In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

SATURDAY

A8FWEHTC
A11 12/10/2019 #103
COMPANIES HOUSE

1 Company details

Company number	0 1 5 7 9 8 3 1
Company name in full	Ashridge Construction Limited

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

2 Administrator's name

Full forename(s)	Alistair
Surname	Wardell

3 Administrator's address

Building name/number	11/13 Penhill Road
Street	
Post town	Cardiff
County/Region	South Glamorgan
Postcode	C F 1 1 9 U P
Country	

4 Administrator's name ❶

Full forename(s)	Matthew E
Surname	Richards

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	30 Finsbury Square
Street	
Post town	London
County/Region	
Postcode	E C 2 P 2 Y U
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

From date	d 1 d 5 m 0 m 3 y 2 y 0 y 1 y 9
To date	d 1 d 4 m 0 m 9 y 2 y 0 y 1 y 9

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X Wardell X
Signature date	d 1 d 0 m 1 m 0 y 2 y 0 y 1 y 9

AM10
Notice of administrator's progress report

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: Richard J Jackson

Company name: Grant Thornton UK LLP

Address: 4 Hardman Square
Spinningfields

Post town: Manchester

County/Region:

Postcode: M 3 3 E B

Country:

DX:

Telephone: 0161 953 6900

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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶ Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☑ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)	Philip
Surname	Stephenson

3 Insolvency practitioner's address

Building name/number	30 Finsbury Square
Street	London
Post town	EC2P 2YU
County/Region	
Postcode	
Country	

Grant Thornton

Ashridge Construction Limited
Churchfield Homes Limited
Dawnus Group Limited
Dawnus Construction Holdings Limited
Dawnus Developments Limited
Dawnus Limited
Dawnus Southern Limited
Legsun Limited
Quantum Geotechnical Limited - All in Administration

Joint administrators' progress report for the period 15 March 2019 to 14 September 2019

Recovery and Reorganisation
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Prepared by: Alistair Wardell, Joint Administrator

Contact details: Should you wish to discuss any matters in this report, please do not hesitate to contact Preeya K Saimbi on 0292 0347 582

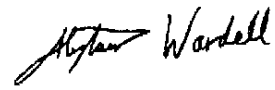
Definitions

The following definitions are used either within the body of this report, the appendices to it, or both.

Ashridge	Ashridge Construction Limited
Churchfield	Churchfield Homes Limited
Credebt	Credebt Limited
CVL	Creditors' Voluntary Liquidation
DCHL	Dawnus Construction Holdings Limited
DDL	Dawnus Developments Limited
DGL	Dawnus Group Limited
DJM	DJM Law Limited
DL	Dawnus Limited
DSL	Dawnus Southern Limited
Hilco	Hilco Capital Limited
HSBC	HSBC Bank Plc
Legsun	*Legsun Limited*
Naismiths	Naismiths Limited
Quantum	Quantum Geotechnical Limited
The Group	Ashridge Construction Limited, Churchfield Homes Limited, Dawnus Group Limited, Dawnus Construction Holdings Limited, Dawnus Developments Limited, Dawnus Limited, Dawnus Southern Limited, Legsun Limited and Quantum Geotechnical Limited - all in Administration
TUPE	*Transfer of Undertakings (Protection of Employment)* Regulations
VAT	Value added tax
WG	Welsh Government

1 Executive summary

- This progress report for the Group administrations covers the period from 15 March 2019 to 14 September 2019.
- Our proposals were approved on 13 May 2019 by deemed consent.
- The key work done in the period has been in relation to the following (see appendix B for further details):
    - Identify and secure assets. Instruct agents to assist with recoveries
    - Undertake statutory appointment formalities
    - Undertake the necessary investigations to submit a formal report to the Directors Conduct Reporting Service website as required by statute
    - Comply with reporting requirements to the creditors and deal with any queries and requests they may have
- It is unlikely that there will be sufficient funds to enable a distribution to unsecured creditors (except potentially by virtue of the prescribed part) and, therefore, it is intended to exit the administration and move to dissolution once all outstanding matters have been finalised.
- The administration is currently due to end on 14 March 2020. It is anticipated that these matters will take a further 6 – 18 months to be completed so extensions on some cases may be required.



Alistair Wardell
Joint Administrator

10 October 2019

Please be aware that fraudsters have been known to masquerade as the administrators of a company that has entered administration, or as the administrators' staff or agents. Fraudsters may contact creditors asking for a payment to enable release of money payable to the creditor or other purposes. The administrators, their staff or agents will never make such a request.

2 Progress to date

2.1 Strategy and progress since our statement of proposals

In these instances, it was not possible to achieve a rescue of the companies in the Group as a going concern because the businesses were loss-making, there was no funding available to trade and the Group had effectively ceased to trade prior to our appointment, due to lack of working capital. Furthermore, due to the nature of the Group's financial intra-relationship and individual financial circumstances, a Company Voluntary Arrangement was not appropriate.

We continue to pursue the objective of achieving a better result for the companies' creditors as a whole than would be likely if the Group was wound up.

The companies in the Group are closely linked in terms of their activities, security structure and intercompany position and therefore, placing the Group into administration helped achieve the wider group strategy of securing and preserving the assets for the benefit of the creditors as a whole.

Since our previous reports, we have continued to secure and realise assets as described further below.

2.2 Realisation of assets

Sale of contracts and certain assets – Quantum

On 5 April 2019, we sold the contracts and certain assets of Quantum for £50,000 to a new entity set up for the purposes of this sale, Quantum Geotechnic Limited ('QGL').

As part of this sale, we allowed QGL to occupy the Quantum site until 15 May 2019 under a licence agreement, where QGL was obliged to reimburse Quantum for all associated costs with its period of occupation. QGL paid licence to occupy fees of £6,706.

Aside from the monetary benefit of the sale to QGL, it secured the ongoing employment of 44 former employees of the Group, which may reduce the level of creditor claims as a result of the Transfer of Undertakings (Protection of Employment) Regulations (commonly referred to as "TUPE") Furthermore, we anticipate it will maximise Quantum's debtor recoveries as QGL is assisting with the collection during its ordinary course of business.

Sale of plant and machinery – DCHL

Plant and Machinery located in the United Kingdom

As part of the above Quantum sale, we sold certain assets of DCHL to a third party known to QGL for £275,000. These funds have been paid in full, however, c£231,000 was utilised to repay the finance attributable to these assets.

On 13 and 14 June 2019, the remainder of the assets located in the UK were sold by auction for c£1.95 million, of which c£142,000 is secured equally by the chattel mortgage to HSBC and WG.

Sale of contracts and certain assets

Following the appointment, we engaged quantity surveyors Naismiths Limited ('Naismiths') to provide advice in relation to existing construction contracts held in DCHL. Naismiths advised that it would not be commercial to complete these contracts and termination notices were also received from existing customers. We therefore had limited options to assign or complete existing construction projects, however, one contract has been assigned for a value of £39,000 which has been reflected in the plant and machinery on DCHL's receipts and payments account.

Plant and Machinery located in Africa

Following a recommendation from Hilco, we sold most of the plant and machinery in Sierra Leone for £1.65 million, of which c£178,000 is secured equally by the chattel mortgage to HSBC (HSBC Bank Plc) and WG. The purchaser has paid £900,000 to date in line with the contract.

The title to all machinery will not pass to the buyer until all sums have been paid, however, all risk has passed including the requirement to maintain insurance.

Aside from the monetary benefit of the Sierra Leone asset sale, it secured the ongoing employment of 38 former employees of the Group, which may reduce the level of creditor claims in accordance with the TUPE regulations

There is still a quantity of plant and machinery located in Liberia and Sierra Leone, some of which is subject to the secured lenders' security. We have received an offer for these assets, and we are currently working with Hilco to determine whether we can proceed with this offer.

The receipts and payments account for DCHL at Appendix A shows plant and machinery realised a total of £3.16 million. This is made up of £1.95 million from the UK auction, £900,000 paid to date from the sale of assets in Africa, £275,000 from the UK assets sold as part of the Quantum sale of business and £39,000 from the novation of the contract.

Long leasehold properties - DL

DL is the registered owner of two long leasehold properties, the head office based in Swansea and the plant storage yard, Clydach Market.

Alder King LLP ('Alder King'), our instructed agents, has commenced marketing these properties and we have received multiple offers for the plant storage yard to date. We are progressing with an offer, which we hope to conclude in the coming months.

Property subject to charge – DCHL

DCHL loaned £300,000 to a former employee to purchase a home in Colwinston, South Wales To secure the loan, DCHL obtained a registered charge over this property.

This property was sold on 9 August 2019 and DCHL received repayment in full of £300,000 plus accrued interest from the date of default to the date of completion of £54,025.

Residential development site – Churchfield

Churchfield owns a residential plot in South Wales with six completed houses and four acres of development land. Churchfield also invested in the shared equity scheme where it retained equity of approximately nine homes sold prior to the administration.

Prior to our appointment, a Pembrokeshire Housing Association, ATEB, was interested in purchasing the completed homes, however, withdrew its offer due to issues surrounding the bond drainage agreement with the local council.

Alder King has been engaged to assist with the marketing and sale of the homes, development land and the shared equity investments and is currently in discussions with ATEB and other potential interested parties

Debtors, WIP and retentions – DCHL, DSL and Quantum

We sought advice from Naismiths to appraise the contracts, contract debts, WIP and retentions and to assist with collections relating to the construction contracts.

DCHL also had book debts relating to the hire of its plant and machinery to third parties. We have instructed Credebt Limited ('Credebt') to assist in the collection of these debts.

To date, we have recovered £380,125 in DCHL, £141,153 in Quantum and no funds have been recovered in DSL.

Due to the nature of the contracts, collections of these debtors may take up to two years.

Whilst we are aware of a number of counter claims and disputes in respect to monies owing and work completed, we are not in a position to provide any further information relating to the future potential recoveries at this stage to not prejudice further collections.

Cash at bank - Churchfield

At the time of our appointment, there was £400,000 in Churchfield's bank account. In their statement of affairs, the directors have assumed that this will be fully recoverable by the Administrators, however, this amount has been offset by HSBC against its outstanding debt in accordance with its facility agreement.

At the date of our appointment, there was also £252 and £12,410 in the bank accounts of DCHL and Quantum respectively. These have been fully recovered.

Funds in escrow - DCHL

At the time of our appointment, there was £1.8 million held by HSBC in an escrow account. Following legal advice from Blake Morgan LLP, we have determined that these funds are secured equally between HSBC and WG pursuant to fixed charges. This amount has been received by DCHL outside the period which this report relates to so is not shown in the receipts and payments account at Appendix A.

Intercompany debtors

As mentioned in our previous report, some of the companies in the Group are owed funds from other companies in the Group.

As all of the companies are insolvent, it is uncertain whether there will be any realisations in respect to these receivables except from Prescribed Part distributions. These claims will rank as unsecured creditors in each estate.

