

**Return of Final Meeting in a  
Members' Voluntary Winding Up****Pursuant to Section 94 of the  
Insolvency Act 1986**

To the Registrar of Companies

**S.94**

Company Number

790061

Name of Company

Teradyne Diagnostic Solutions Limited

++We

Stephen John Adshead, Imperial House, 18-21 Kings Park Road, Southampton, SO15 2AT

Gregory Andrew Palfrey, Imperial House, 18-21 Kings Park Road, Southampton, SO15 2AT

Note: The copy account must be  
authenticated by the written  
signature(s) of the Liquidator(s)

give notice that a general meeting of the company was ~~duly held on~~/summoned for 06 January 2015 pursuant to section 94 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

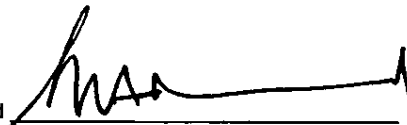
The meeting was held at Imperial House, 18-21 Kings Park Road, Southampton SO15 2AT

The winding up covers the period from 22 November 2012 (opening of winding up) to the final meeting (close of winding up)

The outcome of the meeting (including any resolutions passed at the meeting) was as follows

The members meeting was inquorate and therefore no resolutions were passed

Signed



Date 07 January 2015

Smith & Williamson LLP  
Imperial House  
18-21 Kings Park Road  
Southampton  
SO15 2AT

Ref TE317/GW3/DRH/NME

TUESDAY



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13/01/2015

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COMPANIES HOUSE

**Teradyne Diagnostic Solutions Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**  
**From 22 November 2012 To 6 January 2015**

| S of A £            |                                    | £            | £              |
|---------------------|------------------------------------|--------------|----------------|
|                     | <b>ASSET REALISATIONS</b>          |              |                |
| 465,213 00          | Corporation Tax Refund             | 463,619 79   |                |
| 96,964 00           | VAT Refund                         | 94,289 80    |                |
| 385,472 00          | Cash at Bank                       | 369,736 70   |                |
|                     | Interest on Corporation Tax Refund | 5,029 09     |                |
|                     | Bank Interest Gross                | 393 98       |                |
| 2,589,875 00        | Intercompany balance - TIH BV      | NIL          |                |
| 1,300,000 00        | Subsidiary Company - TDSG          | 14,106 66    |                |
|                     | Belgian VAT Refund                 | 947 16       |                |
|                     | Withholding Tax Refund             | 138,216 23   |                |
|                     |                                    |              | 1,086,339 41   |
|                     | <b>COST OF REALISATIONS</b>        |              |                |
|                     | Withholding Taxation Advice Fees   | 6,311 16     |                |
| (7,500 00)          | Liquidators' Fees                  | 26,919 75    |                |
|                     | Liquidators' Expenses              | 823 50       |                |
|                     | Liquidation Taxation Fees          | 2,225 00     |                |
|                     | Pre Liquidation Taxation Fees      | 2,700 00     |                |
|                     | Audit Letter Charge                | 30 00        |                |
|                     | Bank Charges                       | 238 66       |                |
|                     | VAT Advice                         | 900 00       |                |
| (8,500 00)          | Accruals                           | NIL          |                |
|                     |                                    |              | (40,148 07)    |
|                     | <b>UNSECURED CREDITORS</b>         |              |                |
| (60,000 00)         | Trade & Expense Creditors          | 9,196 71     |                |
|                     |                                    |              | (9,196 71)     |
|                     | <b>DISTRIBUTIONS</b>               |              |                |
|                     | Ordinary Shareholders              | 1,036,994 63 |                |
|                     |                                    |              | (1,036,994 63) |
| <b>4,761,524.00</b> |                                    |              | <b>0.00</b>    |

