

# Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

04100310

Name of Company

Quadrant (Bromley) Limited

I/ We

Gary Paul Shankland, 31<sup>st</sup> Floor, 40 Bank Street, London, E14 5NR

Jamie Taylor, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

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

The Progress Report covers the period from 21/08/2015 to 20/08/2016

Signed

Date

23/8/16

Begbies Traynor (Central) LLP  
31st Floor  
40 Bank Street  
London  
E14 5NR

Ref QU054CVL/GPS/JT/IMC/JDC/LMMc

COMPANIES HOUSE



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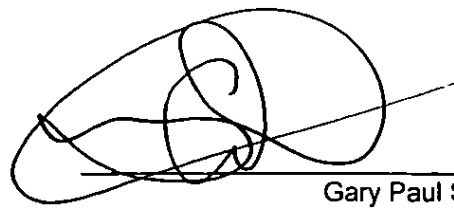
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**Quadrant (Bromley) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

<b>Statement of Affairs</b>		<b>From 21/08/2015 To 20/08/2016</b>
305,000 00	SECURED ASSETS Freehold Property - Quadrant House	340,150 92 <hr/> 340,150 92
	COSTS OF REALISATION Legal Fees	1,562 00
	Agents/Valuers Fees	850 00
	Irrecoverable VAT	477 00
		<hr/> (2,889 00)
(305,000 00)	SECURED CREDITORS Barclays Bank Plc	306,657 88 <hr/> (306,657 88)
28,000 00	OTHER SECURED & HIRE PURCHASE ASSETS Investment Property	NIL
(15,732 00)	CHL Mortgages	NIL
	Motor Vehicles	8,800 00
	Finance Company	(7,816 22)
		<hr/> 983 78
	ASSET REALISATIONS Motor Vehicles	2,512 87
600 00	Cash at Bank	216 00
	Bank Interest Gross	2 13
		<hr/> 2,731 00
	COST OF REALISATIONS Liquidators' Fees	29,000 00
	Liquidators' Expenses	40 27
	Agents/Valuers Fees (1)	250 00
	Legal Fees (1)	400 00
	Statutory Advertising	169 20
		<hr/> (29,859 47)
(495,962 00)	UNSECURED CREDITORS Unsecured Creditors	NIL <hr/> NIL
(1,300 00)	DISTRIBUTIONS Ordinary Shareholders	NIL <hr/> NIL
<b>(484,394.00)</b>		<hr/> <b>4,459.35</b> <hr/>
	REPRESENTED BY	
	Vat Receivable	300 00
	Bank 2 Current - NIB 05 07 2016	4,219 35
	Vat Control Account	(60 00)
		<hr/> <b>4,459.35</b> <hr/>



Gary Paul Shankland  
Joint Liquidator



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## **Quadrant (Bromley) Limited (In Creditors' Voluntary Liquidation)**

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Progress report

Period: 21 August 2015 to 20 August 2016

### **Important Notice**

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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## 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Quadrant (Bromley) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators pursuant to Section 98 of the Act on 21 August 2015
"the liquidators", "we", "our" and "us"	Gary Paul Shankland of Begbies Traynor (Central) LLP, 31 <sup>st</sup> Floor, 40 Bank Street, London, E14 5NR and Jamie Taylor of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading name(s)	Quadrant (Bromley) Limited
Company registered number	04100310
Company registered office	31 <sup>st</sup> Floor, 40 Bank Street, London, E14 5NR
Former trading address	Quadrant House, 13-15 High Street, Orpington, BR5 3NL

### 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	21 August 2015
Date of liquidators' appointment	21 August 2015
Changes in liquidator (if any)	None

### 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 August 2015 to 20 August 2016

#### Receipts

##### *Freehold Property*

The Company owned a freehold property, known as Quadrant House, 13-15 High Street, Orpington, BR5 3NL ("Quadrant House"), to which the directors attributed an estimated realisable value of £305,000

The Company was indebted to Barclays Bank Plc ("the Bank") for approximately £305,000. The Bank holds fixed and floating charges over the Company's assets by way of a debenture dated 21 December 2012 and a legal charge over Quadrant House dated 13 August 2007.

