

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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15/06/2019
COMPANIES HOUSE

1 Company details

Company number 0 1 5 1 2 1 7 8

Company name in full Candover Investments plc

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

2 Liquidator's name

Full forename(s) Derek Neil

Surname Hyslop

3 Liquidator's address

Building name/number Atria One

Street 144 Morrison Street

Post town

County/Region Edinburgh

Postcode E H 3 8 E X

Country United Kingdom

4 Liquidator's name

Full forename(s) Patrick Joseph

Surname Brazzill

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

5 Liquidator's address

Building name/number 1

Street More London Place

Post town

County/Region London

Postcode S E 1 2 A F

Country United Kingdom

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

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 **Alana Lyttle**

Company name **Ernst & Young LLP**

Address **Atria One**

144 Morrison Street

Post town **Edinburgh**

County/Region

Postcode **E H 3 8 E X**

Country **United Kingdom**

DX

Telephone **0131 240 2598**

 **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



Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Tel: + 44 131 777 2000
Fax: + 44 131 777 2001
ey.com

TO ALL MEMBERS

14 June 2019

Ref: DNH/PJB/LM/AL
Direct line: 0131 240 2598
Alana Lyttle
laura.morrow@uk.ey.com

Dear Sirs

Candover Investments plc (In Members' Voluntary Liquidation) ("the Company")

As you are aware, D N Hyslop and P J Brazzill were appointed as Joint Liquidators of the Company on 19 April 2018. I now write to provide you with the Joint Liquidators' report on the progress of the liquidation for the period from 19 April 2018 to 18 April 2019.

In accordance with the provisions of the Insolvency (England and Wales) Rules 2016 we are required to provide certain information about the company and the liquidators. The information can be found in Appendix A of this report. A copy of the Joint Liquidators' receipts and payments account for the period from 19 April 2018 to 18 April 2019 is at Appendix B.

Should Shareholders have any queries regarding their holding in the Company, or if they wish to notify the Registrar of a change of address or other personal details, they should write to Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU.

Background

The Company traded as an investment trust with a specialism in private equity listed on the London Stock Exchange. Prior to liquidation, it had been focusing on realising the value from its legacy private equity assets including investments in energy, industrials, and services sectors.

As part of the agreed wind down strategy, the Company entered run-off in late 2010. By March 2018, the Company had disposed of the majority of its investments enabling the repayment of all of its debts and the wind-down strategy was progressing as planned. Following the implementation of the wind-down, the directors concluded that the most appropriate method of returning value to Shareholders was through a Members' Voluntary Liquidation.

The Company has one wholly owned subsidiary, Candover Services Limited ("CSL"), which provided resources and back office services to the Company. CSL was placed into Members' Voluntary Liquidation on 20 December 2017. Prior to this, the sole remaining CSL employee was transferred to the Company in early December 2017 in order to assist with the ongoing managed wind-down of the Company.

On 3 April 2018, a circular was sent to the Company's shareholders calling a General Meeting to approve the Members' Voluntary Liquidation and to seek the appointment of D N Hyslop and P J Brazzill as Joint Liquidators.

At the date of the circular, approximately 43% of the Company's unaudited net assets comprised cash or near cash investments and the remaining 53% was made up of the Company's investment in Parques Reunidos ("Parques"). On 10 April 2018, the Company completed the disposal of its remaining interest in Parques.

At the date of the liquidation, the Company had net assets of approximately £28m which comprised of cash and near cash investments, and accruals in relation to the costs of winding up.

Progress during the period of the report

First Interim Cash Distribution to Ordinary Shareholders

On 3 May 2018, the Joint Liquidators made a first interim cash distribution of £24,609,795.40 to ordinary shareholders at the rate of £1.13 per Ordinary Share which included the majority of the Parques proceeds. There have been no further distributions during the period.

Assets

At the date of the Joint Liquidators appointment, the Company held a number of assets, details of which have been provided below.

Cash at bank

The Company held funds totalling circa £25m which were ingathered by the Joint Liquidators.