2.3 Additional assets

Pre-appointment litigation – DCHL and DSL

We are aware of eight possible legal actions that DCHL/DSL were pursuing prior to our appointment.

On 3 May 2019, DSL defended a legal appeal with the assistance of the Group's pre-administration solicitor, DJM Law Limited ('DJM'). The Judge dismissed the appeal in full and DSL received £275,000, of which £104,000 was in respect of DJM and Counsel costs.

Prior to the appointment, DCHL took an action for c£4,500 against a haulier for damage caused by a vehicle A court hearing was scheduled but, due to the potential legal costs involved in pursing this matter, we took the commercial decision to settle the action out of court for £2,500.

We continue to liaise with DJM to determine which other claims are viable to further pursue

Other assets – DCHL, DSL, Churchfield, DL and Legsun

We have also recovered the following

- *Tax refund of £17,166 (DCHL)*
- Rates refund of £50,606 (DCHL), £1,590 (Churchfield) and £907 (Legsun)
- Electricity refund of £3,951 (DCHL)
- Bank interest on settlement monies held at Court of £68 (DSL)
- Life assurance policy refund of £1,997 (DL)
- Insurance refund of £291 (DCHL)

3 Creditors

3.1 Secured creditors

Below is a summary of the secured creditors, including the potential outcome for each based on current estimates:

Summary of secured creditors

	Dates of creation of charges	Types of charges	Debt outstanding at date of appointment	Potential outcome based on current information
Welsh Government	27/03/2018	Debenture and chattels mortgage	£1 56 million	There may be sufficient realisations to enable a distribution but Welsh Government may suffer shortfall
HSBC Equipment Finance (UK) Limited ('HEF')	16/03/2018 02/08/2018	Debenture Chattels mortgage	Awaiting outcome of asset sales	HEF instructed agents to dispose of its equipment and may make a recovery in full subject to those disposals
HSBC Bank Plc	01/08/2017, 04/08/2017, 02/02/2018, 16/02/2018, 16/03/2018	Legal mortgage, debenture, chattel mortgage, benefits of certain contracts and security of cash deposits	£5 1 million	There may be sufficient realisations to enable a distribution but HSBC is likely to suffer shortfall
Lloyds Bank Plc	02/02/2018	Mortgage	£1 3 million	Payment in full

3.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay up to certain statutory limits. It is anticipated that a significant element of these claims will be subrogated to the Secretary of State, following payments of claims by the Redundancy Payments Service.

We estimate preferential claims to be c£290,000 for DCHL and c£690,000 for DL. These claims may reduce pursuant to the TUPE regulations due to the Quantum and DCHL sales outlined above and any subsequent transfer of entitlements.

We estimate that the preferential creditors of DCHL will be paid in full, however, there will be insufficient funds available in DL to make a distribution to the preferential creditors.

3.3 Prescribed part – unsecured creditors

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

Based on current estimates, there may be funds available to enable a prescribed part distribution for creditors of DCHL, DSL and Quantum but, at this stage, it is not possible to estimate the quantum of the prescribed part due to ongoing work to realise the assets of the companies

3.4 Non-preferential unsecured creditors

Except for any potential funds available under the prescribed part mentioned above, based on current estimates, it is highly unlikely there will be sufficient funds to enable a distribution to unsecured creditors.

4 Investigations into the affairs of the company

4.1 Statutory investigations

We undertook an investigation into the Group's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the public interest, potential recoveries, the funds likely to be available to fund an investigation and the costs involved

Also, within three months of our appointment as joint administrators, as required by the Companies Directors Disqualification Act 1986, we reported to the Secretary of State the required facts about the Company's business and the conduct of its directors (including those acting within the past three years).

We are continuing our investigations into the affairs of the Group and we would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist us

5 Fees and costs

5.1 Overview

Our remuneration basis has not yet been fixed as we are in discussions with the secured creditors regarding the proposed basis.

The tables below summarise the remuneration and expenses incurred to date, the estimated additional remuneration and expenses to deal with the remaining matters identified in the assets and investigations sections above, and to close the administrations

£'000	Time costs to date	Estimated future time costs	Total estimated time costs	Time costs in Fees estimate	Variance
Ashridge	10	5	15	13	(2)
Churchfield	30	100	130	132	2
DGL	37	10	47	39	(8)
DCHL	856	1,750	2,606	2,604	(2)
DDL	15	5	20	13	(7)
DL	62	80	142	143	1
DSL	28	75	103	105	2
Legsun	11	5	16	13	(3)
Quantum	60	45	105	105	-

£	Expenses to date	Estimated additional	Total expenses	Time costs in Fees estimate	Variance
Ashridge	79	30	109	104	(5)
Churchfield	5,307	55,000	60,307	62,604	2,297
DGL	79	50	129	104	(25)
DCHL	1,079,783	40,000	1,119,783	839,882	(279,901)
DDL	79	25	104	104	-
DL	23,276	125,000	148,276	150,209	1,933
DSL	107,784	40,000	147,784	23,752	(124,032)
Legsun	74	30	104	104	-
Quantum	7,954	30,000	37,954	11,224	(26,730)

We have not drawn any fees to date.

At this time, we do not seek to revise our fees estimate in order to be able to draw more remuneration.

Further details about remuneration and expenses are provided in Appendix B to this report.

6 Future strategy

6.1 Future conduct of the administration

We will continue to manage the affairs, business and property of the companies in the Group in order to achieve the purpose of the administrations. This will include but not be limited to:

- continue to realise the assets of the companies in the Group
- continue our investigations into the dealings and affairs of the Group prior to the administration
- payment of administration expenses, including our remuneration
- agreeing the claims of the unsecured creditors and payment of a dividend, if future realisations make this feasible
- paying a final distribution to the secured creditors
- finalisation of the Group's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities, and
- complying with statutory and compliance obligations.

It is estimated that the administrations of Legsun, Ashridge, DGL and DDL will take approximately six months to finalise, however, they may be extended if there are potential intercompany recoveries.

It is estimated that the administrations of DCHL, DSL, DL, Churchfield and Quantum may take approximately 18 months to finalise due to the nature of the assets of these companies

6.2 Extension of the administration

The duration of an administration is restricted to 12 months from the date of commencement, unless it is extended with the permission of the creditors or the Court. The administrations are currently due to end on 14 March 2020.

It has been identified that an extensions of the administrations may be required in some of the companies in the Group to continue to realise the assets.

An extension will be sought from the secured creditors where appropriate. We do not require consent for an extension from the unsecured creditors because, in accordance with paragraph 51(1) of Schedule B1 to the Insolvency Act 1986, we are of the opinion that the companies in the Group have insufficient funds to enable a distribution to the unsecured creditors, other than by virtue of Section 176A of the Insolvency Act 1986 (prescribed part).

6.3 Exit from administration

At this stage, it is envisaged that the administrations will end by the dissolution of the companies.

6.4 Discharge from liability

At the conclusion of the administrations, we require discharge from liability

As there are insufficient funds to make a distribution to creditors other than by virtue of the prescribed part, we will seek a resolution from the secured and preferential creditors in order to obtain our discharge from liability.

6.5 Data Protection

Any personal information held by the company will continue to be processed for the purposes of the administration of the companies and in accordance with the requirements of data protection.

6.6 Future reporting

The date of our next report to creditors is anticipated to be by 14 April 2020.

A Abstract of the administrators' receipts and payments

Ashridge Construction Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
		0.00
Payments		
Statutory Advertising		73.55
Bank Charges		5.82
VAT on Purchases		14.71
		94.08
Balance - 14 September 2019		(94.08)
Made up as follows		
Floating Current Account NIB		(5.42)
Grant Thornton Loan Account		(88.66)
		(94.08)

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Churchfield Homes Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Cash at Bank	399,985.00	0.00
WIP and Retentions	1,014,290.00	0.00
Intercompany Loan		5,296.00
Investments	174,645.00	0.00
Rates refund		1,589.50
		6,885.50
Payments		
Statutory Advertising		73.55
Other Property Expenses		5,221.50
Bank Charges		17.54
VAT on Purchases		1,059.01
		6,371.60
Balance - 14 September 2019		513.90

Made up as follows

Floating Current Account NIB	513.90
	513.90

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Dawnus Construction Holdings Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Plant & Machinery	11,041,211.00	0.00
WIP	1,966,191.00	0.00
Cash at Bank	1,800,000.00	0.00
Freehold Land & Property		354,024.66
Plant & Machinery		3,161,321.00
Stock	1,793,655.00	0.00
WIP and Retentions	12,385,886.00	0.00
Book Debts	5,289,359.00	380,125.32
Tax Refund		17,166.00
Insurance Refund		291.29
Cash at Bank		251.95
Rates refund		50,606.36
Electricity refunds		3,950.81
Settlement monies		2,500.00
VAT on Sales		465,113.40
		4,435,350.79
Payments		
Property Expenses		309.83
Vehicle Running Costs		5,591.25
PAYE/NI		61,727.84
Net Wages		123,502.52
Other Payroll Deductions		7,844.56
Employee Expenses/Redundancy		1,000.00
Settlement of Finance		321,784.53
Licence fee		17,683.00
Intercompany Loan		13,613.86
Administrators Expenses		1,500.00
VAT irrecoverable		8,333.33
Agents/Valuers Fees (1)		97,380.30
Legal Fees (1)		68,786.08
Professional Fees		16,791.64
Debt Collection		17,732.72
Environmental costs		250.00
Auction Costs		46,856.29
IT Services		22,937.41
Security costs		215,469.70
Statutory Advertising		73.55
Rents Payable		22,804.22
Rates		1,304.72
Other Property Expenses		6,410.59

Liens	5,600.99
Bank Charges	552.28
Floating Charge Creditor	177,803.00
VAT on Purchases	97,960.68
	1,361,604.89
Balance - 14 September 2019	3,073,745.90

Made up as follows

Floating Current Account IB	2,789,515.34
Floating Deposit Account	284,230.56
	3,073,745.90

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Dawnus Developments Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
		0.00
Payments		
Statutory Advertising		73.55
Bank Charges		5.82
VAT on Purchases		14.71
		94.08
Balance - 14 September 2019		(94.08)

Made up as follows

Floating Current Account NIB	(5.42)
Grant Thornton Loan Account	(88.66)
	(94.08)

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Dawnus Group Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Book Debts	636,252.00	0.00
		0.00
Payments		
Statutory Advertising		73.55
Bank Charges		5.82
VAT on Purchases		14.71
		94.08
Balance - 14 September 2019		(94.08)

Made up as follows

Floating Current Account NIB	(5.42)
Grant Thornton Loan Account	(88.66)
	(94.08)

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Dawnus Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Fixed Assets	2,006,119.00	0.00
Intercompany Loan		8,317.86
Insurance Refund		17,213.20
Misc Refunds		1,997.15
		27,528.21
Payments		
Other Payroll Deductions		6,574.02
Legal Fees (1)		2,054.00
Professional Fees		13,560.00
Statutory Advertising		73.55
Other Property Expenses		965.34
Bank Charges		49.54
Preferential Creditors (All)	(947,366.00)	0.00
VAT on Purchases		3,319.78
		26,596.23
Balance - 14 September 2019		931.98

