuneration and expenses

In certain circumstances, creditors are entitled to request further information about our remuneration or expenses, or to apply to court if members consider the costs to be excessive. Further information is provided in Appendix D.

Yours faithfully

For the Company



C G J King
Joint Liquidator

The Institute of Chartered Accountants of Scotland in the UK authorises R H Kelly to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986 and The Institute of Chartered Accountants of England and Wales in the UK authorises C G J King to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986.

We may collect, use, transfer, store or otherwise process (collectively, "Process") information that can be linked to specific individuals ("Personal Data"). We may Process Personal Data in various jurisdictions in accordance with applicable law and professional regulations including (without limitation) the Data Protection Act 1998.

Appendix A Joint Liquidators' abstract of receipts and payments from 6 August 2010 to 5 August 2014

	From 06/08/2010 To 05/08/2013 (£)	From 06/08/2013 To 05/08/2014 (£)	From 06/08/2010 To 05/08/2014 (£)
Receipts			
Unsecured distribution from Surndge	87,877	-	87,877
Administrators Surplus	69,618	-	69,618
Bank interest	1,203	518	1,722
	<u>158,698</u>	<u>518</u>	<u>159,217</u>
Payments			
Administrators Fees	27,908	-	27,908
Public notices	614	-	614
Administrators Disbursements	431	-	431
Corporation Tax	163	116	279
Administrators' costs - Corporation tax	149	-	149
Bank charges	40	26	66
	<u>29,305</u>	<u>142</u>	<u>29,448</u>
Balances in hand	<u>129,393</u>	<u>376</u>	<u>129,769</u>

Appendix B Summary of Joint Liquidators' Time-Costs from 6 August 2010 to 5 August 2014

	Partner	Executive Director	Senior Manager	Manager	Senior	Assistants and Support	Total Hours	Total Time cost EY rates
Accounting and administration	-	-	57	-	8.5	15.7	29.9	£6,102
Bank and statutory reporting	2.0	3.0	-	0.5	5.5	22.5	33.5	£7,040
Creditors	-	21.5	11.0	2.0	-	7.7	42.2	£15,386
Debitors	-	-	2.0	-	-	-	2.0	£740
Employee Matters	-	-	0.5	-	-	-	0.5	£195
Other matters	2.0	-	-	-	1.5	11.2	14.7	£2,767
Statutory duties	-	2.5	1.2	1.5	1.0	7.0	13.2	£3,018
VAT and Taxation	2.2	-	0.6	-	8.6	9.4	20.8	£6,688
	6.2	27.0	21.0	4.0	25.1	73.5	156.8	£41,935
Total time cost EY rates	£4,740	£12,145	£8,076	£1,198	£6,399	£9,378		£41,935
Average rate per hour at EY Rates	£765	£450	£385	£299	£255	£128		£267

Appendix C Statement of Liquidators' charging policy for remuneration pursuant to Statement of Insolvency Practice No. 9

The creditors have determined that the liquidators' remuneration should be fixed on the basis of time properly spent by the liquidators and their staff in attending to matters arising in the Liquidation

The Liquidators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the company's bank accounts and statutory compliance diaries. Work carried out by all staff is subject to the overall supervision of the liquidators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown below, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report. Time is recorded in units of six minutes.

Grade Description	From July 2010	From July 2011	From July 2012	From July 2013	From July 2014
<i>Restructuring</i>					
Partner	520	545	570	600	630
Executive Director	425	520	545	570	600
Assistant Director	370	390	410	430	450
Senior Executive	290	305	320	335	350
Executive	210	220	230	240	250
Business Trainee Level 3	125	175	185	195	205
Business Trainee Level 2	105	135	140	145	150
Business Trainee Level 1	90	125	130	135	140
Accounting and treasury executive	105	110	115	120	125
<i>Specialist</i>					
Tax Partner	840	880	n/a	n/a	1070
Tax Senior Manager	490	470	n/a	n/a	735
Tax Manager	380	400	n/a	n/a	620
Tax Executive	285	315	n/a	n/a	370
Tax Assistant	125-160	140-175	n/a	n/a	200-230

Appendix D Creditor's rights to request further information about remuneration or expenses or to challenge a Liquidator's remuneration – Rules 4.49E and 4.131 of the Insolvency Rules 1986 (as amended)

4 49E Creditors' request for further information

(1) If—

(a) within the period mentioned in paragraph (2)—

(i) a secured creditor, or

(ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or

(iii)(b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—

(i) any unsecured creditor, or

(ii) makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(e) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

(2) The period referred to in paragraph (1)(a) and (b) is—

(a) 7 business days of receipt of the progress report where it is required by Rule 4 108, and

(b) 21 days of receipt of the report or draft report in any other case

(3) The liquidator complies with this paragraph by either—

(a) providing all of the information asked for, or

(b) so far as the liquidator considers that—

(i) the time or cost of preparation of the information would be excessive, or

(ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or

(iii) the liquidator is subject to an obligation of confidentiality in respect of the information, giving reasons for not providing all of the information

(4) Any creditor, who need not be the same as the creditors who asked for the information, may apply to the court within 21 days of—

(a) the giving by the liquidator of reasons for not providing all of the information asked for, or

(b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just

(6) This Rule does not apply where the liquidator is the official receiver

4 131 Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—
(a) the remuneration charged by the liquidator,
(b) the basis fixed for the liquidator's remuneration under Rule 4 127, or
(c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph

(b), inappropriate

(1B) The application must, subject to any order of the court under Rule 4 49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4 108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4 49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party

If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—
(a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
(b) an order fixing the basis of remuneration at a reduced rate or amount,
(c) an order changing the basis of remuneration,
(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
(e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the liquidation.

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