

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 03580465

Company name in full Torotrak PLC

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Scott Christian

Surname Bevan

3 Liquidator's address

Building name/number Park View House

Street 58 The Ropewalk

Post town Nottingham

County/Region

Postcode NG1 5DW

Country

4 Liquidator's name ①

Full forename(s) Simon David

Surname Chandler

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number Park View House

Street 58 The Ropewalk

Post town Nottingham

County/Region

Postcode NG1 5DW

Country

② Other liquidator

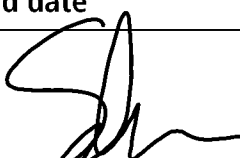
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	1	^d	7	^m	0	^m	4	^y	2	^y	0	^y	2	^y	1
To date	^d	1	^d	6	^m	0	^m	4	^y	2	^y	0	^y	2	^y	2

7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												

8	Sign and date															
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> ^{Signature} X </div> <div style="flex-grow: 1;">  </div> <div style="margin-left: 10px;"> X </div> </div>															
Signature date	^d	0	^d	8	^m	0	^m	6	^y	2	^y	0	^y	2	^y	2

**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 Edward Hamblin

Company name Mazars LLP

Address Park View House

58 The Ropewalk

Post town Nottingham

County/Region

Postcode N G 1 5 D W

Country

DX

Telephone +44 (0)115 964 4744

**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

Torotrak PLC - In Liquidation

Liquidators' progress report covering the period from 17 April 2021 to 16 April 2022

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Torotrak PLC - In Liquidation ("the Company")

Progress Report to Creditors & Members

1. Introduction

- 1.1. This report is prepared pursuant to Rules 18.3 and 18.7 of the Insolvency (England and Wales) Rules 2016, the purpose of which is to provide creditors with details of the progress of the Liquidation during the 12 months to 16 April 2022.
- 1.2. Clare Boardman & Daniel Smith of Deloitte LLP were appointed Joint Administrators of the Company on 8 December 2017.
- 1.3. I was subsequently appointed Joint Liquidator of the Company together with Mr S D Chandler by a Court Order on 17 April 2018. We are both authorised to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association.
- 1.4. Identification details relating to the Company and the Liquidators are attached at Appendix A.

2. Liquidators' Receipts and Payments

- 2.1. A summary of receipts and payments covering the period from 17 April 2021 to 16 April 2022 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 16 April 2022. A comparison of the figures provided in the directors' estimated statement of affairs to actual realisations made to date is included to assist creditors in assessing progress to date.
- 2.2. The receipts and payments account confirms that there is currently a balance in hand of £395,002.
- 2.3. An explanation of the assets realised and the expenses paid is provided within this report.

3. Asset Realisations and Details of Progress

Connected Party Transactions:

- 3.1. In accordance with Statement of Insolvency Practice 13, I would advise you that there have been no transactions with connected parties.

Unconnected Party Transactions:

- 3.2. Asset realisations made during the period covered by this report are detailed in this section.

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3.3. Torotrak (Development) Limited - In Liquidation ("TDL")

- 3.3.1. As previously reported, there was an inter-company loan due from TDL. According to the directors' estimated statement of affairs the amount owing is £16,224,494.
- 3.3.2. TDL is now in Liquidation. The liquidators confirmed that the Company's fixed charge is valid and advised that a dividend would be paid to the Company once tax clearance was received from H M Revenue & Customs.
- 3.3.3. I am pleased to report that the sum of ££626,358 has now been received.
- 3.3.4. No further funds will be received from this source.

3.4. Bank Interest Gross

- 3.4.1. Funds held in the liquidation account have been held in an interest-bearing account with Barclays Bank Plc. Funds have been periodically placed in a higher interest treasury account. Total interest earned in the period is £33.

4. Assets still to be realised

- 4.1. There are no further assets to be realised.

5. Estimated Outcome Statement

- 5.1. An estimate of the outcome of the Liquidation is attached at Appendix C.
- 5.2. Preferential Creditors have been paid 100p in the £.
- 5.3. Unsecured creditors have been paid 100p in the £ plus statutory interest @ 8%.
- 5.4. It is expected that shareholders will receive a small distribution.
- 5.5. Further details on the expected outcome for each class of creditor is provided below.