Made up as follows

Floating Current Account NIB	931.98
	931.98

Note:

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Dawnus Southern Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Fixed Assets	13,474.00	0.00
WIP	300,000.00	0.00
Book Debts		275,000.75
Bank/ISA InterestGross		68.49
		275,069.24
Payments		
Legal Fees (1)		107,675.90
Statutory Advertising		73.55
Bank Charges		33.84
VAT on Purchases		21,000.89
		128,784.18
Balance - 14 September 2019		146,285.06

Made up as follows

Floating Current Account NIB	146,285.06
	146,285.06

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Legsun Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Rates refund		907.37
		907.37
Payments		
Statutory Advertising		73.55
Bank Charges		0.40
VAT on Purchases		14.71
		88.66
Balance - 14 September 2019		818.71

Made up as follows

RBS Current Account	818.71
	818.71

Alistair Wardell
Joint Administrator

A Abstract of the administrators' receipts and payments

Quantum Geotechnical Limited - in administration
Joint Administrators' receipts and payments account
from 15 March 2019 to 14 September 2019

Receipts	**Statement of Affairs (£)**	**Total (£)**
Sale of business and assets		50,000.00
WIP and Retentions	527,408.00	0.00
Book Debts	871,846.00	141,153.07
Cash at Bank		12,410.28
Licence to occupy fee		6,706.08
		210,269.43
Payments		
Legal Fees (1)		3,823.65
Statutory Advertising		73.55
Rents Payable		4,000.00
Bank Charges		56.50
VAT on Purchases		1,735.91
		9,689.61
Balance - 14 September 2019		200,579.82

Made up as follows

Floating Current Account NIB	200,579.82
	200,579.82

Alistair Wardell
Joint Administrator

B - Payments, remuneration and expenses to the joint administrators or their associates

Ashridge Construction Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9) In summary, it covers

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all the companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £10,493 represented by 37 hrs at an average of 280 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £13,023, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**0.10 hrs**	**£25**	**£/hr245**
Book and other debts	• Liaised with directors to obtain debtor information	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Investigations				**5 hrs**	**£1,832**	**£/hr336**
Debtor/director/ senior employees	• Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Recovered and reviewed the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**5 hrs**	**£1,795**	**£/hr335**
Secured	• Initial reports to the secured creditors • Liaised with the secured creditors in relation to their security and amounts owing • Formal quarterly reports to the secured creditors • Requested information and approval on various matters	• To comply with our requirements in respect of reporting to the secured creditors • To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to creditors			

Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately				
Administration				**27 hrs**	**£6,842**	**£/hr258**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards that were needed • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implemented ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filing of all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations				
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reported any known issues	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations				

	• Continued to maintain insolvency practitioner's software and transaction processing software				
Case management	• Routine reviews of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations			
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations			
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulated to creditors	• To comply with insolvency law and regulations			
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations			
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms	• To comply with tax legislation			
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period			**37 hrs**	**£10,493**	**£/hr280**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**0.10**	**24.50**	**245.00**	**-**	**-**	**-**	**(0.10)**	**(24.50)**
Books & other debts	-	-	-	-	0.10	24.50	-	-	0.10	24.50	245.00					
Investigations:									**5.45**	**1,831.75**	**336.10**	**14.00**	**3,763.00**	**268.79**	**8.55**	**1,931.25**
General	-	-	-	-	3.20	841.75	-	-	3.20	841.75	263.05					
Debtor/director/senior employees	1.50	765.00	-	-	0.75	225.00	-	-	2.25	990.00	440.00					
Creditors:									**5.35**	**1,794.50**	**335.42**	**14.00**	**3,330.00**	**237.86**	**8.65**	**1,535.50**
Secured	-	-	0.60	300.00	2.85	767.00	0.50	27.50	3.95	1,094.50	277.09					
Unsecured	-	-	1.40	700.00	-	-	-	-	1.40	700.00	500.00					
Administration:									**26.53**	**6,842.30**	**257.91**	**23.00**	**5,930.00**	**257.83**	**(3.53)**	**(912.30)**
Treasury, billing & funding	-	-	-	-	7.15	1,287.00	1.20	216.00	8.35	1,503.00	180.00					
Tax	-	-	0.60	263.50	-	-	2.65	504.50	3.25	768.00	236.31					
Pensions	-	-	1.20	582.00	-	-	-	-	1.20	582.00	485.00					
General	0.23	140.30	1.70	622.50	11.25	3,127.50	0.55	99.00	13.73	3,989.30	290.55					
Total	**1.73**	**905.30**	**5.50**	**2,468.00**	**25.30**	**6,272.75**	**4.90**	**847.00**	**37.43**	**10,493.05**	**280.34**	**51.00**	**13,023.00**	**255.35**	**13.57**	**2,529.95**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Expenses			
Statutory Advertising – Gazette Direct	74	74	74
Bank charges	6	6	6
Total expenses and disbursements	**110**	**110**	**80**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only No category 2 disbursements have been incurred to date.

Mileage is charged at 45p a mile. VAT is added as appropriate Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

https //www grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Churchfield Homes Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9) In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- *relationships requiring disclosure*
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £30,496 represented by 95 hrs at an average of 319 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £131,760, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**31 hrs**	**£10,285**	**£/hr329**
Freehold Property	• Conducted site visit to the freehold property • Reviewed documentation in relation to the freehold property, reviewed the proposed sale of the completed properties and reviewed the development opportunity available • Requested and reviewed marketing proposals for the sale of the property • Instructed agents to assist in the sale • Met with interested party prior to appointment to discuss continued interest • Managed the sale of six completed residential properties which included liaising with agents and interested parties and reviewing the marketing strategy • Researched the potential for sale of the shared equity portfolios and liaised with interested parties	• To maximise value in relation to properties • To dispose of the properties • To realise value for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Insurance	• Reviewed the company records to confirm previous insurance premiums paid to prior insurer • Continued to liaise with our insurance broker regarding the insurance of property • Obtained information for our insurance broker as requested	• To mitigate risk from loss from an insurable event to protect creditors' interests • To comply with regulation and law	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Investigations				**9 hrs**	**£3,556**	**£/hr407**
Debtor/director/ senior employees	• Reviewed company records to establish the reasons for the demise of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			

Books & records	• Arranged collection of and review the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**16 hrs**	**£6,138**	**£/hr373**
Secured	• Initial reports to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing to them • Requested information and approval on various matters • Formal quarterly reports to the secured creditors	• To comply with our requirements in respect of reporting to the secured creditors • To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately				
Administration				**39 hrs**	**£10,517**	**£/hr269**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment • Conducted anti-money laundering checks, including client verification, assessed the risks • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reporting any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release • Review of case and progress by Insolvency Practitioners and internal risk management team	• To comply with insolvency law and regulations
Reports, circulars, notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations
Statement of affairs	• Requested Statement of Affairs from the directors • Reviewed Statement of Affairs and circulating to creditors • Reconciliation of creditor position	• To comply with insolvency law and regulations
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds	• To comply with tax legislation

	• Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms • Calculated and discussed tax impact of achieving sale of the assets				
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account • Transfer of funds from pre-appointment bank account	• To comply with insolvency law and regulations			
Total fees incurred in the Period			**95 hrs**	**30,496**	**£/hr319**

Appendix B

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**31.25**	**10,284.75**	**329.11**	**238.00**	**71,910.00**	**302.14**	**206.75**	**61,625.25**
Property	-	-	14 45	5,371 25	14.50	4,267.50	-	-	28.95	9,638 75	332.94					
Books & other debts	-	-	-	-	0 50	122.50	-	-	0.50	122.50	245.00					
Other assets	-	-	-	-	0 30	73 50	-	-	0.30	73.50	245.00					
Insurance	-	-	-	-	1 50	450 00	-	-	1.50	450.00	300.00					
Investigations:									**8.70**	**3,555.50**	**408.68**	**35.00**	**9,550.00**	**272.86**	**26.30**	**5,994.50**
General	-	-	-	-	2.95	780.50	-	-	2.95	780.50	264.58					
Debtor/director/senior employees	5 00	2,550.00	-	-	0.75	225.00	-	-	5 75	2,775.00	482 61					
Creditors:									**16.45**	**6,138.25**	**373.15**	**105.00**	**25,925.00**	**246.90**	**88.55**	**19,786.75**
Secured	1 00	510 00	3 85	1,790.25	7.90	2,210.50	0 50	27.50	13.25	4,538 25	342.51					
Unsecured	-	-	3.20	1,600.00	-	-	-	-	3 20	1,600.00	500 00					
Administration:									**39.08**	**10,517.05**	**269.12**	**95.00**	**24,375.00**	**256.58**	**55.92**	**13,857.95**
Treasury, billing & funding	-	-	0.20	60.00	10.20	1,939.50	0.70	126 00	11 10	2,125.50	191 49					
Tax	-	-	4.20	1,680.00	0.25	75.00	2.80	530 00	7.25	2,285 00	315.17					
Pensions	-	-	0.90	436.50	-	-	-	-	0 90	436.50	485 00					
General	0.23	140 30	1 90	764.00	16.90	4,621.75	0.80	144.00	19 83	5,670.05	285 93					
Total	**6.23**	**3,200.30**	**28.70**	**11,702.00**	**55.75**	**14,765.75**	**4.80**	**827.50**	**95.48**	**30,495.55**	**319.39**	**473.00**	**131,760.00**	**278.56**	**377.52**	**101,264.45**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Category 2 disbursements			
Mileage	105	105	0
Expenses			
Statutory Advertising	74	74	74
Other Property Expenses – GMS Property Services Limited	5,222	5,222	5,222
Bank Charges	18	18	18
Total expenses and disbursements	**5,449**	**5,449**	**5,314**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate, they can be drawn without prior approval and consist of the following categories

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship.

