

LIQ03

Notice of progress report in voluntary winding up



Companies House

TUESDAY



A18 *A751W5IY* 01/05/2018 #224
COMPANIES HOUSE

1 Company details

Company number 0 6 3 7 0 5 5 6

Company name in full Diamond Floors Limited

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

2 Liquidator's name

Full forename(s) Simon David

Surname Chandler

3 Liquidator's address

Building name/number The Pinnacle

Street

Post town 160 Midsummer Boulevard

County/Region Milton Keynes

Postcode M K 9 1 F F

Country

4 Liquidator's name ①

Full forename(s) Rebecca Jane

Surname Dacre

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

5 Liquidator's address ②

Building name/number The Pinnacle

Street 160 Midsummer Boulevard

Post town Milton Keynes

County/Region


Postcode M K 9 1 F F

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	0	^d	6	^m	0	^m	3	^y	2	^y	0	^y	1	^y	7	
To date	^d	0	^d	5	^m	0	^m	3	^y	2	^y	0	^y	1	^y	8	
7	Progress report																
<input checked="" type="checkbox"/> The progress report is attached																	
8	Sign and date																
Liquidator's signature	Signature																
	X											X					
Signature date	^d	3	^d	0	^m	0	^m	4	^y	2	^y	0	^y	1	^y	8	

LIQ03

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 **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 **Emma Harper**

Company name **Mazars LLP**

Address **The Pinnacle**

Post town **160 Midsummer Boulevard**

County/Region **Milton Keynes**

Postcode **M K 9 1 F F**

Country

DX

Telephone **0121 232 9500**

 **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

**Diamond Floors Limited
In Liquidation**

Liquidators' progress report covering the period from 6 March 2017 to 5 March
2018

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Diamond Floors Limited - In Liquidation

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 5 March 2018
- 1.2. I was appointed Joint Liquidator of the Company together with Rebecca Dacre at a meeting of creditors on 6 March 2015. I am authorised to act as an Insolvency Practitioner in the UK by the Insolvency Practitioners Association and Rebecca Dacre is authorised to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales.
- 1.3. 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 6 March 2017 to 5 March 2018 is attached at Appendix B. The receipts and payments account also covers the cumulative period from the date of appointment to 5 March 2018. A comparison of the figures provided in the directors' 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 £18,688.33.
- 2.3. An explanation of the assets realised and the expenses paid is provided below.

3. Asset Realisations and Details of Progress

- 3.1. Asset realisations made during the period covered by this report are detailed below.
- 3.2. **Settlement agreement in respect of potential Unlawful Dividends**
 - 3.2.1. As previously reported, during the Liquidators' statutory investigations into the Company's affairs, the bank statements and accounts identified potential unlawful dividends drawn by the Director as sole Shareholder. We reported that a significant amount of time had been spent investigating and pursuing the level of unlawful dividends drawn by the sole Shareholder and the funds drawn and introduced by the Director. The complexity required solicitors to be instructed in September 2016. Since my last report, we have been in lengthy discussions with

the Director/Shareholder and with legal advice and assistance reached a settlement for repayment of the unlawful dividends which avoided the need for and costs of Court action. The settlement reached by formal agreement dated 27 July 2017 was in the sum of £7,500 payable in instalments. Payment has been received in full which has concluded this matter.

3.3. Bank Interest

- 3.3.1. Bank interest of £10.31 has been earned in the period of this report.

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.

Based on expected realisations and payments, it is expected that there will be sufficient funds to enable a return to unsecured creditors. Based on the Director's Statement of Affairs, it is anticipated that the return to creditors will be 0.91p in the £. Based on claims received to date, it is anticipated that the return to creditors will be 1.27p in the £.

- 5.2. 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.

6.2. Preferential Creditors

- 6.2.1. Preferential claims arise from arrears of wages and accrued, unpaid holiday pay due to the former employees of the Company who did not receive their full entitlements on redundancy, prior to the Liquidation.
- 6.2.2. The Company employed 8 staff who were made redundant prior to the Liquidation.
- 6.2.3. As per the Director's Statement of Affairs, preferential claims were estimated to be in the region £2,245.24. Employees submitted claims with the Redundancy Payments Service ("RPS") for these entitlements up to the statutory limit of £464 per week. The RPS have a subrogated preferential claim in the Liquidation and any amounts owing to employees in excess of the statutory limits were claimed in the Liquidation.