REPRESENTED BY

**NIL**

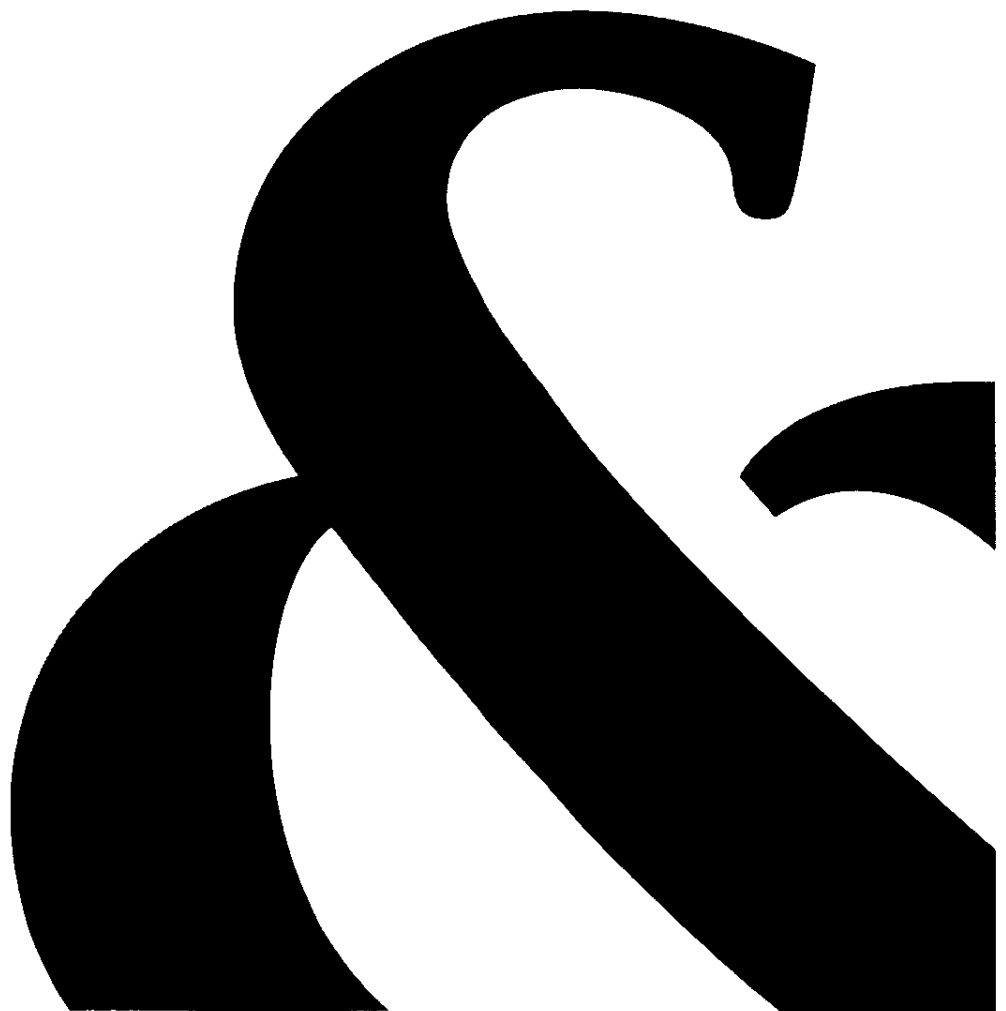


Stephen John Adshead  
Joint Liquidator

# Teradyne Diagnostic Solutions Limited (in members' voluntary liquidation)

Joint liquidators' final progress  
report

6 January 2015



## Contents

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|   |   |
|---|---|
| 1. Glossary                               | 1 |
| 2. Introduction and statutory information | 1 |
| 3. Realisation of assets                  | 2 |
| 4. Creditors                              | 3 |
| 5. Distributions to members               | 4 |
| 6. Liquidators' remuneration              | 5 |
| 7. Liquidation expenses                   | 6 |
| 8. Members' rights                        | 7 |
| 9. Conclusion                             | 7 |

## Appendices

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|  |    |
|--|----|
| I Receipts and payments account  | 8  |
| II Time analysis for the period  | 9  |
| III Cumulative time analysis   | 11 |
| IV Staffing, charging, subcontractor and adviser policies and charge out rates | 12 |

## 1. Glossary

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| Abbreviation                      | Description  |
|-----------------------------------|--|
| the Company                       | Teradyne Diagnostic Solutions Limited  |
| the liquidators/joint liquidators | Stephen John Adshead and Gregory Andrew Palfrey  |
| SIP                               | Statement of Insolvency Practice (England & Wales)   |
| IA86                              | Insolvency Act 1986<br>If preceded by S this denotes a section number  |
| IR86                              | Insolvency Rules 1986<br>If preceded by R this denotes a rule number   |
| DOS                               | Directors' declaration of solvency   |
| ETR                               | Estimated to realise   |
| HMRC                              | HM Revenue & Customs   |
| TIH BV                            | Teradyne International Holdings BV   |
| TDSG                              | Teradyne Diagnostic Solutions GmbH   |
| Note                              | The IA86 and IR86 have been subject to a number of significant amendments since their original issue, including a number of substantial and important changes in April 2010. References to IA86 and IR86 in this report are to the legislation as it applies to this case. |