6. Liabilities

6.1. Secured Creditors

- 6.1.1. There are no secured creditors in this case.

6.2. Preferential Creditors

- 6.2.1. Preferential claims were agreed at £15,576 and a dividend of 100p in the £ was declared on 15 April 2019.

6.3. Unsecured Creditors

- 6.3.1. According to the directors' statement of affairs, the Company had 26 unsecured creditors with debts totalling £2,975,233.

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- 6.3.2. The claim from the major creditors was agreed at £1,748,512 (proof of debt claim), on which they could claim interest. However, they received a distribution from the Administration of Flybrid Automotive Limited which reduced the amount owed to them to £1,189,365 (dividend claim).
- 6.3.3. Proof of Debt claims received totalled £2,118,728 and Dividend claims totalled £1,559,577 from 20 creditors.
- 6.3.4. A dividend of 100p in the £ has been paid on Dividend claims at £1,559,577 and total statutory interest @ 8% of £630,514 has been paid on Proof of Debt claims.
- 6.3.5. No further payment will be made to unsecured creditors.

6.4. Shareholders

- 6.4.1. As previously reported, the shares were removed from CREST (the electronic settlement system) by the Company's share registrar, LINK Asset Services and they advised that there are 8,759 shareholders with estimated claims of £5,489,093. They were approached to request their assistance with making a distribution to the shareholders but they declined to assist.
- 6.4.2. It appears that a number of the shares were acquired some years ago and that approximately 96% are held by individuals. Due to the sheer number of shareholders and the passage of time there are likely to be many untraceable shareholders and a substantial amount of work in tracing them.
- 6.4.3. I instructed solicitors, Eversheds Sutherland (International) LLP ("Eversheds"), to provide their advice on the course of action that should be taken to enable a distribution to be made. It is envisaged that the distribution to shareholders will not be straight forward and they have advised that I should instruct counsel for their advice with a view to submitting an application to Court for directions on the payment.
- 6.4.4. During my negotiations with the major creditors in respect of the Revised Fees Estimate I agreed to review the shareholder schedule to see if there was any possibility of reducing the amount of shareholders as the costs of dealing with the small shareholdings will be significant. The costs to deal with those distributions would be paid from the surplus and as such the larger shareholders will suffer a significant reduction in funds available for the distribution. Following a review of the quantum of shareholders we identified that 100 shareholders make up the majority of the total shareholding.
- 6.4.5. On that basis, I spoke to counsel to discuss alternative ways to reduce the onerous obligations in dealing with nominal shareholdings. The outcome is that I propose to make an application to Court for an order to enable only the top 100 shareholders to benefit from the distribution.
- 6.4.6. During the period, Eversheds have been instructed to undertake a full review of the articles of the Company and draft the appropriate Court application and supporting witness statements. Counsel has been instructed to assist with the application and the hearing thereof. We expect this to be finalised after the current reporting period.
- 6.4.7. If the Court agrees it is anticipated that there will be a return to shareholders of approximately 5.06p in the £. This is subject to change based on the costs of the application.

- 6.4.8. If the Court does not agree then this will be reviewed and the costs of the liquidation will increase. This is covered by the caveats at section 9 of this report.

7. Prescribed Part

- 7.1. In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter, subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors' claims.
- 7.2. As there is no floating charge, the Prescribed Part does not apply in this instance.