The Joint Liquidators made a first interim distribtuion to shareholders of £1.13 per Ordinary Share, equating to a total distribution of of £24,609,795.40. The Joint Liquidators retained the remaining funds of approximately £735,000 in order to meets the Company's outstanding liabilities and the ongoing costs and expenses of the liquidation.

The Joint Liquidators have maintained the Company's pre-appointment bank accounts in anticipation of receiving further funds from the Company's subsidiary undertakings and contingent assets as part of the ongoing realisation strategy for these assets. Further details of progress made in relation to the subsidiary of the Company and its contingent assets are provided below.

Candover Services Limited (In Members' Voluntary Liquidation) ("CSL")

As noted above, the Company's wholly owned subsidiary, CSL, was placed into members' voluntary liquidation on 20 December 2017.

On 13 June 2018, the Company also received an interim cash distribution of £1,221,001.99 from the liquidation of CSL.

On 11 June 2018, the Company received an in specie distribution of £1,229.43 from the liquidation of CSL in respect of the intercompany receivable balance due from the Company to CSL. Following the distribution of this intercompany receivable balance, the amount due by the Company to CSL is now £nil effectively cancelling the amount that the Company was due to pay its subsidiary. This transaction has no adverse affect on the shareholders of the Company and was purely an administrative action involving no cash to clear this loan from the balance sheets of both the Company and CSL.

Candover Italia SRL ("the Italian Subsidiary")

Prior to the liquidation of the Company and CSL, Candover Italia SRL ("the Italian Subsidiary"), an Italian registered entity and a wholly owned subsidiary of CSL, was also placed into a solvent winding up.

KPMG in Italy were appointed in respect of the winding-up the Italian Subsidiary and were also engaged to seek the potential recovery of Italian tax of approximately €136,000 on behalf of the Italian Subsidiary. KPMG, together with the assistance of one of the Company's former directors, continue to pursue these potential Italian tax balances on behalf of the Joint Liquidators of the Company. During the period covered by this report, the Italian Subsidiary has received €28,108 in respect of recoveries due from the Italian tax authorities. Further recoveries are expected and these are now prudently estimated to be up to approximately €45,000. The proceeds, after any costs, received by the Italian Subsidiary will ultimately be for the benefit of the shareholders of the Company.

CSL Employee Recourse and Non-Recourse Loans

On liquidation, CSL also had outstanding debtor balances in respect of a loan investment scheme provided to CSL's former employees. The loan investment scheme provided the employees with the opportunity to co-invest in the investments being made by the Company. Under the terms of the loans provided, the realisations from the co-investments would be used to repay the loan due by the employee in the first instance. Certain of the loans could be enforced by Company against the employees should the funds realised from co-investment be insufficient to repay the loan, together with accrued interest, ("the Recourse Loans") while certain of the loans could not be enforced should there be a shortfall between the loan amount, together with accrued interest, and the sums realised from the co-investments ("the Non-Recourse Loans").

The Joint Liquidators of CSL, with significant assistance of the Company's former director, recovered £118,137.80 in respect of certain of the loans and these proceeds were included in the distribution made by the Joint Liquidators of CSL to the Company on 13 June 2018 as noted above.

During the period, the Joint Liquidators were made aware that any loan amounts that have not been recovered under the Recourse Loans and Non-Recourse Loans may potentially be deemed as a waiver of the loan and could, under certain circumstances, be considered a benefit in kind for the employees. Although the terms of the loans stipulate that the loanee is responsible for accounting to HM Revenue & Customs for any benefit in kind, the Company could also be responsible for Pay As You Earn deductions.

The Joint Liquidators are currently working with their tax advisors, the Company's former legal representatives and former director to determine whether there is a potential for the Company being liable for any PAYE deductions in relation to any of the loans that have not been recovered.

Contingent Assets

On the appointment of the Joint Liquidators, the Company's directors made the Joint Liquidators aware of certain contingent assets of the Company which may provide additional value for the benefit of the Company's shareholders.

The Joint Liquidators have engaged the services of the Company's former director to assist the Joint Liquidators with obtaining value from these contingent assets. The Joint Liquidators have regular updates with the former director to discuss progress and the current status of any potential realisations from these. A brief outline of the progress made during the period in respect of these contingent assets is provided below.