## 2. Introduction and statutory information

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This report provides an account of the liquidators' administration since the last progress report and a summary of the outcome of the liquidation of the Company. It should be read in conjunction with any previous reports. By way of reminder, we, Stephen John Adshead and Gregory Andrew Palfrey, of Smith & Williamson LLP, Imperial House, 18-21 Kings Park Road, Southampton, SO15 2AT, were appointed liquidators of the Company on 22 November 2012.

The Company's registered office is Imperial House, 18-21 Kings Park Road, Southampton, SO15 2AT and its registered number is 790061.

The liquidation commenced on 22 November 2012 with estimated asset values of £4,837,524 and anticipated liabilities of £68,500 which after provision for the estimated costs of the liquidation gave an expected surplus for the sole member of £4,761,524. The actual net return to members after costs was £5,157,656. All assets have now been realised and all surplus funds distributed to the member. There will be no further distributions.

### 3. Realisation of assets

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Attached at Appendix I is our receipts and payments account for the period from 22 November 2012 to date. This account includes cumulative figures for the period from 22 November 2012 to date.

The receipts and payments account also includes a comparison with the directors' DOS values.

#### 3.1. Balance at bank

The directors' DoS estimated a balance at bank of £385,472. We have received £369,736 during the liquidation.

The difference in these two amounts is mainly due to payments totalling £15,720 made to Smith & Williamson LLP from the Company's bank account in the period between the preparation of the directors' DoS and our appointment as joint liquidators of the Company. These costs relate to advice in connection with placing the Company into liquidation and the preparation of a corporation tax return for the year ended 31 December 2011.

There have been no further realisations since the date of our last report.

#### 3.2. VAT refund

The directors' DoS estimated a VAT refund of £96,964 due to the Company.  
We have received £94,289 in the liquidation.

#### 3.3. Corporation tax refund

The directors' DoS estimated a corporation tax repayment of £465,213 due to the Company.

We have received £463,619 together with interest of £5,029 in the liquidation.

#### 3.4. Subsidiary company – TDSG

We have received surplus funds in the sum of £14,106 from the Company's German subsidiary TDSG which is also in liquidation.

#### 3.5. Bank interest

We have received bank interest of £393 in the liquidation. £51 has been received since the date of our last report.

### 3.6. Withholding tax refund

The directors' DoS detailed £1,300,000 due from TDSG. The liquidator of TDSG confirmed that there were surplus funds in the liquidation in the sum of €1,638,645 to be distributed to the Company. In order to avoid making an additional distribution and to minimise costs, a distribution in specie giving TIH BV the right to receive the surplus funds direct from the liquidator of TDSG was made on 1 July 2013. The distribution of the surplus funds is represented as follows:

| Asset                             | Value          |
|-----------------------------------|----------------|
| Money Market Funds at ICD Limited | \$1,695,585.27 |
| Current account balance           | €350,000 00    |

Total tax in the sum of €215,542 has been paid to the German tax authorities by the liquidator of TDSG following this distribution and was deducted from the current account balance distributed to TIH BV by the liquidator of TDSG.

The liquidator of TDSG advised that €172,432 of this balance was repayable to the Company which has been received in two instalments of €92,958 and €79,474 in the period since the date of our last report.

In order to reflect these repayments in the liquidators' receipts and payments account that has been produced in £, these amounts have been converted to £ using the exchange rates at the date of the repayments. Accordingly, the withholding tax refund is shown as £138,216 in our receipts and payments account.

### 3.7. Belgian VAT refund

We have received a VAT refund in the sum of £947 from the Belgian tax authorities. The refund has been received in the period since our last report.

### 3.8. Unrealisable assets

There have been no unrealisable assets in the liquidation.

## 4. Creditors

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### 4.1. Pre-liquidation corporation tax

The Company's pre liquidation corporation tax returns were prepared and filed by our tax department in our Guildford office. No liability arose and HMRC have provided tax clearance in respect of this period.

## 4.2. Post-liquidation corporation tax

Our Guildford office has also prepared and filed corporation tax returns in respect of the post liquidation periods. No liability has arisen and HMRC have provided tax clearance to close the liquidation.