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website

https://www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request

B - Payments, remuneration and expenses to the joint administrators or their associates

Dawnus Construction Holdings Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £856,047 represented by 2,428 hrs at an average of 353 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs will be in line with the fees estimate. Expenses have exceeded the expense estimate as a result of the following:

- Security costs at the sites both in the UK and Africa were more than anticipated as it was difficult to estimate security required at the outset and the security was a necessity given the location in Africa

Fees and expense estimates were provided to the creditors in our previous report

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £2,604,225, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**898 hrs**	**£368,783**	**£/hr411**
Freehold and leasehold property	• Conduct site visits to leasehold premises • Review leases to establish landlord details, liabilities, lease length details and understand any break clauses • Prepare letters to landlords regarding the surrendering of leases and the continued occupation of one leased premises • Continued liaison with the landlord of the occupied leased premises • Once occupation completed, the appropriate arrangements were made to vacate the premises • Review documentation in relation to a residential property located in Colwinston, South Wales over which the company had a charge. Calculate interest payable and liaise with solicitors regarding liability due under the charge • Instruct agents to market the freehold and long leasehold property for sale and deal with sales negotiation and formalities • Instruct agents to clear the surrendered lease sites, including liaising with archiving agents ensuring that we are compliant with insurance policies	• To maximise value in relation to properties • To fulfil the company's obligations under the terms of the leases • To realise value for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			

Book & other debts	• Conduct a review of the company records with the assistance of retained employees • Locate company contracts and payment certifications, review electronic information and generate schedules • Engage Quantity Surveyors, Naismiths, to assist with the review of approximately 90 contract debtors (including retentions, outstanding invoices and WIP), locating supporting and relevant information, determining whether contacts can be completed and liaising with retained and former employees • Review plant hire debtors and locate supporting and relevant information, liaise with retained employees in this regard and instruct agents to assist with the collection process • Correspond with agents in relation to outstanding contract debts, assisting with locating supporting documentation, facilitating contact between the agents and the former directors, liaising with various parties regarding commercial settlements of outstanding debts • Instruct solicitors to assist with disputed contract debtors • Following the end of retention periods, liaising with agents to make claims in respect of retentions, reviewing any counterclaims made and realising retentions where possible • Review counterclaims on all debtors and attempt to reach a settlement where required • Correspond with agents in relation to third party plant hire and consider proposed settlements	• To secure and realise the construction contract debts and the plant hire debts where possible • To maximise recoveries for creditors	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available

Plant, machinery, fixtures & vehicles	• Engage and liaise with agents (Hilco) regarding the location and nature of the company's plant and machinery, including company assets located in Africa • Assist in securing the plant and machinery including instructing agents to inspect and secure assets located in Africa • Liaise with retained employees regarding the hire of plant and machinery to third parties • Liaise with agents and retained employees to ensure that invoices are generated for the hire of plant and machinery to third parties • Liaise with interested parties regarding the sale of the company's plant and machinery assets • Sale of plant and machinery including liaising with solicitors, review of the sale documentation, review of the asset schedule prepared by agents and sale negotiations • Liaise with agents regarding the collection and the sale of plant and machinery • Review the marketing strategy of plant and machinery • Consider insurance claims for stolen or missing goods, liaising with insurers and collating documentation • Manage the distribution of the sale proceeds to third parties (including finance companies) where applicable • Review security and insurance arrangements and invoice third parties where assets are not in company possession • Consider strategy for any plant and machinery not sold including the sale of assets located in Africa • Manage receipt of deferred consideration payments following the sale of assets • Arrange periodic inspections of assets held in	• To secure and realise the plant and machinery • To ensure that any plant and machinery stolen or missing is recovered where possible • To ensure finance companies are dealt with appropriately	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available

	Africa and sold pursuant to the sale • Arrange for the release of assets pursuant to the sale of equipment in Africa		
Other assets	• Liaise with the company's telecommunications and IT providers in relation to mobile phones and laptop computers provided to employees • Meet and liaise with the company's solicitors in respect of ongoing litigation proceedings and potential claims and the review of documentation in relation to this litigation • Meet with a former director to gather further information on ongoing litigation and potential claims • Liaise with the company's solicitors regarding litigation claims • Gather and review relevant company books and records where necessary, review the claims that are in progress and assess the potential value to the company • Continuing to liaise with the company's bank regarding the pre-appointment cash at bank • Review pre-appointment insurance claims made by the company, locating supporting evidence and agree settlements	• To ensure that all company assets are identified, secured and realised	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available
Insurance	• Liaise with our insurance broker regarding the insurance of the property and assets, including assets located in Africa • Continue to liaise with our insurance broker regarding the insurance of property and assets including assets located in Africa • Obtain information for our insurance broker, as requested • Review company records to confirm previous insurance premiums paid and prior insurers	• To mitigate risk from loss from an insurable event to protect creditors' interests • To comply with regulation and law	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate

General	• Liaise with solicitors in relation to the funds held in escrow • Liaise with suppliers requesting a novation of contract and facilitating the novation of such contracts	• To maximise recoveries for creditors • To mitigate creditor claims	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Investigations				**90 hrs**	**£27,257**	**£/hr301**
Debtor/director/ senior employees	• Conduct a preliminary review into the affairs of the company from the company's accounting software • Review company records to establish the reasons for the failure of the company • Complete relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Collect the company's records and liaise with agents in respect of this, attend site to collect records where required • Review the company's software platforms and collate information from these, discussions with the software providers regarding ongoing usage and seeking assistance from retained employees regarding the information required • Liaise with internal cyber investigations team regarding imaging the company's servers • Review the company's books and records • Recover and reviewing information from the company's IT systems • Carry out forensic analysis where applicable	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Bank analysis	• Review the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			

Creditors				538 hrs	£163,084	£/hr303
Secured	• Initial reporting to the secured creditors • Liaised with the secured creditors in relation to their security and amounts owing • Request information and approval on various matters including the sale of secured assets • Formal quarterly reporting to the secured creditors • Request information and approval on various matters	• To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Employees & pensions	• Meet with employees at regional locations and the head office advising of their redundancy and explaining the process • Manage seven retained employees and assisting the directors in making the employees redundant • Engage and liaise with ERA Solutions Limited in relation to the 241 employee claims • Liaise with employees in relation to their claims in the estate and their queries	• To ensure all employee claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gather information in relation to 1,716 known unsecured creditors • Liaise with unsecured creditors in respect of their claims in the estate and deal with the significant number of queries received • Write to all creditors advising of appointment and other statutory reporting requirements • Liaise with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Retention of title	• Liaise with claimants and obtaining further detail about their claims • Review documentation supplied by	• To ensure all claims are dealt with properly	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to			

	claimants and company documentation • Liaise with retained employees in relation to the stock take of goods on hand and possible collection of Retention of Title goods • Resolve valid claims where possible by arranging for claimants to collect goods supplied		the estate it adds value to the insolvency process			
Dividends	• Preparation and ongoing review of Estimated Outcome Statement to establish potential level of funds available for each class of creditor	• To understand the potential outcome for various classes of creditor	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Administration				**1,040 hrs**	**£333,532**	**£/hr321**
Take-on	• Obtain and assess statutory company information together with other publicly available information • Complete necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment and implementing and maintaining any safeguards that may be needed • Conduct anti-money laundering checks, including client verification, assessing the risks • Continue to monitor and maintain compliance with anti-money laundering procedures • Continue to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Check the presence, validity and filing of all formal appointment documents • Prepare, circulate, advertise and file notice of appointment • File appointment documents at Companies	• To ensure that the appointment is valid • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	House • Continue to file documents at Companies House as required by statute		
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculate, complete and submit the bordereau notification • Collate and assess information regarding data collection, storage, processing and destruction; implementing and maintaining any necessary data protection strategies, reporting any known issues • Continue to maintain insolvency practitioner's software and transaction processing software	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaise with the internal Public Relations team regarding the appointment and producing a statement for release • Review of case and progress by Insolvency Practitioners and internal risk management team	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Reports, circulars notices & decisions	• Notify creditors of appointment • Draft, circulate and file the joint administrators' proposals for achieving the purpose of administration • Monitor deemed consent	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Statement of Affairs	• Request Statement of Affairs from the directors • Review Statement of Affairs and circulating to creditors • Reconciliation of creditor claims	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate

Treasury, billing & funding	• Undertake bank reconciliations • Manage and maintain the estate's bank account • Payment of retained employees' wages • Payment of miscellaneous expenses • Transfer of funds from pre-appointment bank account • Undertake bank reconciliations • Manage and maintain the estate's bank account	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Tax	• Collect tax information to present to tax team • Review the company's tax liabilities and potential refunds • Liaise with retained employees to gather tax information • Calculate and discuss VAT impact of achieving a sale of business and assets • Correspondence with HMRC including the submission of statutory forms	• To comply with tax legislation	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate •			
Pensions	• Correspondence with The Pensions Regulator, employee benefits providers and pension scheme • Liaise with the retained employees to understand the pension position • Complete and file statutory forms in relation to the pension	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period				**2,428 hrs**	**£856,047**	**£/hr353**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**897.65**	**368,782.75**	**410.83**	**5,400.00**	**1,472,000.00**	**272.59**	**4,502.35**	**1,103,217.25**
Property	-	-	16.80	7,517.50	42.45	11,131.50	-	-	59.25	18,649.00	314.75					
Books & other debts	24.00	12,690.00	125.15	51,432.50	46.60	11,719.50	-	-	195.75	75,842.00	387.44					
Plant, machinery, fixtures & vehicles	210.00	118,752.50	145.85	57,818.00	24.50	5,930.00	3.00	495.00	383.35	182,995.50	477.36					
Stock & work-in-progress	-	-	3.00	1,489.00	0.40	98.00	-	-	3.40	1,587.00	466.76					
Hire purchase, leasing agreements & third party	-	-	15.75	7,687.50	4.10	1,142.00	-	-	19.85	8,829.50	444.81					
Preservation of I.T. records	-	-	0.40	200.00	73.50	19,782.50	63.95	16,627.00	137.85	36,609.50	265.57					
Other assets	4.00	2,040.00	27.35	13,660.00	5.15	1,344.25	-	-	36.50	17,044.25	466.97					
Insurance	-	-	22.90	11,125.00	5.90	1,500.50	-	-	28.80	12,625.50	438.39					
General	21.00	10,710.00	3.50	1,640.00	8.40	2,250.50	-	-	32.90	14,600.50	443.78					
Investigations:									**90.45**	**27,256.75**	**301.35**	**80.00**	**23,225.00**	**290.31**	**(10.45)**	**(4,031.75)**
General	-	-	11.00	4,780.00	46.10	11,434.75	12.20	1,037.00	69.30	17,251.75	248.94					
Debtor/director/senior employees	16.00	8,160.00	2.40	1,200.00	1.25	375.00	1.50	270.00	21.15	10,005.00	473.05					
Creditors:									**537.50**	**163,084.25**	**303.41**	**3,050.00**	**811,000.00**	**265.90**	**2,512.50**	**647,915.75**
Secured	11.25	5,962.50	61.15	28,528.75	49.50	13,117.50	-	-	121.90	47,608.75	390.56					
Employees & pensions	3.00	1,530.00	41.25	19,184.00	35.40	9,140.50	-	-	79.65	29,854.50	374.82					
Unsecured	-	-	43.15	17,717.25	107.25	30,549.75	137.00	24,660.00	287.40	72,927.00	253.75					
Retention of title	-	-	2.70	1,282.00	45.35	11,289.50	-	-	48.05	12,571.50	261.63					
General	-	-	-	-	0.50	122.50	-	-	0.50	122.50	245.00					
Administration:									**1,039.85**	**333,532.30**	**320.75**	**1,200.00**	**298,000.00**	**248.33**	**160.15**	**(35,532.30)**
Treasury, billing & funding	-	-	7.32	3,652.00	110.10	23,228.75	16.90	3,042.00	134.32	29,922.75	222.77					
Tax	0.75	391.25	33.40	14,909.00	2.55	638.50	2.30	625.00	39.00	16,563.75	424.71					
Pensions	-	-	19.60	8,887.00	-	-	2.05	112.75	21.65	8,999.75	415.69					
General	190.28	98,458.30	177.70	71,267.25	226.30	52,286.00	112.75	19,425.00	707.03	241,436.55	341.48					
Total	**480.28**	**258,694.55**	**760.77**	**323,976.75**	**835.30**	**207,081.50**	**351.65**	**66,293.75**	**2,427.60**	**856,046.55**	**352.63**	**9,730.00**	**2,604,225.00**	**267.65**	**7,302.40**	**1,708,418.95**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Accommodation	2,012	2,102	0
Insolvency Practitioners' Bond	750	750	0
Courier	20	20	0
Land registry searches	21	21	0
Locksmith	72	72	0
Subsistence	1,167	1,167	0
Travel expenses (non-mileage)	1,531	1,531	0
Category 2 disbursements			
Mileage	1,564	1,564	0
Expenses			
Statutory Advertising	74	74	74
Bank Charges	552	552	552
Property Expenses	310	310	310
Vehicle Running Costs	5,591	5,591	5,591
PAYE / NI	61,728	61,728	61,728
Net Wages	123,503	123,503	123,503
Other Payroll Deductions	7,845	7,845	7,845
Employee Expenses / Redundancy	1,000	1,000	1,000
Settlement of Finance	321,785	321,785	321,785
Licence Fee	17,683	17,683	17,683
Intercompany Loan	13,614	13,614	13,614
Administrators Expenses	1,500	1,500	1,500
VAT Irrecoverable	8,333	8,333	8,333
Agents/ Valuers Fees – Euroauctions	97,380	97,380	97,380
Legal Fees – Eversheds	57,062	57,062	57,062