An offer in the sum of £305,000 was received from Q Properties St Mary Cray Limited ("QP"), a company associated with the Company by common directorship and shareholding, in August 2015 and this offer was rejected.

Eddisons Commercial Limited ("Eddisons"), a firm of agents and valuers and a member of the Begbies Traynor group, were instructed to value Quadrant House in September 2015 and a market valuation of £350,000 was provided by them.

After negotiations with QP, a revised offer in the sum of £340,000 was received from them in September 2016.

Eddisons advised that the offer of £340,000 should be accepted. It was considered that the offer represented fair value and a better offer was unlikely to be received in the immediate future. Therefore, the decision was taken not to incur costs with regard to marketing the property and, with the agreement of the Bank, the offer was accepted and the sum of £340,151 was received in respect of the sale.

The additional sum of £151 was paid by QP on account of a delay to the completion date. The sale was completed on 13 November 2015.

##### *Investment Property*

The Company owned an investment property which the directors attributed a realisable value of £28,000.

The investment property was subject to a legal charge in respect of a mortgage provided by CHL Mortgages ("CHL"). CHL took possession of the investment property following the Company's entry into liquidation and we understand it was sold by them for the sum of £20,000.

Following receipt of the proceeds of the sale by CHL, there remained a shortfall to CHL in respect of the sum owed to them by the Company. Consequently, there are no funds available to the liquidation estate from the sale of the investment property.

*Motor Vehicles – subject to hire purchase*

A motor vehicle subject to a hire purchase agreement, with the consent of the finance company, was sold for the sum of £8,800. Of this, the sum of £7,816 was paid to the finance company, leaving a net realisation for the liquidation estate of £984.

*Motor Vehicles – unencumbered*

Prior to our appointment, in July 2015, the Company sold two motor vehicles to QBL Group Limited ("QBL"), a company associated with the Company by common shareholders, for the sum of £10,055.

It came to light that there was a shortfall from QBL to the Company with regard to this transaction in the sum of £2,513, taking account of payments made by QBL to the respective finance companies prior to the liquidation of the Company, and this was requested from QBL following our appointment.

The sum of £2,513 was received on 8 March 2011 from QBL.

*Cash at Bank*

The sum of £216 was received in respect of cash held in the Company's pre-liquidation bank account.

*Bank Interest gross*

The sum of £2 was received during the course of the liquidation in respect of bank interest gross.

**Payments**

*Legal Fees – relating solely to the sale of Quadrant House*

The sum of £1,562 was paid to MAB LLP in respect of legal fees and disbursements relating to the sale of Quadrant House.

*Agents'/Valuers' Fees – relating solely to the sale of Quadrant House*

The sum of £850 was paid to Eddisons in respect of the valuation of and advice in relation to the sale of Quadrant House.

*Irrecoverable VAT – relating solely to the sale of Quadrant House*

VAT totalling £477 was written off in respect of the costs incurred in relation to the sale of Quadrant House because the property was not elected for VAT.

*Liquidators' Fees & Expenses*

The sum of £29,040 has been paid in respect of our fees and expenses, as detailed in Section 6 of this report.

*Agents'/Valuers' Fees*

The sum of £250 has been paid to Eddisons in respect of assistance provided by them in dealing with the sale of the Company's motor vehicles and their advice in respect of the sale of certain of the Company's assets to QBL prior to our appointment as liquidators.