Our Guildford office have invoiced and been paid £225 for work carried out in respect of obtaining the corporation tax repayment detailed in Section 3.3 and for the submission of double tax residency forms.

In addition to these costs our Guildford office has also invoiced and been paid £900 in respect of costs incurred in providing advice on a VAT query from the Company's sole member. Their total costs in this regard were £1,169 and the balance of £269 has been written off.

In the current period they have incurred costs in the preparation of corporation tax returns for the liquidation period. A total of £2,000 has been invoiced and paid from funds held in the liquidation account following approval from the sole member on 6 October 2014.

## 4.3. Trade and expense creditors

We have settled trade and expense creditor claims relating to professional advice given to the Company totalling £9,196. Some of these claims were in € and therefore this amount includes payments that have been converted to £ using the appropriate exchange rate at the time the relevant payment was made.

We are not aware of any further creditor claims in the liquidation.

## 5. Distributions to members

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### 5.1. Cash distributions

The following cash distributions have been made to the member in the liquidation in respect of the class of share shown below.

#### £1 Ordinary A shares

| Date paid        | Amount paid<br>per share<br>£ | Total amount of<br>distribution<br>£ |
|------------------|-------------------------------|--------------------------------------|
| 23 August 2013   | 15 00                         | 750,000 00                           |
| 6 June 2014      | 4 00                          | 200,000 00                           |
| 18 November 2014 | 1 74                          | 86,994 63                            |
| Total            | 20 74                         | 1,036,994 63                         |



## 5.2. Distributions in specie

The following distributions in specie have been made in addition to the cash distributions noted above.

| Asset Distributed                    | Date Declared  | Recipient | No of shares held | Rate per share | Distribution made |
|--------------------------------------|----------------|-----------|-------------------|----------------|-------------------|
| Intercompany balance due from TDSG   | 1 July 2013    | TIH BV    | 50,000            | €32 77         | €1,638,645        |
| Intercompany balance due from TIH BV | 27 August 2013 | TIH BV    | 50,000            | \$84 00        | \$4,200,000       |

In order to reflect these distributions in the liquidators' receipts and payments account that has been produced in £, these amounts have been converted to £ using the exchange rates at the date of the distributions. Details of the currency conversions are shown below

| Asset Distributed                    | Date           | Distribution made | Currency | Rate   | Distribution made (£) |
|--------------------------------------|----------------|-------------------|----------|--------|-----------------------|
| Intercompany balance due from TDSG   | 1 July 2013    | €1,638,645 00     | €/£      | 0 8338 | 1,366,302 20          |
| Intercompany balance due from TIH BV | 27 August 2013 | \$4,200,000 00    | \$/£     | 0 6558 | 2,754,360 00          |
|                                      |                |                   |          |        | <b>4,120,662 20</b>   |

## 6. Liquidators' remuneration

The member approved that the basis of the liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the liquidation

The liquidators' time costs are.

| Period                                 | Total hours<br>hrs | Total cost<br>£  | Average hourly rate<br>£/hr | Fees drawn<br>£  |
|--|--------------------|------------------|-----------------------------|------------------|
| 22 November 2012 -<br>21 November 2013 | 94 10              | 17,190 00        | 182 68                      | 10,000 00        |
| 22 November 2013 -<br>21 November 2014 | 70 25              | 12,055 50        | 171 61                      | 16,919 75        |
| <b>Total</b>                           | <b>164.35</b>      | <b>29,245.50</b> | <b>177.95</b>               | <b>26,919.75</b> |

Attached as Appendix II is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the liquidators and their staff in attending to matters arising in the liquidation. Details of work carried out in the period are also included in the appendix.