Legal Fees – DJM	500	500	500
Legal Fees – Geldards LLP	3,824	3,824	3,824
Legal Fees – Blake Morgan LLP	7,400	7,400	7,400
Professional Fees – ERA Solutions Ltd	8,520	8,520	8,520
Professional Fees – Currency difference charge	196	196	196
Debt Collection – Credebt	17,733	17,733	17,733
Environmental Costs	250	250	250
Auction Costs – Euroauctions	46,856	46,856	46,856
IT Services	22,937	22,937	22,937
Security Costs	215,470	215,470	215,470
Rents Payable	22,804	22,804	22,804
Rates	1,305	1,305	1,305
Other Property Expenses	6,411	6,411	6,411
Liens	5,601	5,601	5,601
Total expenses and disbursements	**1,084,994**	**1,084,994**	**1,077,767**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

During the Period we have sub-contracted out the following work that could otherwise have been carried out by us or our team.

Sub-contractor	Work sub-contracted out	Reason(s) for sub-contracting out	Cost incurred (£)
ERA Solutions Limited	• Employments rights advice	• Specialised nature of work	8,250
Credebt Limited	• Debt collection services	• Specialised nature of work	17,733 (10% of collections)
Naismiths Limited	• Quantity surveyor and advice project advice	• Specialised nature of work	To be agreed

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship.

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

https://www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Churchfield Homes Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £30,496 represented by 95 hrs at an average of 319 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £131,760, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**31 hrs**	**£10,285**	**£/hr329**
Freehold Property	• Conducted site visit to the freehold property • Reviewed documentation in relation to the freehold property, reviewed the proposed sale of the completed properties and reviewed the development opportunity available • Requested and reviewed marketing proposals for the sale of the property • Instructed agents to assist in the sale • Met with interested party prior to appointment to discuss continued interest • Managed the sale of six completed residential properties which included liaising with agents and interested parties and reviewing the marketing strategy • Researched the potential for sale of the shared equity portfolios and liaised with interested parties	• To maximise value in relation to properties • To dispose of the properties • To realise value for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Insurance	• Reviewed the company records to confirm previous insurance premiums paid to prior insurer • Continued to liaise with our insurance broker regarding the insurance of property • Obtained information for our insurance broker as requested	• To mitigate risk from loss from an insurable event to protect creditors' interests • To comply with regulation and law	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Investigations				**9 hrs**	**£3,556**	**£/hr407**
Debtor/director/ senior employees	• Reviewed company records to establish the reasons for the demise of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			

Books & records	• Arranged collection of and review the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**16 hrs**	**£6,138**	**£/hr373**
Secured	• Initial reports to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing to them • Requested information and approval on various matters • Formal quarterly reports to the secured creditors	• To comply with our requirements in respect of reporting to the secured creditors • To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately				
Administration				**39 hrs**	**£10,517**	**£/hr269**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment • Conducted anti-money laundering checks, including client verification, assessed the risks • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction, implemented and maintained any necessary data protection strategies, reporting any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release • Review of case and progress by Insolvency Practitioners and internal risk management team	• To comply with insolvency law and regulations
Reports, circulars, notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations
Statement of affairs	• Requested Statement of Affairs from the directors • Reviewed Statement of Affairs and circulating to creditors • Reconciliation of creditor position	• To comply with insolvency law and regulations
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds	• To comply with tax legislation

	• Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms • Calculated and discussed tax impact of achieving sale of the assets				
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account • Transfer of funds from pre-appointment bank account	• To comply with insolvency law and regulations			
Total fees incurred in the Period			**95 hrs**	**30,496**	**£/hr319**

Appendix B

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**31.25**	**10,284.75**	**329.11**	**238.00**	**71,910.00**	**302.14**	**206.75**	**61,625.25**
Property	-	-	14.45	5,371.25	14.50	4,267.50	-	-	28 95	9,638.75	332.94					
Books & other debts	-	-	-	-	0.50	122.50	-	-	0 50	122.50	245 00					
Other assets	-	-	-	-	0.30	73.50	-	-	0.30	73.50	245 00					
Insurance	-	-	-	-	1.50	450.00	-	-	1 50	450.00	300.00					
Investigations:									**8.70**	**3,555.50**	**408.68**	**35.00**	**9,550.00**	**272.86**	**26.30**	**5,994.50**
General	-	-	-	-	2.95	780.50	-	-	2 95	780.50	264 58					
Debtor/director/senior employees	5 00	2,550 00	-	-	0.75	225.00	-	-	5.75	2,775.00	482 61					
Creditors:									**16.45**	**6,138.25**	**373.15**	**105.00**	**25,925.00**	**246.90**	**88.55**	**19,786.75**
Secured	1.00	510.00	3.85	1,790.25	7.90	2,210.50	0 50	27.50	13 25	4,538.25	342.51					
Unsecured	-	-	3 20	1,600.00	-	-	-	-	3.20	1,600 00	500 00					
Administration:									**39.08**	**10,517.05**	**269.12**	**95.00**	**24,375.00**	**256.58**	**55.92**	**13,857.95**
Treasury, billing & funding	-	-	0 20	60.00	10.20	1,939.50	0.70	126 00	11.10	2,125 50	191 49					
Tax	-	-	4 20	1,680.00	0.25	75.00	2 80	530.00	7 25	2,285.00	315 17					
Pensions	-	-	0.90	436.50	-	-	-	-	0.90	436 50	485 00					
General	0 23	140.30	1.90	764.00	16.90	4,621.75	0.80	144.00	19 83	5,670 05	285.93					
Total	**6.23**	**3,200.30**	**28.70**	**11,702.00**	**55.75**	**14,765.75**	**4.80**	**827.50**	**95.48**	**30,495.55**	**319.39**	**473.00**	**131,760.00**	**278.56**	**377.52**	**101,264.45**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019 We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Category 2 disbursements			
Mileage	105	105	0
Expenses			
Statutory Advertising	74	74	74
Other Property Expenses – GMS Property Services Limited	5,222	5,222	5,222
Bank Charges	18	18	18
Total expenses and disbursements	**5,449**	**5,449**	**5,314**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate, they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website.

https //www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Dawnus Developments Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers.

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £15,474 represented by 63 hrs at an average of 248 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £13,025, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors		Fees incurred	
Investigations				**8 hrs**	**£2,129**	**£/hr252**
Debtor/director/ senior employees	• Conducted a preliminary review into the affairs of the company from information on the company's accounting software • Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Reviewed the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**8 hrs**	**£2,609**	**£/hr318**
Secured	• Initial reporting to the secured creditors • Liaised with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured creditors	• To ensure all creditors are kept up to date with the *administration* • To ensure all creditor claims are dealt with appropriately	• This work was completed solely for the *purpose of complying with statutory* requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To understand the potential outcome for secured creditors				

Retention of title	• Liaised with claimants and obtaining further detail about their claims • Reviewed documentation supplied by claimants and company documentation • Liaised with retained employees in relation to the stock take of goods on hand and possible collection of Retention of Title goods • Resolved valid claims where possible by arranging for claimants to collect goods supplied	• To ensure all claims are dealt with properly	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Administration				**46 hrs**	**£10,736**	**£/hr235**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to creditors			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations				
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if				

	bordereau notification • Collated and assessed information regarding data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reporting any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	any) and to comply with data protection laws • To comply with insolvency law and regulations
Case management	• Routine reviews of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • Corresponded with HMRC including the	• To comply with tax legislation

	submission of statutory forms				
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period			**62 hrs**	**£15,474**	**£/hr248**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Investigations:									**8.45**	**2,129.25**	**251.98**	**14.00**	**3,765.00**	**268.93**	**5.55**	**1,635.75**
General	-	-	-	-	2.70	719.25	3.00	165.00	5.70	884 25	155 13					
Debtor/director/senior employees	2 00	1,020.00	-	-	0.75	225.00	-	-	2.75	1,245.00	452.73					
Creditors:									**8.20**	**2,608.50**	**318.11**	**14.00**	**3,330.00**	**237.86**	**5.80**	**721.50**
Secured	-	-	0 60	300.00	5 00	1,307.50	0 50	27.50	6.10	1,635.00	268.03					
Unsecured	-	-	1.80	900.00	-	-	-	-	1 80	900 00	500 00					
Retention of title	-	-	-	-	0.30	73.50	-	-	0 30	73 50	245 00					
Administration:									**45.73**	**10,736.05**	**234.77**	**23.00**	**5,930.00**	**257.83**	**(22.73)**	**(4,806.05)**
Treasury, billing & funding	-	-	-	-	7.80	1,410.50	1 95	351 00	9.75	1,761.50	180.67					
Tax	-	-	2 40	1,199 50	-	-	16 80	2,673.75	19.20	3,873.25	201.73					
Pensions	-	-	0 90	436.50	-	-	-	-	0.90	436.50	485.00					
General	0.23	140.30	2 20	871.25	12.40	3,464.25	1.05	189.00	15.88	4,664.80	293.75					
Total	**2.23**	**1,160.30**	**7.90**	**3,707.25**	**28.95**	**7,200.00**	**23.30**	**3,406.25**	**62.38**	**15,473.80**	**248.06**	**51.00**	**13,025.00**	**255.39**	**(11.38)**	**(2,448.80)**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows.