#### *Legal Fees*

The sum of £400 was paid to MAP LLP in respect of a review, undertaken by them, of the charges registered at Companies House in respect of the Company

#### *Statutory Advertising*

The sum of £169 has been paid in respect of statutory advertising

#### **Investigations**

##### *Books & Records and Transfer of the Company's Business and Undertakings*

A full review of the records obtained from the Company was undertaken with particular consideration being given to the Company's debtor ledger in order to ensure that the Company's book debts had not been transferred to any party without due consideration being paid

After some correspondence with the Company's former accountants, certain working papers were obtained in relation to the Company's last set of filed accounts including a full list of the Company's debtors as at the date of those accounts. A sample of those debts were selected at random and evidence showing payment of those debts was then located in the Company's bank statements

As a result of the above exercise, no evidence of any transfer of the Company's book debts was found

As creditors may recall from the *directors' report* presented at the meeting of creditors on 21 August 2015, the Company sold certain of its business and assets to QBL on 26 May 2015 for the sum of £40,000. We can confirm that this was received into the Company's pre-liquidation bank account on 18 May 2015. Using the records available to us, a review of the consideration paid was undertaken and it appears that it was of fair value

There were two unencumbered motor vehicles, not contained in the schedule of assets transferred above, which were sold to QBL on 8 May 2015 under a separate invoice for the combined sum of £10,000. Following a desktop valuation by Eddisons using the vehicle registration numbers, it appears that the consideration paid represented a fair value. Our investigations confirmed that payment was received by the Company on 8 May 2015

##### *Dividends to Shareholders*

The legality of dividends paid during the year ended 31 March 2014 was also investigated. Although the level of the dividends paid to the Company's shareholders during that year appeared acceptable based on the figures within the filed accounts, the value of the Company's freehold trading premises held a book value of approximately £200,000 more than we were able to realise for the property during the liquidation. However, taking account of the fact that the property had previously been marketed by the Company at £450,000 and taking account of the value of the dividends that could be questioned being less than £50,000, it was decided that it would not be commercially viable to pursue any potential claim against the relevant shareholders, taking account of the highly uncertain chance of success

##### *Obtaining Significant Credit Shortly Prior to Liquidation*

The Company took out an unsecured loan in the sum of £173,480 in May 2015, less than four months prior to its entry into liquidation. The loan was personally guaranteed by the directors of the Company

Following discussion with the provider of the loan, it was confirmed to us that standing orders had been set up by the directors in respect of the repayment of the loan. It was therefore not considered worth taking any action against any parties for the benefit of the liquidation estate

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs included within the report sent to creditors further to our appointment as liquidators

### Secured creditors

As advised earlier in this report, the Bank's claim of circa £305,000 was supported by fixed and floating charges over the Company's assets by way of a debenture and a legal charge over Quadrant House

The Bank were repaid in full in the sum of £306,658, which takes account of interest up to the date of payment to the Bank, from the proceeds of the sale of Quadrant House

As has also been advised earlier in this report, the Company was indebted to CHL, the debt being supported by a legal charge over the investment property. Although the precise claim of CHL is uncertain (it was estimated at £15,732 by the directors in their estimated statement of affairs), it is understood that there remains a shortfall to them following the repossession and sale by them of the investment property

### Preferential creditors

There are no known preferential creditors

### Unsecured creditors

Unsecured creditors were estimated at £495,962 by the directors

We have received claims in the total sum of £593,427

There have been insufficient asset realisations to enable a dividend to be paid to the unsecured creditors of the Company

### Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

Because there is no net property in this case, there is no prescribed part to set aside for the benefit of the Company's unsecured creditors

## 6. REMUNERATION & DISBURSEMENTS

### Remuneration

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up and we are authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, details of which accompanied our letter to creditors following our appointment as liquidators. A copy of our up to date charging policy can be found at Appendix 2 of this report

Our time costs for the period from 21 August 2015 to 20 August 2016 amount to £46,578.50 which represents 187.1 hours at an average rate of £248.95 per hour

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- ☐ Begbies Traynor (Central) LLP's charging policy
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value for the period 21 August 2015 to 20 August 2016

To 20 August 2016, we have drawn the total sum of £29,000 on account of our remuneration, against total time costs of £46,578.50 incurred since the date of our appointment

### Disbursements

To 20 August 2016, we have also drawn disbursements in the sum of £40

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3

## 8. ASSETS THAT REMAIN TO BE REALISED

There are no assets that remain to be realised and we are currently taking steps to close the liquidation. A draft final progress report has been issued with this progress report.