Also attached as Appendix III is a cumulative time analysis for the period from 22 November 2012 to date which provides details of the liquidators' time costs since appointment. A total of £26,919 has been drawn in respect of these costs, as agreed. Any further costs to the date of closure will be written off

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at Appendix IV

## 7. Liquidation expenses

### 7.1. Professional advisers

On this assignment we have used the professional advisers listed below.

| Provider/Service(s)  | Basis of fee arrangement  | Costs incurred in current period<br>£ | Costs paid in current period<br>£ | Total costs incurred<br>£ | Total costs paid<br>£ |
|--|---------------------------|---------------------------------------|-----------------------------------|---------------------------|-----------------------|
| Taxon GmbH (advising on and obtaining the withholding tax refund detailed in Section 3.6 of this report) | Hourly rate (billed in €) | 6,311.16                              | 6,311.16                          | 6,311.16                  | 6,311.16              |

### 7.2. Liquidators' disbursements

Details of the liquidators' disbursements incurred and paid in the current period together with the cumulative totals for the period of the liquidation are set out below

| Description           | Costs incurred in current period<br>£ | Costs paid in current period<br>£ | Total costs incurred<br>£ | Total costs paid<br>£ |
|-----------------------|---------------------------------------|-----------------------------------|---------------------------|-----------------------|
| Statutory advertising | Nil                                   | Nil                               | 190.50                    | 265.50                |
| Liquidators' bonds    | Nil                                   | Nil                               | 555.00                    | 555.00                |
| Company searches      | Nil                                   | Nil                               | 3.00                      | 3.00                  |
| Total                 | Nil                                   | Nil                               | 748.50                    | 823.50                |

We have billed in advance £75.00 plus VAT in respect of the statutory advertisement of the final meeting of the Company.

### 7.3. Policies regarding use of third parties and disbursement recovery

Appendix IV provides details of Smith & Williamson LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of disbursements.

## 8. Members' rights

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Within 21 days of the receipt of this report, members with at least 5% of the total voting rights of all members having the right to vote at general meetings of the Company or otherwise with the court's permission may request in writing that the liquidators provide further information about their remuneration or expenses which have been itemised in this report.

Any member with at least 10% of the total voting rights of all members having the right to vote at general meetings of the Company or otherwise with the court's permission may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the liquidators, as set out in this report, are excessive.

These rights apply only to matters which have not been disclosed in previous reports.

Further information regarding members' rights is available on application to the liquidators

## 9. Conclusion

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This report together with the final meeting of members will conclude the liquidators' administration of the winding up of the Company. Details of the final meeting have been circulated with this report

After the final meeting has been held we are required to submit a final return on the administration of the winding up to the Registrar of Companies. Approximately three months after the filing of the final return the Company will be dissolved. We are permitted to destroy, or otherwise dispose of, the Company's books, papers and other records at any time after the expiration of a period of one year from the date of dissolution.



**Stephen John Adshead and Gregory Andrew Palfrey**

Joint Liquidators

Date. 6 January 2015

## I Receipts and payments account

From 22 November 2012 to 6 January 2015