8. Investigations

- 8.1. In accordance with the Company Directors Disqualification Act 1986, the former Joint Administrators were required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Administration. They submitted their confidential report to the Insolvency Service.
- 8.2. The Liquidators are obliged to provide any new information that comes to light since their appointment to the Insolvency Service.
- 8.3. An initial investigation into the Company's affairs has been undertaken by the Liquidators in accordance with Statement of Insolvency Practice 2. The purpose of these investigations is to establish whether there are any potential asset recoveries or conduct which requires further investigation. Following this initial review, no further assets or actions were identified which would lead to a recovery for creditors.
- 8.4. Should creditors have any information which they consider may assist the Liquidators in carrying out their investigations or be aware of any matters which they believe should be brought to the attention of the Liquidators, please provide details in writing to this office. This request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

9. Liquidators' Remuneration

- 9.1. On 19 July 2019, a decision was made by the creditors following a decision procedure by a decision by correspondence, enabling the Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising during the Liquidation, subject to the Fees Estimate of £105,113, issued to creditors on 6 June 2019.
- 9.2. On 16 July 2021, the Revised Fees Estimate of £450,272 issued to creditors on 10 June 2021, was rejected by creditors via a decision by correspondence.

- 9.3. On 17 January 2022, a decision was made by the creditors following a decision by correspondence, enabling the Liquidators to draw remuneration by reference to the time properly spent by the Liquidators and their staff in dealing with the matters arising during the Liquidation, subject to the Second Revised Fees Estimate of £323,587 capped at £260,000, issued to creditors on 20 December 2021.
- 9.4. The Second Revised Fees Estimate of £323,587 capped at £260,000 has been agreed but is subject to the following caveats:
- a. That the Liquidators only require one Court application and one Court hearing to successfully obtain a Court Order to set out the proposed shareholder distribution. It is proposed that the distribution of any surplus funds in the liquidation will be limited to the top 100 shareholders by reference to the total number of shares held.
 - b. There would be no appeal or legal challenge to that process by the other shareholders.
 - c. Whilst it is anticipated a number of shareholders may make contact with the Liquidators as regards such an Order outlined in a) and expect some dissatisfaction the above cap will remain provided that the time costs of such complaints do not exceed £10,000.
 - d. That the case is open for a further 18 months which required the issue and agreement of the Revised Fees Estimate, the issue of this annual report and the issue of the final report.
- 9.5. Attached at Appendix E1 is a time cost summary from 17 April 2021 to 16 April 2022, which totals £94,769, representing 364 hours at an average hourly rate of £260. It also includes details of the Liquidators' cumulative time costs since appointment to 16 April 2022, which total £264,634, representing 1,109 hours at an average hourly rate of £239 together with a comparison to the Liquidators' Revised Fees Estimate.
- 9.6. Attached at Appendix E2 is a narrative summary of the Liquidators' time costs, which provides further information on the work carried out during the current reporting period, why the work was necessary and whether the work has provided a financial benefit to creditors.
- 9.7. As at 16 April 2022, an amount of £173,113 has been drawn against the Liquidators' time costs in respect of the Liquidation.
- 9.8. Based on the current level of time costs and expected future work for the completion of the Liquidation, it is not expected that the Liquidators' total time costs will exceed the Second Revised Fees Estimate of £323,587. However, it should be noted that this is subject to the caveats at 9.4 of this report.
- 9.9. Details of the future work anticipated to be carried out by the Joint Liquidators includes:
- Liaising with solicitors, instructing counsel and applying to Court, for direction in respect of the distribution to shareholders.
 - Reporting and statutory and compliance functions.
 - Tax and VAT compliance, including preparing tax computations and VAT claims in respect of the ongoing liquidation period and seeking final tax clearance prior to closure.

- 9.10 As indicated in the EOS attached at Appendix C, it is estimated that this future work will cost approximately £86,887, plus VAT.
- 9.11 Routine administration of the liquidation has been dealt with by junior staff wherever possible in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the Joint Liquidators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the Joint Liquidators.
- 9.12 Charge out rates are reviewed annually on 1 September and, in common with other professional firms, may increase over the period of the administration of the case. The rates are appropriate to the skills and experience of the team member and the work that they perform. All staff that work on the case, including cashiers, support and any secretarial staff charge their time directly to the assignment. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.
- 9.13 The charge out rates of the team members employed on the assignment during the period covered by this report and details of changes from previous periods are provided below. Specialist departments within our Firm (such as Tax and VAT) have charged time to this case when their expert advice is required. The rate ranges provided incorporate these different rates.