## 9. OTHER RELEVANT INFORMATION

### Investigations and reporting on directors' conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Full details of the investigations undertaken by us as liquidators are included within Section 4 of this report.

### Connected party transactions

Details of the transactions with connected parties prior to the appointment of liquidators and subsequent to the appointment of liquidators are detailed, together with the dates of sale, consideration paid, names of purchasers and details of the respective relationships with the Company, earlier in this report in Section 4.

## 10. CREDITORS' RIGHTS

### Right to request further information

Pursuant to Rule 4.49E of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been detailed in this progress report.

### Right to make an application to court

Pursuant to Rule 4.131 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## 11. CONCLUSION

Creditors will receive with this progress report our draft final progress report, from which creditors will note that the date of the final meetings of members and creditors is scheduled for 22 November 2016.



G P Shankland  
Joint Liquidator

Dated 24 August 2016

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# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 21 August 2015 to 20 August 2016

**Quadrant (Bromley) Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**  
**To 20/08/2016**

S of A £		£	£
305,000 00	SECURED ASSET Freehold Property - Quadrant House	<u>340,150 92</u>	340,150 92
	COST OF REALISATION		
	Legal Fees	1,562 00	
	Agents'/Valuers' Fees	850 00	
	Irrecoverable VAT	477 00	
	Insurance	<u>NIL</u>	(2,889 00)
(305,000 00)	SECURED CREDITOR Barclays Bank Plc	<u>306,657 88</u>	(306,657 88)
28,000 00	SECURED ASSET Investment Property	<u>NIL</u>	NIL
(15,732 00)	SECURED CREDITOR CHL Mortgages	<u>NIL</u>	NIL
	HIRE PURCHASE		
	Motor Vehicles	8,800 00	
	Finance Company	<u>(7,816 22)</u>	983 78
600 00	ASSET REALISATIONS		
	Motor Vehicles	2,512 87	
	Cash at Bank	216 00	
	Bank Interest Gross	<u>2 13</u>	2,731 00
	COSTS OF REALISATIONS		
	Liquidators' Fees	29,000 00	
	Liquidators' Expenses	40 27	
	Agents'/Valuers' Fees	250 00	
	Legal Fees	400 00	
	Statutory Advertising	<u>169 20</u>	(29,859 47)
(495,962 00)	UNSECURED CREDITORS Unsecured Creditors	<u>NIL</u>	NIL
(1,300 00)	DISTRIBUTIONS Ordinary Shareholders	<u>NIL</u>	NIL
<u>(484,394 00)</u>			<u><u>4,459 35</u></u>
	REPRESENTED BY		
	VAT Receivable		300 00
	VAT Payable		(60 00)
	Bank Account		<u>4,219 35</u>
			<u><u>4,459 35</u></u>

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy;
- b Narrative summary of time costs incurred, and
- c Table of time spent and charge-out value for the period from 21 August 2015 to 20 August 2016

## **BEGBIES TRAYNOR CHARGING POLICY**

### **INTRODUCTION**

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### **OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

### **EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES**

Best practice guidance classifies expenses into two broad categories.

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £150 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,  
*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

<sup>2</sup> Ibid 1



payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements

***Services provided by other entities within the Begbies Traynor group***

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holders' firm is a member, are also to be charged to the case (subject to approval)

Eddisons Commercial Limited have been instructed to provide a report on the value of the Company's freehold trading premises. They were also instructed to assist with retrospective valuations of the Company's chattel assets which were sold in May 2015 and provided additional advice in relation to certain vehicles which came to light during the liquidation. The total sum paid to Eddisons Commercial Limited are detailed in Section 4 of the main body of this report and can be seen in the R&P at Appendix 1

In relation to any assets which Eddisons Commercial Limited assisted in selling, their fees in this regard were fixed at 10% of realisations plus VAT plus disbursements