| Declaration of                                       | 22/11/2013          | 22/11/2013 | 22/11/2012          | 22/11/2012          | 22/11/2012          |
|--|---------------------|------------|---------------------|---------------------|---------------------|
| Solvency (£) Receipts                                | 06/01/2015          | 06/01/2015 | 06/01/2015          | 06/01/2015          | 06/01/2015          |
| 465,213 00 Corporation Tax Repayment                 | -                   | -          | 463,619 79          | -                   | 463,619 79          |
| 96,964 00 VAT Refund                                 | -                   | -          | 94,289 80           | -                   | 94,289 80           |
| 385,472 00 Cash at Bank                              | -                   | -          | 369,736 70          | -                   | 369,736 70          |
| - Interest on Corporation Tax Repayment              | -                   | -          | 5,029 09            | -                   | 5,029 09            |
| - Bank Interest Gross                                | 51 30               | -          | 393 98              | -                   | 393 98              |
| 2,589,875 00 Intercompany Balance - TIH BV           | -                   | -          | -                   | 2,754,360 00        | 2,754,360 00        |
| 1,300,000 00 Subsidiary Company - TDSG               | 14,106 66           | -          | 14,106 66           | 1,366,302 20        | 1,380,408 86        |
| - Belgian VAT Refund                                 | 947 16              | -          | 947 16              | -                   | 947 16              |
| - Withholding Tax Refund                             | 138,216 23          | -          | 138,216 23          | -                   | 138,216 23          |
| <b>4,837,524 00</b>                                  | <b>153,321 35</b>   | <b>-</b>   | <b>1,086,339 41</b> | <b>4,120,662 20</b> | <b>5,207,001 61</b> |
| <b>Payments</b>                                      |                     |            |                     |                     |                     |
| Withholding Taxation Advice Fees                     | 6,311 16            | -          | 6,311 16            | -                   | 6,311 16            |
| Liquidators' Fees                                    | 16,919 75           | -          | 26,919 75           | -                   | 26,919 75           |
| Liquidators' Expenses                                | 75 00               | -          | 823 50              | -                   | 823 50              |
| Liquidation Taxation Fees                            | 2,000 00            | -          | 2,225 00            | -                   | 2,225 00            |
| Pre Liquidation Taxation Fees                        | -                   | -          | 2,700 00            | -                   | 2,700 00            |
| Audit Letter Charge                                  | -                   | -          | 30 00               | -                   | 30 00               |
| Bank Charges   | 116 00              | -          | 238 66              | -                   | 238 66              |
| VAT Advice   | -                   | -          | 900 00              | -                   | 900 00              |
| Trade & Expense Creditors                            | -                   | -          | 9,196 71            | -                   | 9,196 71            |
| Ordinary Shareholder                                 | 286,994 63          | -          | 1,036,994 63        | -                   | 1,036,994 63        |
| Ordinary Shareholder - Intercompany Balance - TIH BV | -                   | -          | -                   | 2,754,360 00        | 2,754,360 00        |
| Ordinary Shareholder - Subsidiary Company - TDSG     | -                   | -          | -                   | 1,366,302 20        | 1,366,302 20        |
|  | <b>312,416 54</b>   | <b>-</b>   | <b>1,086,339 41</b> | <b>4,120,662 20</b> | <b>5,207,001 61</b> |
| Balance  | <b>(159,095 19)</b> | <b>-</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>            |
|  | <b>153,321 35</b>   | <b>-</b>   | <b>1,086,339 41</b> | <b>4,120,662 20</b> | <b>5,207,001 61</b> |