► Monkwood Luxco S.à r.l. ("Monkwood")

Monkwood, a Luxembourg registered entity, was part of the legacy structure of the Company's original investment in Parques. Following the flotation of Parques, certain of the Company's shares in Parques were held by Monkwood pending resolution of its tax affairs in Luxembourg following a dispute with the Luxembourg tax authorities ("LTA"). In essence, all the Monkwood investors, including the Company, had a pro-rata retention of Parques shares held back by Monkwood to meet any subsequent tax liability due and payable should the Luxembourg tax case be lost. These retained shares were sold prior to the appointment of the liquidators to provide Monkwood with the required liquidity should any tax liability fall due

Monkwood was placed into a solvent liquidation with a Luxembourg based liquidator appointed to liaise with the Luxembourg tax authorities.

In March 2018, Monkwood made a loan of €5.8 million to its subsidiary, Centaur, which was the entity which had made the initial acquisition of the Parques shares and the entity where the tax dispute arose. This loan was made to enable payment of the disputed tax liability to avoid interest and penalties accruing, whilst the dispute with the LTA was resolved. The loan was made by another investor from this investor's share of the cash held in Monkwood. The Company's share of the cash in Monkwood was therefore protected and is approximately €650,000.

The Company's former director and the Joint Liquidators have been in correspondence with the liquidator of Monkwood to press for the return to the Company of potential proceeds, and the potential timing of any such return. The Luxembourg based liquidator has advised that a cash distribution to the Company should be forthcoming, however, the amount and timing of this has yet to be confirmed.

► Dakota, Minnesota and Eastern Railroad ("DM&E")

DM&E was an investment held by the Company and the Company's holding was sold as part of a wider acquisition of DM&E by the Canadian Pacific Railway in 2008. The Joint Liquidators understand that further funds could be released to the Company from this former investment although the quantum and timing for this is uncertain. The Company's former director, on behalf of the Joint Liquidators, has been liaising with various stakeholders of DM&E and it is anticipated that a recovery may be received later in 2019. However, shareholders of the Company should be aware that the receipt of funds by the Company is not guaranteed.

► London Acquisition Sarl ("London Acquisition")

London Acquisition, a Luxembourg registered entity, held the Company's investments in Stork Topco B.V. ("Stork") and Fokker Technologies Group B.V. ("Fokker"). Shareholders may recall that both of these investments were sold in 2015.

London Acquisition entered into liquidation, with a Luxembourg liquidator appointed to oversee the potential recovery of a VAT refund in respect of the transaction costs following completion of the Fokker sale ("the Fokker VAT Refund") and also to seek to recover funds held in escrow in respect of the Stork sale from its purchaser, Fluor Corporation ("the Stork Escrow Funds").

The Liquidator of London Acquisition advised in November 2018 that the Fokker VAT Refund had been received and the Company's share of these proceeds amounting to €27,512 were received on 11 December 2018.

There are potentially further funds due to London Acquisition, and ultimately the Company, from the Stork Escrow Funds which are currently being negotiated with Fluor Corporation.

► ICG 1997 Mezzanine Fund

During the period, the Joint Liquidators received a small distribution in the amount of £1,933.68 in respect of carried interest due from this fund. No further funds are expected from this asset.

Liabilities

The Joint Liquidators retained sufficient funds to meet the costs and expenses of the Company together with an amount for any unknown and/or unascertained liabilities. I am pleased to advise that the majority of the Company's liabilities have been discharged. The Company continues to meet the ongoing costs of the liquidation and holds cash, as at 18 April 2019, of £1,479,297.30. It should be noted that certain funds were held in the Company's pre-appointment bank account, as detailed in the receipts and payments account at Appendix B of this report. *The majority of these balances were transferred to the liquidation bank account on 10 May 2019.*

A notice was placed in the London Gazette for any persons claiming to be creditors of the Company to submit claims by 31 May 2018. No claims were received by the deadline.