Range (£)	Partner	Director	Associate Director/ Manager	Administrator	Cashier	Support Staff
Current charge out rate per hour, effective from 1 September 2021	480-640	420-520	260-460	160-260	100-260	100-160
Previous charge out rate per hour, effective from 17 April 2021	455-605	405-495	250-440	110-255	110-250	110-155

10 Liquidators' Expenses

- 10.11 Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.
- 10.12 Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).
- **Category 1 expenses:** These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. Category 1 expenses can be paid without prior approval.

- **Category 2 expenses:** These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement.

- 10.13 Details of all expenses incurred during the period of the report and likely future expenses are provided in the Expenses Statement attached at Appendix D, together with an explanation as to why the expenses have been or will be incurred. This also includes details of the Liquidators' previous Expenses Estimate, for comparison purposes.
- 10.14 Further details of expenses paid during the period of the report are shown in the receipts and payments account at Appendix B.
- 10.15 I have reviewed the expenses incurred to date and I am satisfied that they are fair and reasonable and proportionate in the circumstances of the case.
- 10.16 **Category 2 Expenses**
- 10.17 As noted above, Category 2 Expenses require approval in the same manner as an office holder's remuneration before being paid.
- 10.18 There have been no Category 2 expenses incurred or paid during the current reporting period.

11 Matters outstanding

- 11.1 The matters outstanding in the liquidation are adjudicating and distributing a dividend to shareholders, statutory reporting to creditors and members, finalising taxation matters and closure of the liquidation. Further information is shown at section 9.

12 Creditors' Rights

12.1 Further information

- 12.2 I would advise you that, pursuant to Rule 18.9 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 5% in value of the unsecured creditors or an unsecured creditor with permission of the Court, may, within 21 days of receipt of this progress report, ask the Liquidators for further information about the remuneration and expenses set out in this progress report.

12.3 Apply to Court

- 12.4 Additionally, pursuant to Rule 18.34 of the Insolvency (England and Wales) Rules 2016, a secured creditor or an unsecured creditor with concurrence of at least 10% in value of the unsecured creditors or an unsecured creditor with the permission of the Court may, within 8 weeks of the receipt of this progress report, apply to the Court on one or more of the following grounds:

- That the remuneration charged by the Liquidators, or
- That the basis fixed for the Liquidators' remuneration, or
- That the expenses incurred by the Liquidators,

is, in all of the circumstances, excessive or inappropriate.

12.5 Further guidance

- 12.6 In accordance with Statement of Insolvency Practice 9, creditors can find additional information on their rights relating to Liquidators' fees in a copy of the publication "A creditors guide to Liquidators' fees" which is available to download from the website: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/> or, alternatively, will be provided free of charge upon written request to this office.
- 12.7 For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit <http://www.creditorinsolvencyguide.co.uk>.

Dated 8 June 2022



S C Bevan

Joint Liquidator

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics. Where personal data is required to be processed, this will be dealt with in accordance with the Mazars LLP Insolvency Services Privacy Statement which can be accessed at: www.mazars.co.uk/Legal-and-privacy.

Torotrak PLC - In Liquidation

Identification Details

Details relating to the Company

Company name	Torotrak PLC
Company number	03580465
Registered office	Park View House, 58 The Ropewalk, Nottingham, NG1 5DW
Trading address	1 Aston Way, Leyland, Preston, Lancs, PR26 7UX

Details relating to the Liquidators

Date of appointment	17 April 2018
Liquidators	S C Bevan and S D Chandler IP No(s) 009614 and 008822
Liquidators' address	Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW
Liquidators' contact telephone number	+44 (0)115 964 4744