### Notes and further information required by SIP 7 and IR86

- No payments have been made to us from outside the estate. We have received £15,000 direct from the sole member in respect of our costs incurred in assisting with preparations for placing the Company into liquidation.
- Details of significant expenses paid are provided in the body of our report.
- Information concerning the liquidators' remuneration and disbursements incurred is provided in the body of the report
- Information concerning the ability to challenge the liquidators' remuneration and the expenses of the liquidation is provided in our report
- We are not holding any funds in the liquidation bank account.
- Unsecured creditors have been paid in full at a rate of 100 pence in the £
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.
- The in specie receipts and payments have been converted to £ using available exchange rates at the date of the transactions. The exchange rates used are detailed below. The value of the assets distributed were taken from the directors DOS

| Asset                         | Date           | Currency | Rate   |
|-------------------------------|----------------|----------|--------|
| Subsidiary balance – TDSG     | 1 July 2013    | €/£      | 0 8338 |
| Intercompany balance – TIH BV | 27 August 2013 | \$/£     | 0 6558 |

## II Time analysis for the period

From 22 November 2013 to 21 November 2014

| Classification of work function               | Hours           |                 |                            | Totals       |                  |                       |
|---|-----------------|-----------------|----------------------------|--------------|------------------|-----------------------|
|   | Partner         | Manager         | Other senior professionals | Total hours  | Total £          | Average hourly rate £ |
| <b>Administration and planning</b>            |                 |                 |                            |              |                  |                       |
| Statutory returns, reports & meetings         | 0 60            | 1 65            | 19 30                      | 21 55        | 3,370 25         | -                     |
| Initial post appointment notification letters | -               | -               | 0 05                       | 0 05         | 8 00             | -                     |
| Cashiering general, including bonding         | -               | 0 35            | 3 15                       | 3 50         | 568 75           | -                     |
| Job planning, reviews and progression         | 1 15            | 4 00            | 8 00                       | 13 15        | 2,431 00         | -                     |
| Pre and post-appointment taxation             | 0 40            | -               | 6 75                       | 7 15         | 1,195 50         | -                     |
| Agents and advisers                           | -               | -               | 0 50                       | 0 50         | 77 50            | -                     |
| Partner/manager review, approval and signing  | 0 40            | 0 55            | -                          | 0 95         | 273 50           | -                     |
| <b>Sub total</b>                              | <b>2 55</b>     | <b>6 55</b>     | <b>37 75</b>               | <b>46 85</b> | <b>7,924 50</b>  | <b>169 15</b>         |
| <b>Realisations of assets</b>                 |                 |                 |                            |              |                  |                       |
| Debtors                                       | -               | 0 40            | 0 35                       | 0 75         | 133 00           | -                     |
| Cash at bank                                  | -               | -               | 0 10                       | 0 10         | 14 00            | -                     |
| Tax refunds                                   | 0 10            | 1 05            | 5 05                       | 6 20         | 1,064 00         | -                     |
| <b>Sub total</b>                              | <b>0 10</b>     | <b>1 45</b>     | <b>5 50</b>                | <b>7 05</b>  | <b>1,211 00</b>  | <b>171 77</b>         |
| <b>Creditors</b>                              |                 |                 |                            |              |                  |                       |
| Crown   | -               | 1 25            | -                          | 1 25         | 262 50           | -                     |
| <b>Sub total</b>                              | <b>-</b>        | <b>1 25</b>     | <b>-</b>                   | <b>1 25</b>  | <b>262 50</b>    | <b>210 00</b>         |
| <b>Shareholders</b>                           |                 |                 |                            |              |                  |                       |
| Shareholder general communications            | 0 70            | 2 60            | 9 05                       | 12 35        | 2,179 25         | -                     |
| Shareholder distributions                     | 0 10            | 0 50            | 2 15                       | 2 75         | 478 25           | -                     |
| <b>Sub total</b>                              | <b>0 80</b>     | <b>3 10</b>     | <b>11 20</b>               | <b>15 10</b> | <b>2,657 50</b>  | <b>175 99</b>         |
| <b>Total Hours</b>                            | <b>3 45</b>     | <b>12 35</b>    | <b>54 45</b>               | <b>70 25</b> | <b>-</b>         | <b>-</b>              |
| <b>Total £</b>                                | <b>1,227 00</b> | <b>2,603 75</b> | <b>8,224 75</b>            | <b>-</b>     | <b>12,055 50</b> | <b>171 61</b>         |

### Explanation of major work activities undertaken

#### Administration and planning

- Case reviews and progression;
- Dealing with statutory and case management matters;
- Cashiering;
- Liaising with our tax department in order for them to prepare and file corporation tax returns for the liquidation periods;
- Obtaining tax clearance from HMRC in respect of the liquidation period;
- Preparing and issuing the first progress report in the liquidation.
- Preparing and issuing the final progress report in the liquidation

Realisation of assets

- Corresponding with the liquidator of TDSG in respect of the withholding tax refunds due following the distribution in specie from TDSG
- Obtaining two withholding tax refunds from the German tax authorities.

Shareholders

- Making two cash distributions to the Company's sole member,
- Providing regular updates to the sole member on the transactions that have taken place in the liquidation
- General communication with the sole member.