HM Revenue & Customs ("HMRC")

It is customary in a liquidation to seek confirmation from the relevant Crown authorities that they have no claim in respect of corporation tax, VAT, PAYE and National Insurance contributions. To date, we have received clearance from H M Revenue and Customs ("HMRC") in respect of VAT and PAYE however further clearance will be sought to cover the post appointment period following the submission of the Company's final P11D return.

During the period, the Joint Liquidators have ensured that pre-liquidation corporation tax returns have been submitted to HMRC by the appropriate deadline.

Furthermore, the Company had outstanding Pay As You Earn ("PAYE") and National Insurance Contributions ("NIC") returns to be prepared and filed with HMRC. In the period covered by this report, the Joint Liquidators liaised with the Company's payroll provider to ensure that the Company's final PAYE and NIC tax returns were submitted and all associated liabilities were paid. The Joint Liquidators continue to liaise with the Company's payroll provider in relation to the post appointment P11D and any adjustment in relation to the loans to ensure that it is to be submitted within the next month.

The Joint Liquidators are required to submit corporation tax returns during the liquidation. The Joint Liquidators continue to ensure that all of the Company's statutory requirements, including corporation tax returns, are completed within the required timeframe. The Joint Liquidators will shortly be instructing the Company's tax advisors to prepare the corporation tax return and computation for the first post appointment period ended on 18 April 2019.

Joint Liquidators' remuneration

The Joint Liquidators' remuneration was fixed on a time-cost basis by resolution of the members on 19 April 2018.

Prior to the liquidation of the Company, the Company entered into an engagement agreement with the Joint Liquidators whereby it was agreed that the Company would also cover the Joint Liquidators' fees and expenses in respect of CSL.

During the period covered by this report i.e. the full first year of the Liquidation, the Joint Liquidators and their staff have incurred time costs of £149,520.65 in respect of the Company and CSL. Post appointment liquidation fees relating to the Company and CSL have also been drawn in the period from 19 April 2018 to 26 October 2018 totalling £26,500 (excluding VAT).

In the period prior to the liquidation of the Company, the Joint Liquidators' and their staff provided advice to the Company and CSL in relation to the wind down strategy and in relation to the planning of the liquidations. During that period, time costs of £113,801.41 were incurred and against costs recovered of £72,500 plus VAT. No further fees are due for the work undertaken prior to the liquidation.

Joint Liquidators' anticipated fee for the period 27 October 2018 to 31 May 2019

During the seven-month period from 27 October 2018 to 31 May 2019, the Joint Liquidators and their staff have incurred time costs of £83,679.43 in dealing with the liquidation. We propose to draw a fee of £49,000 up to 31 May 2019 which represents a c40% discount to our standard hourly rates.

At Appendix D to this report there is an analysis of the time spent and a statement of our policy in relation to charging time.

Joint Liquidators' statement of expenses incurred

During the period covered by this report, the Joint Liquidators have incurred expenses totalling £2,529.36 plus VAT. The expenses can be summarised as follows:

Type of expense	Incurred	Paid	Outstanding
Travel and accommodation	£2,209.36	-	£2,209.36
Joint Liquidators' statutory bond	£320.00	-	£320.00
Total	£2,529.36	-	£2,529.36

It should be noted that travel costs will be absorbed by EY.

Members' rights to further information about, and challenge, remuneration and expenses

In certain circumstances, members 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 C.

Other matters

Final cash distribution to Ordinary Shareholders

The Joint Liquidators anticipate that a final distribution will be made to the shareholders of the Company at the conclusion of the liquidation. Shareholders will see from the above that there are a number of outstanding matters in the liquidation of the Company including realising all of the remaining value of the contingent assets.

Consequently, the Joint Liquidators are not in a position to provide an estimate of the final distribution to shareholders nor the potential timeframe for a further distribution being made. The Joint Liquidators will provide shareholders with an update on the proposed final distribution once all matters in the liquidation have been resolved or in the next annual report to shareholders, whichever is sooner.



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Should you wish to discuss any matters arising from this report, please do not hesitate to contact Alana Lyttle on the direct line telephone number shown above.

Yours faithfully
for the Company

A handwritten signature in black ink that reads 'L Morrow'. The signature is written in a cursive style with a large initial 'L'.