Torotrak PLC
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 17/04/2021 To 16/04/2022 £	From 17/04/2018 To 16/04/2022 £
	ASSET REALISATIONS		
2,158,225.00	Funds from the Administration	NIL	2,158,332.38
12,701.00	VAT Receivable from the Administration	NIL	12,750.40
NIL	Flybrid Automotive Ltd - Administration	NIL	5,292.38
NIL	Torotrak (Holdings) Limited	NIL	NIL
NIL	Investment in Rotrex A/S	NIL	NIL
NIL	Investment in Rotrak Limited	NIL	NIL
NIL	Loan to Rotrex A/S	NIL	NIL
NIL	HMRC VAT	NIL	NIL
324,500.00	Torotrak (Development) Ltd - Liquidation	626,358.12	626,358.12
NIL	Rouse & Co	NIL	36,462.99
NIL	Cash at Bank	NIL	4.08
NIL	Sundry Refund	NIL	900.00
NIL	Bank Interest Gross	32.92	21,070.48
		626,391.04	2,861,170.83
	COST OF REALISATIONS		
	Liquidators' Fees	68,000.00	173,113.00
	Liquidators' Disbursements	23.52	1,095.67
	Legal Fees	2,238.50	70,455.00
	Legal Disbursements	NIL	10,155.00
	Corporation Tax	NIL	2,192.98
	Stationery & Postage	NIL	3,181.33
	Statutory Advertising	198.90	283.50
	Bank Charges	NIL	25.00
		(70,460.92)	(260,501.48)
	PREFERENTIAL CREDITORS		
(3,200.00)	Employees & RPS	NIL	15,576.23
		NIL	(15,576.23)
	UNSECURED CREDITORS		
(1,036,716.00)	Trade & Expense Creditors	224,993.67	224,993.67
(157,028.00)	Employees & RPS	168,178.80	168,178.80
(1,748,516.00)	Loans	1,708,318.23	1,708,318.23
(32,973.00)	HMRC	88,600.11	88,600.11
		(2,190,090.81)	(2,190,090.81)
	DISTRIBUTIONS		
(54,206,553.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(54,689,560.00)		(1,634,160.69)	395,002.31
	REPRESENTED BY		
	Floating Charge Current BARCLAYS		381,357.83
	Vat Control Account float		13,644.48
			395,002.31

Torotrak Plc - In Liquidation
ESTIMATED OUTCOME STATEMENT

	Costs/receipts incurred to date £	Estimated Future Receipts & (Payments) £	Total £
ASSETS			
Funds From Administration	2,158,332	-	2,158,332
VAT from Administration	12,750	-	12,750
Torotrak (Development) Ltd - In Liquidation	626,358	-	626,358
Flybrid Automotive Limited - In Administration	5,292	-	5,292
Bank Interest	21,070	-	21,070
Rouse & Co	36,463	-	36,463
Sundry Refund	900	-	900
Cash at Bank	4	-	4
	<u>2,861,171</u>	<u>-</u>	<u>2,861,171</u>
COSTS OF REALISATIONS			
Joint Liquidators' Fees	(173,113)	(86,887)	(260,000)
Joint Liquidators' Disbursements	(1,096)	(4,425)	(5,521)
Legal Fees	(70,455)	(28,112)	(98,567)
Legal Disbursements	(10,155)	(15,000)	(25,155)
Corporation Tax	(2,193)	(1,804)	(3,997)
Stationery & Postage	(3,181)	-	(3,181)
Statutory Advertising	(284)	-	(284)
Bank Charges	(25)	-	(25)
	<u>(260,501)</u>	<u>(136,228)</u>	<u>(396,729)</u>
AVAILABLE FOR CREDITORS	<u>2,600,669</u>	<u>(136,228)</u>	<u>2,464,441</u>
PREFERENTIAL CLAIMS	(15,576)	-	(15,576)
AVAILABLE FOR UNSECURED CREDITORS	<u>2,585,093</u>	<u>(136,228)</u>	<u>2,448,865</u>
UNSECURED CREDITORS			
Trade & Expense Creditors Agreed	(167,691)	-	(167,691)
Employees & Redundancy Payments Service	(134,199)	-	(134,199)
Loans	(1,189,365)	-	(1,189,365)
HMRC VAT Group debt (claimed jointly and severally)	(68,222)	-	(68,222)
HMRC Corporation Tax	(100)	-	(100)
TOTAL OF DIVIDEND CLAIMS PAID	<u>(1,559,577)</u>	<u>-</u>	<u>(1,559,577)</u>
Statutory Interest @ 8% per annum	(630,514)	-	(630,514)
NB: Date of Administration was 08/12/17			
FUNDS AVAILABLE FOR SHAREHOLDERS	395,002	(136,228)	258,774
Shareholders with more than 2.500 shares			(5,118,084)
ESTIMATED DISTRIBUTION TO SHAREHOLDERS			5.06 p in the £

EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Revised Expense Estimate (£)	Incurred in previous period (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 1 Expenses							
Professional advisors' costs							
Legal fees and disbursements	<p>Solicitors, Howes Percival LLP, were instructed to provide advice on:</p> <ul style="list-style-type: none"> •The surrender of the lease at Leyland which resulted in a cost saving of £87k to the Company. •The value of the security of the claim against TDL. •The claim against Rotrex A/S in respect of the investment and loan. •The claim received for £525k from the former director, Jeremy Deering, which has now successfully been rejected. <p>Their costs have been agreed on a time-cost basis. Costs total £34,189 which include fees of £26,534, counsel costs of £7,500 and disbursements of £155. We do not expect any future costs.</p> <p>In addition to these amounts they requested various documentation and a report from Eversheds in respect of the claim received from Jeremy Deering. The fee for this was agreed at £2,335 and this amount was paid direct from liquidation bank account.</p>	29,467	34,189	34,189	-	-	34,189
Legal fees and disbursements	<p>Browne Jacobson LLP were instructed to provide advice in respect of the interest element of the claim received from the major creditors. Their costs were agreed on a time-cost basis. Costs total £18,295.50 which includes fees of £12,445.50 and counsel costs of £2,500. We do not expect any future costs.</p>		18,296	18,296	-	-	18,296
Legal fees and disbursements	<p>Eversheds Sutherland (International) LLP were instructed to provide their advice on the adjudication of the shareholder position. Specifically, the implications and logistics of agreeing shareholders claims and distributing a dividend to shareholders.</p> <p>Their costs have been agreed on a time-cost basis. They provided an estimate of their future fees which they expected not to exceed £25,000 plus counsel's fees of £15,000. They have advised that they still expect these costs to be sufficient but on the basis that the application can be dealt with on paper and there will be no requirement for a hearing. This could be subject to change based on counsel's advice and any attendance at Court.</p>		68,903	28,903	16,649	23,352	68,903
Other expenses							
Corporation tax	Corporation tax is payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	1,496	3,997	3,997	-	-	3,997
Statutory Advertising	Costs are paid to Courts Advertising for statutory advertising requirements including the London Gazette advertisements for the notice of the appointment, the advert to submit claims and the notice of intended dividend.	170	284	85	199	-	284
Specific bond	It is a legal requirement that I take out a specific bond in respect of the value of assets received. On the basis that assets recovered were likely to total £2,495,426 the bond was paid at £990.	990	990	990	-	-	990
Bank Charges	These were charges debited by Metro Bank for use of the account. This account has now been closed and all funds moved to Barclays Bank Plc accounts.	25	25	25	-	-	25
Joint Liquidators' disbursements	<p>Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds.</p> <p>A breakdown of expenses incurred in this manner include:</p> <ul style="list-style-type: none"> • Postage - costs paid to third party providers for postage charges including circulars to creditors. The first circular was posted by Central Mailing Services and the other reports were posted by Postworks Limited. 	-		3,181	24	4,425	7,630
		6,364	7,606	3,181	24	4,425	
Total Category 1 Expenses		38,512	136,624	95,181	16,894	32,202	136,648