### III Cumulative time analysis

From 22 November 2012 to 21 November 2014

| Classification of work function               | Hours           |                  |                            | Totals        |                  |                       |
|---|-----------------|------------------|----------------------------|---------------|------------------|-----------------------|
|   | Partner         | Manager          | Other senior professionals | Total hours   | Total £          | Average hourly rate £ |
| <b>Administration and planning</b>            |                 |                  |                            |               |                  |                       |
| Statutory returns, reports & meetings         | 0 65            | 2 75             | 19 45                      | 22 85         | 3,632 75         | -                     |
| Initial post appointment notification letters | 0 20            | 1 00             | 2 50                       | 3 70          | 601 50           | -                     |
| Cashiering general, including bonding         | -               | 1 25             | 7 55                       | 8 80          | 1,450 75         | -                     |
| Job planning, reviews and progression         | 2 05            | 9 55             | 18 40                      | 30 00         | 5,281 75         | -                     |
| Pre and post-appointment taxation             | 3 10            | 0 60             | 19 60                      | 23 30         | 3,934 00         | -                     |
| Filing, file and information management       | -               | -                | 1 75                       | 1 75          | 232 50           | -                     |
| Agents and advisers                           | 0 15            | -                | 0 50                       | 0 65          | 130 00           | -                     |
| Partner/manager review, approval and signing  | 0 80            | 0 65             | -                          | 1 45          | 464 50           | -                     |
| Other   | 0 20            | -                | -                          | 0 20          | 70 00            | -                     |
| <b>Sub total</b>                              | <b>7 15</b>     | <b>15 80</b>     | <b>69 75</b>               | <b>92 70</b>  | <b>15,797 75</b> | <b>170 42</b>         |
| <b>Realisations of assets</b>                 |                 |                  |                            |               |                  |                       |
| Debtors                                       | -               | 1 30             | 2 40                       | 3 70          | 586 50           | -                     |
| Cash at bank                                  | 0 10            | 4 15             | 1 80                       | 6 05          | 1,098 25         | -                     |
| Tax refunds                                   | 2 25            | 6 00             | 6 95                       | 15 20         | 3,099 75         | -                     |
| <b>Sub total</b>                              | <b>2 35</b>     | <b>11 45</b>     | <b>11 15</b>               | <b>24 95</b>  | <b>4,784 50</b>  | <b>191 76</b>         |
| <b>Creditors</b>                              |                 |                  |                            |               |                  |                       |
| Crown   | 0 10            | 8 10             | -                          | 8 20          | 1,721 25         | -                     |
| Unsecured creditors                           | 0 20            | 1 65             | 3 05                       | 4 90          | 803 75           | -                     |
| <b>Sub total</b>                              | <b>0 30</b>     | <b>9 75</b>      | <b>3 05</b>                | <b>13 10</b>  | <b>2,525 00</b>  | <b>192 75</b>         |
| <b>Shareholders</b>                           |                 |                  |                            |               |                  |                       |
| Shareholder general communications            | 1 05            | 7 15             | 12 15                      | 20 35         | 3,682 75         | -                     |
| Shareholder distributions                     | 1 50            | 4 00             | 7 75                       | 13 25         | 2,455 50         | -                     |
| <b>Sub total</b>                              | <b>2 55</b>     | <b>11 15</b>     | <b>19 90</b>               | <b>33 60</b>  | <b>6,138 25</b>  | <b>182 69</b>         |
| <b>Total Hours</b>                            | <b>12 35</b>    | <b>48 15</b>     | <b>103 85</b>              | <b>164 35</b> | <b>-</b>         | <b>-</b>              |
| <b>Total £</b>                                | <b>4,465 00</b> | <b>10,002 25</b> | <b>14,778 25</b>           | <b>-</b>      | <b>29,245 50</b> | <b>177 95</b>         |

## **IV Staffing, charging, subcontractor and adviser policies and charge out rates**

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### **Introduction**

Detailed below are:

- Smith & Williamson LLP's policies in relation to
  - Staff allocation and the use of subcontractors
  - Professional advisers Disbursement recovery
- Smith & Williamson LLP's current charge out rates

### **Staff allocation and the use of subcontractors**

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a partner and a partner or associate director as joint office holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised during the liquidation are set out in the body of this report.

### **Use of professional advisers**

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add value to the assignment.

### **Disbursements**

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

Category 2 disbursements do require approval from members. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be



allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 disbursement, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 disbursements.

Details of any Category 2 disbursements incurred and/or recovered in the liquidation are set out in the body of this report

### Charge out rates

The rates applicable to this appointment are set out below. Changes to the charge out rates during the liquidation were applied with effect from 1 July 2014

| <b>Smith &amp; Williamson LLP<br/>Restructuring &amp; Recovery<br/>Services Charge out rates</b> | <b>London<br/>office<br/>£/hr</b> |                        |                        | <b>Regional<br/>offices<br/>£/hr</b> |                        |                        |
|--|-----------------------------------|------------------------|------------------------|--------------------------------------|------------------------|------------------------|
|  | <b>From<br/>1/7/12</b>            | <b>From<br/>1/7/13</b> | <b>From<br/>1/7/14</b> | <b>From<br/>1/7/12</b>               | <b>From<br/>1/7/13</b> | <b>From<br/>1/7/14</b> |
| Partner  | 440                               | 480                    | 480                    | 350-375                              | 350                    | 350                    |
| Associate Director   | 335                               | 370                    | 370                    | 295-325                              | 295-325                | 295-325                |
| Managers   | 200-275                           | 235-310                | 235-310                | 180-275                              | 190-285                | 190-290                |
| Other professional staff   | 150-200                           | 150-235                | 150-235                | 100-165                              | 110-170                | 120-175                |
| Support & secretarial staff  | 65-80                             | 85                     | 85                     | 28-75                                | 28-75                  | 60-135                 |

### Notes

- 1 Time is recorded in units representing 3 minutes or multiples thereof.
- 2 It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
- 3 The firm's cashiering function is centralised and London rates apply.

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

**Principal offices:** London, Belfast, Birmingham, Bristol, Dublin, Glasgow, Guildford, Manchester, Salisbury and Southampton

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