L Morrow
For D N Hyslop
Joint Liquidator

D N Hyslop and P J Brazzill are licensed in the United Kingdom to act as an insolvency practitioner by The Insolvency Practitioners Association.

The Joint Liquidators may act as data controllers of personal data as defined by the General Data Protection Regulation 2016/679, depending upon the specific processing activities undertaken. Ernst & Young LLP and/or the Company may act as a data processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidator's appointment. The Office Holder Data Privacy Notice can be found at www.ey.com/uk/officeholderprivacy.

Candover Investments plc (In Members' Voluntary Liquidation) ("the Company")

Information about the company and the liquidators

Registered office address of the company:	Ernst & Young LLP 1 More London Place London SE1 2AF
Registered number:	01512178
Full names of the liquidators:	Derek Neil Hyslop and Patrick Joseph Brazzill
Liquidators' address(es):	Ernst & Young LLP Atria One 144 Morrison Street Edinburgh EH3 8EX
Telephone number through which the liquidators can be contacted	0131 240 2598
Date of appointment of the joint liquidators:	19 April 2018
Details of any changes of liquidator:	None

Candover Investments plc (In Members' Voluntary Liquidation) ("the Company")
Joint liquidators' receipts and payments account for the period from 19 April 2018 to 18 April 2019

Declaration of Solvency	19 April 2018	
Estimated to Realise Values	to	
	18 April 2019	
£		£
	Receipts	
	Funds received from insight	2,883.95
3,757,566	Cash at bank	25,461,934.82
2,086,849	Debtors	
21,956,739	Marketable securities	
	Investment income - IGC 1997 Investment	1,933.68
	Investment income - London Acquisition	23,227.21
	Bank interest	4,736.04
	Misc. income received into pre-appointment bank account	44.72
1,286,753	Investment in subsidiary - cash distribution from CSL	1,221,001.99
	Deposit received in respect of virtual office services	210.00
<u>29,087,907</u>		<u>26,715,972.41</u>
	Payments	
	Virtual office costs	(229.20)
	Insurance costs	(16,170.00)
	Employee costs	(186,719.76)
	Statutory advertising	(735.00)
	IT, email and website expenses	(3,018.07)
	London Stock Exchange de-listing fee	(10,000.00)
	Legal fees	(34,370.00)
	Legal expenses	(753.26)
	Consultancy fees	(18,475.00)
	Registrar fees - first interim cash distribution	(14,674.00)
	Registrar fees - ongoing register maintenance	(3,750.00)
	Tax advisor fees - liquidators' firm	(9,000.00)
	Accountancy fees - IPES	(11,615.55)
	Custodian fees - Northern Trust	(5,000.00)
	Investment manager fees - Insight	(3,929.80)
	Joint Liquidators' fees	(26,500.00)
	Joint Liquidators' fees - pre-liquidation and project management	(72,500.00)
	Professional expenses	(83.05)
	Bank charges	(117.87)
	PAYE/NI payments	(174,317.79)
	Irrecoverable VAT	(34,914.25)
	Miscellaneous direct debit payments	(7.10)
	FX fluctuations	(0.01)
(151,269)	Accrued liabilities	
<u>(3,802)</u>	Other liabilities	
(155,071)		<u>(626,879.71)</u>
	Distributions	
	First interim cash distribution to shareholders	<u>(24,609,795.40)</u>
		<u>(24,609,795.40)</u>
28,932,836	Balance as at 18 April 2019	<u>1,479,297.30</u>
	REPRESENTED BY:	
	Balance of funds held in Joint Liquidators' RBS liquidation bank account as at 18 April 2019	1,338,517.18
	Balance of funds held in Barclays pre-appointment Euro bank account 18 April 2019	23,168.53
	Balance of funds held in Barclays pre-appointment GBP bank account 18 April 2019	117,606.05
	Balance of funds held in Barclays pre-appointment USD bank account 18 April 2019	5.54
		<u>1,479,297.30</u>

Notes:

- Receipts and payments are stated net of VAT.
- The Joint Liquidators' remuneration was fixed on a time-cost basis by a resolution of the members passed on 19 April 2018.
- On 11 June 2018, the Company received an in specie distribution of £1,229.43 from the liquidation of CSL in respect of the intercompany receivable balance due from the Company to CSL.
- USD and EURO currencies have been converted into GBP at the exchange rates of 0.7673 and 0.8445 respectively.