EXPENSES STATEMENT

Type of Expenditure	Requirement for Expenditure	Original Expense Estimate (£)	Revised Expense Estimate (£)	Incurred in previous period (£)	Incurred in current period (£)	Likely future expenses (£)	Revised Expenses estimate (£)
Category 2 Expenses							
These expenses require approval in the same manner as the office holder's remuneration.							
Mileage	This expense represents the costs of the office holder's staff in travelling to meetings and paying for parking costs. These were incurred as a disbursement by tis firm and have been re-charged to the estate.	82	82	82	-	-	82
Total Category 2 Expenses		82	82	82	-	-	82
Mazars LLP Remuneration							
Joint Liquidators' remuneration	To project manage the orderly winding up of the Company's affairs, and to perform those tasks required as dictated by statute, best practice and ethical requirements. It should be noted that these fees have been capped at £260,000 subject to the caveats in the report.	105,113	323,587	169,865	94,769	58,954	260,000
Total Mazars LLP Remuneration		105,113	323,587	169,865	94,769	58,954	260,000
Total		143,707	460,293	265,128	111,663	91,155	396,730

Notes

Professional advisors

The office holder's choice of the professional advisors listed above was based on their perception of the advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them.

The office holders have reviewed the costs incurred to date and are satisfied that they are reasonable in the circumstances of the case.

2. Category 2 Expenses

The office holders have reviewed the expenses which have been or are likely to be incurred in this matter and do not consider that there are any instances where payments could reasonably be perceived as presenting a threat to the office holders' objectivity or independence by virtue of a professional or personal relationship, including to an associate, and which require approval as a Category 2 Expense, other than those listed above.

ANALYSIS OF TIME COSTS AND COMPARISON TO FEES ESTIMATE

The following table provides details of the Joint Liquidators' actual time costs incurred in the current reporting period. It also includes the cumulative period from 17 April 2021 to 16 April 2022, which provides details of the Liquidators' total time costs since appointment, compared to the estimated costs as per the Revised Fees Estimate agreed on 17 January 2022 (subject to the caveats).

Further information on the work undertaken in the current reporting period, including an explanation as to why the various tasks were required and whether the work provides a financial benefit to creditors is provided within the narrative summary of work undertaken at Appendix E2.

Creditors will note that a blended hourly charge-out rate has been provided. This is calculated as the prospective average cost per hour based upon the estimated time to be expended by each grade of staff at their specific charge out rate. Details of the hourly rates of staff anticipated to work on this case can be found on the Rates and Disbursements policy attached to this report. Please note that where total costs do not equate to the total time at the blended hourly rate, this is due to rounding.

Description of Work	Second Revised Fees Estimate approved on 17 January 2022 (subject to caveats)			Actual time costs for the period 17 April 2021 to 16 April 2022			Cumulative time costs for the period 17 April 2018 to 16 April 2022		
	Total Time (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)	Time incurred (hours)	Total Costs (£)	Blended Hourly Rate (£)
Admin & Planning	127.40	32,726.00	256.88	36.70	11,441.00	311.74	149.50	39,846.50	266.53
Taxation	85.60	19,878.00	232.22	21.20	5,626.00	265.38	72.00	17,078.50	237.20
Investigations	30.80	7,877.00	255.75	-	-	-	30.80	7,877.00	255.75
Realisation of Assets	42.90	10,049.00	234.24	4.40	1,264.00	287.27	31.70	7,770.00	245.11
Employees	19.60	5,286.00	269.69	0.20	72.00	360.00	19.80	5,358.00	270.61
Creditors	356.50	77,685.00	217.91	134.90	33,346.50	247.19	443.90	99,163.50	223.39
Reporting	228.60	56,042.50	245.16	61.40	17,190.50	279.98	138.30	34,643.00	250.49
Distributions	368.60	74,076.50	200.97	65.70	17,469.00	265.89	74.90	19,308.00	257.78
Cashiering	98.60	19,668.50	199.48	26.10	4,796.00	183.75	83.30	16,136.50	193.72
Statutory compliance	75.00	20,298.50	270.65	13.80	3,564.00	258.26	64.40	17,452.50	271.00
Totals	1,433.60	323,587.00	225.72	364.40	94,769.00	260.07	1,108.60	264,633.50	238.71

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Introduction

The summary provides a proportionate overview of the work carried out in light of the specific circumstances of the case and includes details of the work that has been done during the period, why it was done and whether the work provides a financial benefit to creditors.