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Expenses			
Statutory Advertising	74	74	74
Bank Charges	6	6	6
Total expenses and disbursements	**110**	**110**	**80**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate, they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. No category 2 disbursements have been incurred in the period.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website·

https //www grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request

B - Payments, remuneration and expenses to the joint administrators or their associates

Dawnus Group Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9) In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £36,659 represented by 151 hrs at an average of 243 £/hr (as shown in the 'Work done' section below) Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £39,425, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**17 hrs**	**£6,463**	**£/hr380**
Book & other debts	• Conducted a review of the company records with the assistance of retained employees • Liaised with employees to obtain debtor information	• To maximise recoveries for creditors	• This work was necessary to discharge the office holders' duties As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Plant, machinery, fixtures & vehicles	• Engaged and liaised with agents (Hilco) regarding vehicles of the company	• To secure and realise any assets for the benefit of creditors				
Other assets	• Gathered information in relation to transactions to support potential action	• To ensure that all company assets are identified, secured and realised				
Investigations				**60 hrs**	**£10,234**	**£/hr170**
Debtor/director/ senior employees	• Conducted a preliminary review into the affairs of the company from information on the company's accounting software • Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Reviewed the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised				

Creditors				**18 hrs**	**£4,795**	**£/hr265**
Secured	• Initial reporting to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured creditors	• To comply with our requirements in respect of reporting to the secured creditors • To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately				
Administration				**56 hrs**	**£15,167**	**£/hr270**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations				
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected				

	• Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction, implemented and maintained any necessary data protection strategies, reported any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations			
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations			
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations			
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations			
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations			
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms	• To comply with tax legislation			
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period			**151 hrs**	**£36,659**	**£/hr243**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**17.00**	**6,463.00**	**380.18**	**30.00**	**7,750.00**	**258.33**	**13.00**	**1,287.00**
Books & other debts	-	-	1.00	445.00	0.40	98.00	-	-	1.40	543 00	387 86					
Plant, machinery, fixtures & vehicles	-	-	7.60	3,160.00	-	-	-	-	7.60	3,160 00	415.79					
Other assets	-	-	4.00	1,780.00	4 00	980 00	-	-	8.00	2,760 00	345.00					
Investigations:									**59.95**	**10,234.25**	**170.71**	**30.00**	**9,250.00**	**308.33**	**(29.95)**	**(984.25)**
General	7 50	3,825.00	-	-	9.95	2,523.00	38.75	2,131.25	56 20	8,479.25	150 88					
Debtor/director/senior employees	3.00	1,530 00	-	-	0.75	225.00	-	-	3 75	1,755.00	468 00					
Creditors:									**18.10**	**4,794.50**	**264.89**	**40.00**	**9,975.00**	**249.38**	**21.90**	**5,180.50**
Secured	-	-	0.85	411.25	7.80	2,076.00	3.00	165.00	11 65	2,652.25	227.66					
Employees & pensions	-	-	-	-	2.30	563.50	-	-	2 30	563.50	245 00					
Unsecured	-	-	2.15	1,033.75	2.00	545.00	-	-	4 15	1,578.75	380 42					
Administration:									**56.08**	**15,167.05**	**270.45**	**45.00**	**12,450.00**	**276.67**	**(11.08)**	**(2,717.05)**
Treasury, billing & funding	-	-	-	-	6 30	1,147 00	1 45	261.00	7.75	1,408 00	181.68					
Tax	-	-	17.50	7,024.00	-	-	3.80	790.00	21.30	7,814 00	366.85					
Pensions	-	-	0 90	436.50	-	-	-	-	0.90	436 50	485.00					
General	0 23	140 30	2 20	871.25	13.65	3,688.00	10.05	809 00	26 13	5,508.55	210 81					
Total	**10.73**	**5,495.30**	**36.20**	**15,161.75**	**47.15**	**11,845.50**	**57.05**	**4,156.25**	**151.13**	**36,658.80**	**242.56**	**145.00**	**39,425.00**	**271.90**	**(6.13)**	**2,766.20**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows.

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Category 2 disbursements			
Mileage	38	38	0
Expenses			
Statutory Advertising	74	74	74
Bank Charges	6	6	6
Total expenses and disbursements	**110**	**110**	**80**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate, they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship.

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website

https //www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Dawnus Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £62,391 represented by 174 hrs at an average of 359 £/hr (as shown in the 'Work done' section below). Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £143,170, without approval At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**28 hrs**	**£9,253**	**£/hr327**
Long leasehold property	• Conducted site visits to two long leasehold premises • Instructed agents to prepare proposals for the sale of two long leasehold properties • Continued to liaise with agents regarding the sale of two long leasehold properties, liaised with interested parties and dealt with queries • Reviewed the marketing strategy and sale documentation for the two long leasehold properties • Assisted the agents in the clearance of the long leasehold properties prior to sale which included removal of company records and decommissioning the company servers	• To maximise value in relation to properties • To dispose of the properties • To realise value for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Insurance	• Liaised with our insurance broker regarding the insurance of the property and assets including assets located abroad • Obtained information for our insurance broker as requested • Reviewed company records to confirm previous insurance premiums paid and prior insurers	• To mitigate risk from loss from an insurable event to protect creditors' interests • To comply with regulation and law	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Investigations				**5 hrs**	**£1,543**	**£/hr297**
Debtor/director/ senior employees	• Conducted a preliminary review into the affairs of the company from information on the company's accounting software • Reviewed company records to establish the reasons for the failure of the company	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			

	• Completed relevant forms on the Directors Conduct Reporting Service website and internal checks					
Books & records	• Collected the company's records and liaised with agents in respect of this, attend site to collect records where required • Reviewed the company's software platforms and collated information from these, discussions with the software providers regarding ongoing usage and sought assistance from retained employees regarding the information required • Liaised with internal cyber investigations team regarding imaging the company's servers • Reviewed the company's books and records • Recovered and reviewed information from the company's IT systems • Carried out forensic analysis where applicable	• To ensure that all company assets are identified, secured and realised •	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Creditors				**47 hrs**	**£18,177**	**£/hr388**
Secured	• Initial reporting to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured creditors	• To ensure all employee claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Employees & pensions	• Meet with employees at regional locations and the head office advising of their redundancy and explaining the process • Manage retained employees and assisting the directors in making the employees redundant	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	• Engage and liaise with ERA Solutions Limited in relation to the 460 employee claims • Liaise with employees in relation to their claims in the estate and their queries					
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all employee claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Administration				**93 hrs**	**£33,419**	**£/hr359**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	• Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reported any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations	
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate •
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax	• To comply with tax legislation	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate

	information • Corresponded with HMRC including the submission of statutory forms					
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period				**174 hrs**	**£62,391**	**£/hr359**

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**28.30**	**9,252.50**	**326.94**	**265.00**	**75,850.00**	**286.23**	**236.70**	**66,597.50**
Property	-	-	4.50	2,002.50	22.00	6,600.00	-	-	26.50	8,602.50	324.62					
Insurance	-	-	0.55	275.00	1.25	375.00	-	-	1.80	650.00	361.11					
Investigations:									**5.20**	**1,543.00**	**296.73**	**51.00**	**13,920.00**	**272.94**	**45.80**	**12,377.00**
General	-	-	-	-	2.95	780.50	0.50	27.50	3.45	808.00	234.20					
Debtor/director/senior employees	1.00	510.00	-	-	0.75	225.00	-	-	1.75	735.00	420.00					
Creditors:									**46.90**	**18,176.50**	**387.56**	**105.00**	**26,875.00**	**255.95**	**58.10**	**8,698.50**
Secured	1.00	510.00	3.85	1,790.25	7.40	2,198.00	2.50	137.50	14.75	4,635.75	314.29					
Employees & pensions	-	-	20.80	9,757.50	7.00	1,797.50	-	-	27.80	11,555.00	415.65					
Unsecured	-	-	3.50	1,750.00	0.85	235.75	-	-	4.35	1,985.75	456.49					
Administration:									**93.22**	**33,419.45**	**358.50**	**90.00**	**26,525.00**	**294.72**	**(3.22)**	**(6,894.45)**
Treasury, billing & funding	-	-	1.00	460.00	11.20	2,029.00	2.65	477.00	14.85	2,966.00	199.73					
Tax	-	-	4.00	1,741.00	2.50	780.00	0.80	190.00	7.30	2,711.00	371.37					
Pensions	-	-	41.00	18,716.00	-	-	-	-	41.00	18,716.00	456.49					
General	0.32	195.20	5.85	2,725.25	21.85	5,862.00	2.05	244.00	30.07	9,026.45	300.18					
Total	**2.32**	**1,215.20**	**85.05**	**39,217.50**	**77.75**	**20,882.75**	**8.50**	**1,076.00**	**173.62**	**62,391.45**	**359.36**	**511.00**	**143,170.00**	**280.18**	**337.38**	**80,778.55**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
			Category 2 disbursements
Mileage	38	38	0
			Expenses
Statutory Advertising	74	74	74
Bank Charges	50	50	50
Other Payroll Deductions	6,574	6,574	6,574
Legal Fees – Morgan LaRoche	2,054	2,054	2,054
Professional Fees – ERA Solutions Ltd	13,560	13,560	13,560
Other Property Expenses	965	965	965
Total expenses and disbursements	**23,345**	**23,345**	**23,277**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

https://www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Dawnus Southern Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs
- *fee basis*
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £28,207 represented by 86 hrs at an average of 327 £/hr (as shown in the 'Work done' section below. Description of the work done is provided in the respective section below.

We anticipate that the total time costs will be in line with the fees estimate. Expenses have exceeded the expense estimate as a result of the following:

- Legal fees incurred to continue with the company's pre-administration litigation resulting in a receipt of £275,000.