Members' rights to request further information about remuneration or expenses or to challenge a liquidator's remuneration – Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016 (as amended)

18.9 Creditors' and members' request for further information

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report or account under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report or account by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

18.34 Members' claim that remuneration is excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

(a) a secured creditor,

(b) an unsecured creditor with either—

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up—

(i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

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Candover Investments plc (In Members' Voluntary Liquidation) ("the Company")

Joint liquidators' time costs for the period from 19 April 2018 to 18 April 2019

Liquidators' charging policy for remuneration

The members 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. Time is charged in units of six minutes. 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.

Candover Investments Plc (In Members' Voluntary Liquidation)
SIP9 Analysis for the period 19 April 2018 to 18 April 2019

Classification of work function	Partner / Director	Manager	Other Senior Professionals	Assistants & Support	Total hours for the period 19/04/18 to 18/04/19	Average Hourly Rate	Time Costs for period 19/04/18 to 18/04/19
Accounting and Administration	0.9	28.5	107.4	19.5	156.3	360.42	56,334.04
Bank & Statutory Reporting		9.1	19.0	0.3	28.4	389.86	11,072.00
Creditors (Mandatory)		1.4	1.7		3.1	418.39	1,297.00
Debtors		0.2			0.2	580.00	116.00
Employee Matters		2.6			2.6	430.00	1,118.00
Immediate Tasks		21.2	6.1		27.3	477.91	13,047.00
Job Acceptance & Strategy (M)		0.5	4.4		4.9	334.49	1,639.00
Legal Issues	3.4	0.1			3.5	738.86	2,586.00
Members		14.6	14.1		28.7	405.44	11,636.00
Other Assets (Mandatory)		11.5	4.0		15.5	456.71	7,079.00
Other Matters	2.0	5.8			7.8	544.36	4,246.00
Out of scope		31.9	2.3	1.0	35.2	595.31	20,955.00
Statutory Duties		0.1	14.7	2.8	17.6	279.27	4,915.11
Trading (Mandatory)	1.0				1.0	1380.00	1,380.00
VAT & Taxation	1.7	10.1	11.6	2.8	26.2	461.85	12,100.50
Grand Total	9.0	137.6	185.3	26.4	358.3	£ 417.31	£ 149,520.85

Charge out rates		3 November 2018	17 March 2018	1 July 2017
		to 29 June 2019	to 2 November 2018	to 16 March 2018
		(£)	(£)	(£)
Partner	Partner	855	780	745
	Associate Partner	765	730	695
	Director	655	625	595
Manager	Assistant Director	580	550	525
	Senior Executive	450	430	410
	Executive	355	310	295
Other senior professionals	Assistant Executive	255	245	235
	Analyst	180-255	170-245	160-235
	Accounting and Treasury Executive	200	145	140

Summary of tasks undertaken by the Joint Liquidators and their staff in the period to 18 April 2019

- Ongoing statutory compliance.
- Liaising with HM Revenue & Customs in respect of Corporation Tax, VAT and PAYE/NI.
- Liaising with Ernst & Young's tax department in respect of pre-liquidation tax affairs.
- Correspondence with the Members in respect of the progress of the liquidation.
- Maintenance of the Liquidators' accounts, filing and sundry correspondence.
- Liaising with third parties and the directors in relation to the realisation of contingent assets.
- Monitoring movement in the Company's pre-appointment bank accounts and preparing/issuing remittance requests as appropriate.
- Implementing the payment of the first interim cash distribution to shareholders.
- Maintaining the liquidation fund and discharging liquidation expenses as appropriate.
- Liaising with the Company's accounts and external payroll advisers for the calculation and submission of PAYE returns.
- Review of the Company's PAYE returns and arranging settlement of any corresponding liabilities.
- Processing payments in relation to liquidation expenses.
- Liaising with Company's IT companies to allow continuation of services.