This summary should be read together with the Time Costs Analysis at Appendix E2. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.

Work carried out in the current period**Administration and planning**

The following work has been undertaken:

- Ongoing strategy meetings in respect of the revised fees estimate and the costs of making a distribution to shareholders.
- Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system.

The majority of this work derived no financial benefit for creditors. However, appropriate case administration and planning ensures that the case is managed coherently and efficiently, with minimisation of costs and avoidance of duplication of work. A clear case strategy and strong internal processes aid to add value through the efficient management of the case. This work is also required in order to appropriately document and record how the case has been administered in accordance with regulatory requirements.

Taxation

The following activities were undertaken in order to ensure the Company is compliant with tax requirements:

- Completing and submitting the corporation tax return for the current year to HMRC.
- Completing and submitting claims for VAT repayments.
- Liaising with HMRC on the pre-appointment tax position.

The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.

Realisation of Assets

The work undertaken in the period to realise the Company's assets included dealing with the Liquidators of Torotrak (Development) Limited in respect of the dividend due from them.

The work undertaken has added value for the benefit of creditors by enabling the realisation of funds in the estate. The costs associated with the recovery are considered appropriate in the circumstances.

Employees

The work completed in the period involved providing an update to one of the former employees.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, it is expected that a dividend will be paid to preferential creditors and unsecured creditors and in this regard, the work involved in assessing and adjudicating employee claims does have a financial benefit to employees.

NARRATIVE SUMMARY OF WORK UNDERTAKEN

Creditors

There were 23 unsecured creditor claims. In order to ensure that creditors were dealt with appropriately, the following work has been undertaken in the period:

- Receiving and logging proof of debts forms.
- Reviewing claims and comparing them to the Company's books and records.
- Liaising with creditors regarding their claims.
- Writing to all creditors to ascertain bank details to facilitate payments.
- Liaising with solicitors with regards to the claim received from the major creditors, instructing counsel for their advice and approval of the claim.

There are 8,759 shareholders and the work completed in the period has included:

- Responding to shareholder queries.
- Liaising with solicitors in respect of the approval of their claims and the mechanism for paying the proposed dividend.

The majority of work in this category is required for statutory purposes so it does not provide a direct financial benefit to creditors. However, it was necessary to ensure that all claims were dealt with correctly to ensure that the right dividend amount was paid to them.

Distributions

Two separate dividends have been paid to unsecured creditors in the period totalling 100p in the £ together with statutory interest at 8%.

Work undertaken in respect of distributions included:

- Preparing the calculation of payments to each creditor for the first and second dividend.
- Preparing dividend declaration documents.
- Declaring and paying the first and second dividend to unsecured creditors together with the statutory interest.

The work involved in agreeing and paying creditor claims provides a financial benefit though ensuring that the level of claims admitted for dividend purposes is correct and in distributing funds to creditors.

Reporting

Reporting requirements during the period as prescribed by statute have included the following:

- Preparation and provision of the revised fee estimate and annual progress report to members and creditors.
- Preparation and provision of the second revised fee estimate report to members and creditors.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the case has been administered in line with regulatory requirements.

Cashiering

Cashiering work undertaken in the period included:

- Bank account maintenance, including periodic reconciliations.
- Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

Issuing payments and banking receipts, and preparing the appropriate paperwork for such transactions.

The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure that the estate bank account is operated in accordance with guidance issued by my regulatory body.

NARRATIVE SUMMARY OF WORK UNDERTAKEN**Statutory and Compliance**

The work undertaken as required by statute and our internal procedures involved:

- Case monitoring and statutory compliance, including internal case reviews at six-monthly intervals.
- Advertising for claims and the Notice of Intended Dividend in the London Gazette.
- Collating voting forms on both revised fees estimate and completing the necessary Decision Records.

The majority of this work derived no financial benefit for creditors. However, this work is required in order to ensure that the case has been administered in accordance with regulatory requirements.