Fees and expense estimates were provided to creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £105,320, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**16 hrs**	**£5,354**	**£/hr331**
Book & other debts	• Conducted a review of the company records with the assistance of retained employees • Located company contracts and payment certifications, reviewed electronic information and generated schedules • Engaged quantity surveyors, Naismiths, to assist with the review of approximately 90 contract debtors (including retentions, outstanding invoices and WIP), located supporting and relevant information, determined whether contracts can be completed and liaised with retained and former employees • Reviewed plant hire debtors and located supporting and relevant information, liaised with retained employees in this regard and instructed agents to assist with the collection process • Corresponded with agents in relation to outstanding contract debts, assisted with locating supporting documentation, facilitated contact between the agents and the former directors, liaised with various parties regarding commercial settlements of outstanding debts • Instructed solicitors to assist with disputed contract debtors • Following the end of retention periods, liaised with agents to make claims in respect of retentions, reviewed any counterclaims made	• To secure and realise the construction contract debts and the plant hire debts where possible • To maximise recoveries for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			

	and realised retentions where possible • Reviewed counterclaims on all debtors and attempted to reach a settlement where required • Corresponded with agents in relation to third party plant hire and considered proposed settlements					
Stock & work-in-progress	• Corresponded with contracting parties to establish live and completed projects	• To ensure that all company assets are identified, secured and realised •	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
General	• Instructed solicitors to assist with disputed debtors	• To ensure that all company assets are identified, secured and realised	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Investigations				**6 hrs**	**£2,026**	**£/hr355**
Debtor/director/ senior employees	• Conducted a preliminary review into the affairs of the company from information on the company's accounting software • Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Reviewed the company's books and records Recovered and reviewed information from the company's IT systems	To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency			

			process			
Creditors				**20 hrs**	**£7,148**	**£/hr366**
Secured	• Initial reporting to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured creditors	• To comply with our requirements in respect of reporting to the secured creditors • To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Administration				**45 hrs**	**£13,679**	**£/hr305**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies	• To ensure that the appointment is valid • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	House as required by statute		
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction, implemented and maintained any necessary data protection strategies, reported any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate

Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms	• To comply with tax legislation	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Total fees incurred in the Period				**86 hrs**	**£28,207**	**£/hr327**

Appendix B

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**16.20**	**5,354.50**	**330.52**	**160.00**	**45,350.00**	**283.44**	**143.80**	**39,995.50**
Books & other debts	-	-	5.60	2,497 50	3.20	811 50	-	-	8.80	3,309.00	376.02					
Stock & work-in-progress	-	-	0.20	89.00	-	-	-	-	0 20	89.00	445 00					
General	-	-	-	-	7.20	1,956.50	-	-	7.20	1,956 50	271.74					
Investigations:									**5.70**	**2,025.50**	**355.35**	**41.00**	**11,695.00**	**285.24**	**35.30**	**9,669.50**
General	-	-	-	-	2.95	780 50	-	-	2.95	780 50	264.58					
Debtor/director/senior employees	2.00	1,020 00	-	-	0 75	225.00	-	-	2.75	1,245 00	452 73					
Creditors:									**19.55**	**7,147.75**	**365.61**	**81.00**	**21,425.00**	**264.51**	**61.45**	**14,277.25**
Secured	1.00	510.00	4.35	2,012 75	11.00	3,025.00	-	-	16.35	5,547.75	339 31					
Unsecured	-	-	3.20	1,600.00	-	-	-	-	3 20	1,600.00	500.00					
Administration:									**44.77**	**13,678.95**	**305.54**	**100.00**	**26,850.00**	**268.50**	**55.23**	**13,171.05**
Treasury, billing & funding	-	-	-	-	10.00	1,806 50	2.10	378.00	12.10	2,184.50	180 54					
Tax	-	-	1.20	575 50	-	-	0.80	190.00	2.00	765 50	382 75					
Pensions	-	-	0.90	436.50	-	-	-	-	0.90	436.50	485.00					
General	8 32	4,275 20	2.35	975 25	16.85	4,637.00	2.25	405.00	29.77	10,292.45	345.73					
Total	**11.32**	**5,805.20**	**17.80**	**8,186.50**	**51.95**	**13,242.00**	**5.15**	**973.00**	**86.22**	**28,206.70**	**327.15**	**382.00**	**105,320.00**	**275.71**	**295.78**	**77,113.30**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date: £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	150	150	0
Expenses			
Legal Fees – DJM Solicitors	103,852	103,852	103,852
Legal Fees – Geldards LLP	3,824	3,824	3,824
Statutory Advertising	74	74	74
Bank Charges	34	34	34
Total expenses and disbursements	**107,934**	**107,934**	**107,784**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done • Digital Forensic Group – cyber consultants	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website.

https //www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request

B - Payments, remuneration and expenses to the joint administrators or their associates

Legsun Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers.

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP was instructed and incurred costs in total across all companies in the Group of £14,771. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £10,648 represented by 37 hrs at an average of 285 £/hr (as shown in the 'Work done' section below) Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report.

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £13,025, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**0.1 hrs**	**£25**	**£/hr245**
Book & other debts	• Liaised with employees to ascertain book debt position	• To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Investigations				**5 hrs**	**£1,771**	**£/hr340**
Director/ senior employees	• Conducted a preliminary review into the affairs of the company from information in the company's accounting software • Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Reviewed the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised				
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**3 hrs**	**£1,068**	**£/hr368**
Secured	• Initial reporting to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured	• To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	creditors					
Unsecured	• Gathered information on all unsecured creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	• To ensure all creditors are kept up to date with the administration • To ensure all creditor claims are dealt with appropriately	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Administration				**29 hrs**	**£7,786**	**£/hr268**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

	data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reported any known issues • Continued to maintain insolvency practitioner's software and transaction processing software		
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate •
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate •
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Tax	• Collected tax information to present to tax team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • Corresponded with HMRC including the submission of statutory forms	• To comply with tax legislation	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate

Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period				**37 hrs**	**£10,648**	**£/hr286**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**0.10**	**24.50**	**245.00**	-	-	-	**(0.10)**	**(24.50)**
Books & other debts	-	-	-	-	0 10	24.50	-	-	0.10	24.50	245.00					
Investigations:									**5.20**	**1,770.50**	**340.48**	**14.00**	**3,765.00**	**268.93**	**8.80**	**1,994.50**
General	-	-	-	-	2.95	780.50	-	-	2.95	780.50	264.58					
Debtor/director/senior employees	1 50	765.00	-	-	0.75	225 00	-	-	2.25	990.00	440 00					
Creditors:									**2.90**	**1,067.50**	**368.10**	**14.00**	**3,330.00**	**237.86**	**11.10**	**2,262.50**
Secured	-	-	-	-	1.20	294.00	-	-	1.20	294.00	245.00					
Unsecured	-	-	1.40	700 00	0 30	73.50	-	-	1.70	773.50	455 00					
Administration:									**29.08**	**7,785.80**	**267.74**	**23.00**	**5,930.00**	**257.83**	**(6.08)**	**(1,855.80)**
Treasury, billing & funding	-	-	-	-	6.15	1,107.00	1.50	265.00	7.65	1,372 00	179 35					
Tax	-	-	1.00	431 00	-	-	2.70	603.00	3.70	1,034.00	279.46					
Pensions	-	-	1.40	679 00	-	-	-	-	1.40	679.00	485 00					
General	0.23	140.30	1 70	622 50	14.15	3,893.00	0 25	45.00	16.33	4,700 80	287.86					
Total	**1.73**	**905.30**	**5.50**	**2,432.50**	**25.60**	**6,397.50**	**4.45**	**913.00**	**37.28**	**10,648.30**	**285.63**	**51.00**	**13,025.00**	**255.39**	**13.72**	**2,376.70**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows.

Grade	From 15 March 2019 to current	
	Insolvency £/hr	**Pensions & Tax £/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Expenses			
Statutory Advertising	74	74	74
Bank Charges	0.40	0.40	0.40
Total expenses and disbursements	**104**	**104**	**74**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only, should any be recovered.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others, we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

https //www.grantthornton co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

B - Payments, remuneration and expenses to the joint administrators or their associates

Quantum Geotechnical Limited – In Administration

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers.

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the company entered administration but with a view to it doing so. To the extent they remain unpaid when the company enters administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Prior to appointment, the administrators worked with the company and assisted the directors in placing the company into Administration. The administrators are not seeking payment in relation to their pre-appointment costs.

Solicitors, Geldards LLP and Eversheds LLP, were instructed and incurred costs in total across all companies in the Group of £14,771 and £15,962 respectively. We are awaiting further detail as to the apportionment between the companies in the Group and, as such, we are currently unable to obtain approval from the secured creditors for payment.

Post-appointment costs

Fee basis of the joint administrators

As at the date of this report the fee basis has not been set, however, the joint administrators are in discussions with the secured creditors to fix the basis of their remuneration.

During the period from 15 March 2019 to 14 September 2019 (the Period) time costs were incurred totalling £60,382 represented by 171 hrs at an average of 354 £/hr (as shown in the 'Work done' section below) Description of the work done is provided in the respective section below.

We anticipate that the total cumulative time costs and expenses will be in line with the fees and expenses estimate, both of which were provided to the creditors in our previous report

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £104,715, without approval. At present we do not expect to seek approval to draw remuneration in excess of our fees estimate, however we reserve our right to do so in the future.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimate was included within our report to creditors dated 30 April 2019. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the joint administrators' fees incurred together with a numerical fee estimate variance analysis.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees incurred		
Assets				**74 hrs**	**£33,370**	**£/hr452**
Sale of business	• Sale of business which included liaising with interested party, liaising with solicitors, review of the sale documentation and review of the asset schedule	• To realise value for creditors	• This work is necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
Leasehold property	• Conducted site visits to leased premises • Reviewed lease to establish landlord details, liabilities, lease length details and understand any break clauses • Liaised with solicitors regarding licence to occupy • Prepared letter to landlord regarding the leased premises and the assignment of a licence to occupy • Liaised with landlord regarding the issuing of a licence to occupy of one lease, including collecting rental payments from the occupier as per the licence to occupy and assisting with obtaining a new lease	• To maximise value in relation to properties • To fulfil the company's obligations under the terms of the leases • To realise value for creditors	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
Book & other debts	• Conducted a review of the company records with the assistance of former employees • Located company contracts and payment certifications, review electronic information and generate schedules • Managed the debtor collection process as per the sale agreement • Reviewed counterclaims on all debtors • Undertook a reconciliation of the position using the company's records	• To secure and realise the contract debts wherever possible • To maximise recoveries for creditors	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			