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance of the insurable risks relating to the case was necessary. The cost of open cover varies during the course of a case depending upon the value of the assets and liability risks. The cost of insurance for the period of the liquidation, inclusive of Insurance Premium Tax, is £503. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

(B) The following items of expenditure will normally be treated as general office overheads and are not charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and photocopying
- Stationery

## **BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2016 – until further notice</b>
Consultant/Partner	495 – 550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	285
Senior Administrator	250
Administrator	220
Trainee Administrator	160
Support	160

Prior to 1 May 2016, the following rates applied

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Partner	495
Director	395
Senior Manager	365
Manager	315
Assistant Manager	270
Senior Administrator	235
Administrator	185
Trainee Administrator	160
Support	160

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

## Quadrant (Bromley) Limited

**SUMMARY OF TIME COSTS AND EXPENSES**

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

**What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?**

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached. The details below relate to the work undertaken in the period of the report only.

*General case administration and planning*

A fairly significant amount of time has been attributed to *general case administration and planning*

This section includes time spent undertaking case reviews and maintaining our strategy plan

Although this is not of direct financial benefit to the liquidation, it allows us to ensure that the liquidation is progressed and that the Company's assets are efficiently dealt with

In addition to the above, general letters and correspondence are included within this section which may include correspondence with third parties, including the Company's accountants, which assisted with the investigations detailed in the main body of this progress report and the *investigations* section of this summary below

*Compliance with the Insolvency Act, Rules and best practice*

This section relates predominantly to the sending of appointment notices to various parties, maintenance of the liquidation bank account and drafting this progress report and the draft final progress report

Although this is not of direct financial benefit to the liquidation, the matters attributable to this description are necessary so that we are compliant with the rules and regulations of the Insolvency Act 1986 and our best practice guidance

*Investigations*

Our investigations are detailed in the main body of this progress report

Although in this case no financial benefit came of the investigations, it was necessary to undertake the investigations in order to determine whether there were any possible rights of action against any third party which might have led to a recovery for the benefit of the unsecured creditors of the Company

In addition, certain investigations were undertaken ahead of the submission on the conduct of the Company's directors, though much of this fell in line with the investigations mentioned above

#### Realisation of assets

The assets dealt with during the period are detailed in the main body of this report.

The time incurred in dealing with the realisation of assets, namely realising the freehold property and motor vehicles, lead to recoveries for the benefit of the liquidation estate generally and also lead to the Bank being paid in full in respect of the Company's indebtedness to them

#### Dealing with all creditors' claims (including employees), correspondence and distributions

Time in respect of this heading relates mostly to dealing with correspondence (including telephone calls) with and claims of unsecured creditors, together with some time liaising with the Bank and the beneficiary of the legal charge in respect of the investment property as detailed in the main body of this progress report

#### Other matters which includes meetings, tax, litigation, pensions and travel

The time recorded in this section relates to time expended in the completion and submission of VAT returns for the liquidation period, together with the drafting and finalisation of corporation tax computations and a letter to HM Revenue & Customs regarding capital gains tax

This work enabled us to reclaim VAT for the benefit of the liquidation estate and ensure that corporation tax/capital gains tax was not unnecessarily paid, i.e. that all relevant reliefs and deductions were applied

#### **Time Costs Analysis**

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type

#### **Expenses**

Details of all of the expenses incurred in the period since the date of our appointment are attached at appendix 3

#### **Category 2 Disbursements**

There have been no out of pocket Category 2 disbursements (as detailed in Appendix 3) incurred to date

However, as you will note from the main body of this progress report, certain payments have been made to Eddisons, a firm of agents and valuers which is part of the Begbies Traynor group. These payments total £1,100 and relate to valuations and advice in relation to Quadrant House, the motor vehicles and the retrospective valuations of certain company assets (as part of our investigations into the sale of certain assets to QBL prior to our appointment)

In addition, a sum of £503 will shortly be paid to Aon UK Limited in respect of insurance provided in respect of Quadrant House during the liquidation and prior to its sale. Eddisons Insurance Services Limited, an insurance broker which is also part of the Begbies Traynor group, will likely be paid a commission by Aon UK limited on account of their acting as broker