Plant, machinery, fixtures & vehicles	• Sale of business including liaising with interested party, liaised with solicitors, review of the sale documentation and review of the asset schedule	• To realise value for creditors	• This work is to be completed solely for the purpose of complying with statutory requirements and has no direct financial benefit to creditors			
Other assets	• Liaise with the pre-administration bank to recover cash at bank	• To realise value for creditors	• This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available			
General	• Liaise with purchaser and lawyers regarding novations of certain contracts	• To assist with realisations of debtors	• This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
Investigations				**7 hrs**	**£2,585**	**£/hr375**
Debtor/director/ senior employees	• Conducted a preliminary review into the affairs of the company from information in the company's accounting software • Reviewed company records to establish the reasons for the failure of the company • Completed relevant forms on the Directors Conduct Reporting Service website and internal checks	• To report on the conduct of the directors • To ensure that all company assets are identified, secured and realised	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Books & records	• Reviewed the company's books and records • Recovered and reviewed information from the company's IT systems	• To ensure that all company assets are identified, secured and realised •				
Bank analysis	• Reviewed the company's bank statements for any antecedent transactions	• To ensure that all company assets are identified, secured and realised				
Creditors				**21 hrs**	**£7,777**	**£/hr363**
Secured	• Initial reporting to the secured creditors • Corresponded with the secured creditors in relation to their security and amounts owing • Requested information and approval on various matters • Formal quarterly reporting to the secured creditors	• To keep the secured creditors informed as the key stakeholders in the administration due to their fixed and floating charges over the company's assets	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Unsecured	• Gathered information on all unsecured	• To ensure all creditors are kept up to date with the	• This work was completed solely for the purpose of complying with statutory			

	creditors • Wrote to all creditors advising of appointment and other statutory reporting requirements • Liaised with creditors regarding their claims in the estate and their queries	administration • To ensure all creditor claims are dealt with appropriately	requirements and had no direct financial benefit to the estate			
Retention of title	• Liaised with claimants and obtained further detail about their claims • Reviewed documentation supplied by claimants and company documentation • Liaised with retained employees in relation to the stock take of goods on hand and possible collection of Retention of Title goods • Resolved valid claims where possible by arranging for claimants to collect goods supplied	• To ensure all claims are dealt with properly	• This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process			
Administration				**69 hrs**	**£16,651**	**£/hr242**
Take-on	• Obtained and assessed statutory company information, together with other publicly available information • Completed necessary relationship and ethical checks to confirm independence and objectivity for taking the insolvency appointment, implemented and maintained any safeguards • Continued to monitor and maintain compliance with anti-money laundering procedures • Continued to monitor risk and implement ongoing checks	• To comply with financial crime legislation as well as internal risk management policies • To facilitate understanding of client and completion of other take-on tasks • To ensure and maintain independence in line with the Insolvency Code of Ethics • Pursuant to anti-money laundering regulations and Grant Thornton policy • To facilitate an efficient and effective start to the insolvency process	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			
Appointment formalities	• Checked the presence, validity and filed all formal appointment documents • Prepared, circulated, advertised and filed notice of appointment • Filed appointment documents at Companies House • Continued to file documents at Companies House as required by statute	• To ensure that the appointment is valid • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate			

Case set-up	• Set up insolvency practitioner's software and transaction processing software • Set up document and mail merge templates for standard letters • Calculated, completed and submitted the bordereau notification • Collated and assessed information regarding data collection, storage, and destruction; implemented and maintained any necessary data protection strategies, reported any known issues • Continued to maintain insolvency practitioner's software and transaction processing software	• To capture key information and facilitate compliance with statutory requirements • To ensure the appointees are insured and the insolvency estate is protected • To understand the data in use, its sensitivities (if any) and to comply with data protection laws • To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Case management	• Review of case and progress by Insolvency Practitioners and internal risk management team • Liaised with the internal Public Relations team regarding the appointment and producing a statement for release	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Reports, circulars notices & decisions	• Notified creditors of appointment • Drafted, circulated and filed the joint administrators' proposals for achieving the purpose of administration • Monitored deemed consent	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Statement of Affairs	• Requested Statement of Affairs from the directors • Assisted the directors and retained employees with their queries • Reviewed Statement of Affairs and circulating to creditors	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Treasury, billing & funding	• Undertook bank reconciliations • Managed and maintained the estate's bank account	• To comply with insolvency law and regulations	• This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate
Tax	• Collected tax information to present to tax	• To comply with tax legislation	• This work was completed solely for the

	team • Reviewed the company's tax liabilities and potential refunds • Liaised with retained employees to gather tax information • *Corresponded with HMRC including the* submission of statutory forms		*purpose of complying with statutory* requirements and had no direct financial benefit to the estate			
Pensions	• Corresponded with The Pensions Regulator, employee benefits providers and pension scheme	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation	• To ensure that employees continue to receive contractual benefits that they were entitled to • To comply with pension related legislation			
Total fees incurred in the Period				**171 hrs**	**£60,382**	**£/hr354**

Detailed SIP9 time cost analysis for the period and fee estimate variance analaysis as at period end

Period from 15/03/2019 to 14/09/2019

Area of work	Partner		Manager		Executive		Administrator		Period total			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Realisation of assets:									**73.75**	**33,369.50**	**452.47**	**110.00**	**34,500.00**	**313.64**	**36.25**	**1,130.50**
Sale of business	24.50	14,945.00	14.80	6,602.50	3.50	940.00	-	-	42.80	22,487.50	525.41					
Property	-	-	0.70	250.00	8.40	2,443.00	-	-	9.10	2,693.00	295.93					
Books & other debts	3.50	2,135.00	0.60	300.00	10.30	2,661.00	-	-	14.40	5,096.00	353 89					
Plant, machinery, fixtures & vehicles	1 00	610.00	-	-	-	-	-	-	1.00	610 00	610.00					
Other assets	-	-	0.30	150.00	-	-	-	-	0.30	150.00	500.00					
General	2.00	1,220.00	-	-	4.15	1,113.00	-	-	5.65	2,028.00	358.94					
Investigations:									**6.90**	**2,584.50**	**374.57**	**37.00**	**9,715.00**	**262.57**	**30.10**	**7,130.50**
General	-	-	-	-	3.15	829.50	-	-	3.15	829.50	263.33					
Debtor/director/senior employees	3.00	1,530 00	-	-	0.75	225.00	-	-	3.75	1,755.00	468.00					
Creditors:									**21.45**	**7,777.00**	**362.56**	**90.00**	**23,125.00**	**256.94**	**68.55**	**15,348.00**
Secured	-	-	3.85	1,790.25	10.70	2,951.50	-	-	14.55	4,741.75	325.89					
Unsecured	0 75	457.50	3.20	1,600.00	0.75	183.75	-	-	4.70	2,241.25	476.86					
Retention of title	-	-	1 00	500.00	1.20	294.00	-	-	2.20	794.00	360.91					
Administration:									**68.68**	**16,650.55**	**242.44**	**145.00**	**37,375.00**	**257.76**	**76.32**	**20,724.45**
Treasury, billing & funding	-	-	0.10	50.00	19.05	3,604.25	4.40	787.00	23.55	4,441.25	188.59					
Tax	-	-	2.60	1,053 50	-	-	2.70	513.00	5.30	1,566.50	295.57					
Pensions	-	-	0.90	436.50	-	-	-	-	0.90	436.50	485.00					
General	0.23	140.30	3.10	1,184.00	33.60	8,740.75	2.00	141.25	38.93	10,206.30	262.17					
Total	**34.98**	**21,037.80**	**31.15**	**13,916.75**	**95.55**	**23,985.75**	**9.10**	**1,441.25**	**170.78**	**60,381.55**	**353.56**	**382.00**	**104,715.00**	**274.12**	**211.22**	**44,333.45**

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Adverse variances are presented in brackets
- Total time costs paid to date. £nil

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

Grade	From 15 March 2019 to current	
	Insolvency	**Pensions & Tax**
	£/hr	**£/hr**
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 – 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates have applied since 15 March 2019. We reserve the right to amend our charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the joint administrators, description of which is provided in the 'Work done' section above.

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' Bond	30	30	0
Expenses			
Legal Fees – Geldards LLP	3,824	3,824	3,824
Statutory Advertising	74	74	74
Rents Payable	4,000	4,000	4,000
Bank Charges	57	57	57
Total expenses and disbursements	**7,985**	**7,985**	**7,955**

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate, they can be drawn without prior approval and consist of the following categories

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix A.

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. We are yet to seek approval to recover category 2 disbursements but will be seeking the necessary approval from the secured creditor shortly.

Mileage is charged at 45p a mile VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship.

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	• Tax work/advice (narrative is included within the above narrative of work done) • Pensions work/advice (narrative is included within the above narrative of work done) • Digital Forensic Group – cyber consultants (narrative is included within the above narrative of work done)	• Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors and members

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

https://www.grantthornton.co.uk/portal

Alternatively, we will supply this information by post, free of charge, on request.

C Statutory information

Company Information	
Company name & number Date of incorporation	Dawnus Construction Holdings Limited (04230579) - 7 June 2001 Court Reference: 000245 of 2019
	Ashridge Construction Limited (01579831)13 September 1981 Court Reference: 000004 of 2019
	Churchfield Homes Limited (05006331)6 January 2004 Court Reference: 000008 of 2019
	Dawnus Limited (04378989) - 21 February 2002 Court Reference: 000003 of 2019
	Dawnus Developments Limited (05265566) - 20 October 2004 Court Reference: 000007 of 2019
	Dawnus Group Limited (08670888) - 2 September 2013 Court Reference: 000006 of 2019
	Dawnus Southern Limited (07597648 - 8 April 2011 Court Reference: 000005 of 2019
	Legsun Limited (01104592) - 29 March 1973 Court Reference: 000010 of 2019
	Quantum Geotechnical Limited (07782715) - 22 September 2011 Court Reference: 000009 of 2019
Former trading address	Unit 1-7, Dyffryn Court, Moorhen Close, Riverside Business Park, Swansea Vale, Swansea, SA7 0AP
Present registered office	Grant Thornton UK LLP, 4 Hardman Square, Spinningfields, Manchester, M3 3EB

Administration Information	
Administration appointments	The administration appointments granted in the High Court of Justice, Business and Property Court, England & Wales
Appointor	a qualifying floating charge holder for DCHL directors for all other entities
Date of appointments	15 March 2019
Joint Administrators' names	Alistair Wardell Matthew E Richards Philip Stephenson
Joint Administrators' address(es)	3 Callaghan Square, Cardiff, CF10 5BT 30 Finsbury Square, London, EC2P 2YU 30 Finsbury Square, London, EC2P 2YU
Purpose of the administrations	Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up
Estimated values of the Net Property and Prescribed Part	The company's Net Property is estimated to be c£350,000 for DCHL, c£150,000 for DSL and c£90,000 for Quantum. The Prescribed Part is capped at the statutory maximum of £600,000
Prescribed Part distribution	The joint administrators do not intend to apply to Court to obtain an order that the Prescribed Part shall not apply
Functions	In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them
Current administration expiry date	14 March 2020

D Notice about this report

This report has been prepared by Alistair Wardell, the joint administrator of Dawnus Construction Holdings Limited – in administration, solely to comply with the joint administrators' statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the joint administrators do not assume any liability in respect of this report to any such person.

Please note that we are all authorised by the Insolvency Practitioners Association to act as insolvency practitioners.

The joint administrators are bound by the Insolvency Code of Ethics.

The joint administrators act as agents for the Company and contract without personal liability. The appointment of the joint administrators is personal to them and to the fullest extent permitted by law, Grant Thornton UK LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

Please note you should read this progress report in conjunction with the joint administrators' previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

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AM10
Notice of administrator's progress report

6 Period of progress report

From date	d 1 d 5 m 0 m 3 y 2 y 0 y 1 y 9
To date	d 1 d 4 m 0 m 9 y 2 y 0 y 1 y 9

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X [signature] X
Signature date	d 1 d 0 m 1 m 0 y 2 y 0 y 1 y 7