**What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?**

The final meetings of members and creditors will be held on the 22 November 2016

The work to be undertaken is as follows

- Issue this progress report and the draft final progress report
- Processing a refund of VAT
- Making payments in respect of statutory advertising, insurance and our fees

Once the final meetings have been held, the final report and account will be sent to the Registrar of Companies, the bordereau will be released and the estate bank account will be closed

All of our liquidation records and company books and records will be archived, sent to storage and subsequently destroyed at the relevant time

**How much will this further work cost?**

There will be minimal costs associated with the closing formalities which will be written off as irrecoverable due to the lack of funds in the liquidation estate

It is not anticipated that these costs will exceed £1,500

#### **Expenses**

There are no further out of pocket expenses to be incurred to the best of our knowledge and belief, with the exception of costs associated with storage of the case files and company books and records which will be written off as irrecoverable

# SIP9 Quadrant (Bromley) Limited - Creditors Voluntary Liquidation - 01QU054.CVL : Time Costs Analysis From 21/08/2015 To 20/08/2016

Staff Grade	Consultant/Partner	Director	Snr Mgr	Mngr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	2.7	3.0								5.7	2,521.50	442.37
Administration	2.1	3.2			0.1	40.3	1.0	32.9		78.6	17,344.50	217.90
Total for General Case Administration and Planning	4.8	6.2			0.1	40.3	1.0	32.9		86.3	19,869.00	232.80
Compliance with the Insolvency Act, Rules and best practice		1.9						1.3		3.2	958.50	299.53
Appointment									6.6	6.9	814.50	118.04
Banking and Bonding	0.3							7.8		7.8	1,248.00	160.00
Case Closure												
Statutory reporting and statement of affairs	2.0					4.5				6.5	2,115.00	325.38
Total for Compliance with the Insolvency Act, Rules and best practice, CDDA and Investigations	2.3	1.9				4.5		9.1	6.6	24.4	5,138.00	210.49
Investigations	2.4	0.8				23.7				26.9	7,073.50	262.96
Total for Investigations	2.4	0.8				23.7				26.9	7,073.50	262.96
Realisation of assets		0.6						0.6		0.6	237.00	395.00
Debt collection		0.6										
Property business and asset sales	2.8	10.1				8.7				21.6	7,420.00	343.52
Retention of Title/Third party assets												
Total for Realisation of assets	2.8	10.7				8.7				22.2	7,657.00	344.91
Trading												0.00
Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions		0.8								0.8	316.00	395.00
Secured		0.2				7.7		4.5		13.0	2,911.50	223.96
Others	0.6											0.00
Creditors committee												
Total for Dealing with all creditors claims (including employees), correspondence and distributions	0.6	1.0				7.7		4.5		13.8	3,227.50	233.88
Meetings												0.00
Other												0.00
Tax	0.5	2.4				6.5		5.1		14.5	3,618.50	249.55
Litigation												0.00
Total for Other matters	0.5	2.4				6.5		5.1		14.5	3,618.50	249.55
Total hours by staff grade	13.4	23.0			0.1	91.4	1.0	51.6	6.6	187.1		
Total time cost by staff grade	6,533.00	9,083.00			27.00	21,726.50	185.00	8,256.00	686.00		46,578.50	
Average hourly rate £	495.00	395.00			0.00	237.71	185.00	160.00	100.91			248.95
Total fees drawn to date £											29,000.00	

## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Royal Mail	10 27	10 27	NIL
Land Registry	Land Registry	12 00	12 00	NIL
Bond	Insolvency Risk Services	67 50	18 00	49 50
<b>TOTAL</b>		<b>89.77</b>	<b>40.27</b>	<b>49.50</b>

Please note that all expenses paid direct from the liquidation estate, i.e. expenses which were not initially incurred by our firm, appear on the R&P at Appendix 1 and are also detailed in Section 4 of the main body of this progress report