- 6.2.4. Preferential claims submitted and agreed amounted to £5,970.08. A first and final preferential dividend was paid to preferential creditors on 15 October 2015 in the sum of £5,970.08 representing a payment of 100p in the £.

6.3. Unsecured Creditors

- 6.3.1. According to the Director's Statement of Affairs, the Company had 183 unsecured creditors with debts totalling £519,920.84. Claims received to date total £363,736.56 from 68 creditors.
- 6.3.2. Creditors will note from the Estimated Outcome Statement included at Appendix C, assuming that realisations and expenses are as anticipated, there will be sufficient funds to enable a return to creditors, currently estimated between 0.91 and 1.27 pence in the £.

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 Joint Liquidators are required to investigate the affairs of the Company and the conduct of the directors during the three years prior to the Liquidation. The Joint Liquidators can confirm that this obligation has been complied with and a confidential report was submitted to the Insolvency Service on 2 September 2015.
- 8.2. Details of the investigations to date, which aren't subject to confidentiality, are detailed in section 4 of the report.
- 8.3. 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. A resolution was passed by the creditors at a meeting held on 6 March 2015, enabling the Joint 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.
- 9.2. Attached at Appendix E1 is a summary of the Liquidators' time costs for the period 6 March 2017 to 5 March 2018. These costs total £13,657.20, which represents 62.0 hours at an average hourly rate of £220.29. No fees have been drawn in the period covered by this report. Further details of the work carried out during this period is attached at Appendix E2 in the narrative summary.
- 9.3. Total time costs incurred in the Liquidation to date amount to £56,075.70. This represents 306.2 hours at an average hourly rate of £183.13. Attached at Appendix E3 are details of the Liquidators' cumulative time costs since appointment.
- 9.4. As at 5 March 2018, £30,707.95 has been drawn against the Liquidators' time costs in respect of the Liquidation.
- 9.5. Details of the future work anticipated to be carried out by the Joint Liquidators includes:
- Adjudication of claims and payment of unsecured dividend to creditors.
 - Reporting and statutory and compliance functions.
 - Tax and VAT compliance, including preparing tax computations and returns and seeking final tax clearance prior to closure.
- 9.6. Future costs to be drawn in dealing with the above are likely to be in the region of £14,116.60 plus VAT. The attached Estimated Outcome Statement suggests that total remuneration to be drawn in the Liquidation will be £44,824.55, however, this is subject to change, depending on the complexity of agreeing creditor claims. It is likely that an element of the total costs incurred during the Liquidation will be written off.
- 9.7. 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 Joint Liquidators.
- 9.8. 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.
- 9.9. The charge out rates of the team members employed on the assignment during the period covered by this report are detailed in Appendix E4.

10. Liquidators' Disbursements

- 10.1. Disbursements are expenses paid by this firm in the first instance and subsequently re-charged to the estate when there are sufficient funds. There are two categories of disbursements, including Category 1 (payments to independent third parties) and Category 2 (costs incurred by the Joint Liquidators or the firm that can be allocated to the case on a proper and reasonable basis).
- 10.2. Category 2 disbursements require approval in the same manner as remuneration and creditors will recall that a resolution was passed on 6 March 2015 by creditors in agreement of the anticipated Category 2 disbursements of the Liquidators.
- 10.3. There have been no disbursements incurred or paid during the current reporting period.

11. Expenses

- 11.1. Details of all expenses incurred during the period of the report are provided in the Expense Statement attached at Appendix D, together with an explanation as to why the expenses have been incurred.
- 11.2. Details of expenses paid during the current period are shown in the receipts and payments account at Appendix B.
- 11.3. I have reviewed the expenses incurred to date and I am satisfied that they are reasonable in the circumstances of the case.

12. Matters outstanding

- 12.1. Matters preventing conclusion of the Liquidation are:
- Adjudication of claims to enable a first and final dividend to unsecured creditors.
 - The Liquidators statutory reporting.
 - Statutory and compliance functions which includes the final tax and VAT reporting to HM Revenue & Customs and obtaining tax clearance prior to closure.

13. Creditors' Rights

13.1. Further information

- 13.1.1. 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.

13.2. Apply to Court

13.2.1. 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:

- a. That the remuneration charged by the Liquidators , or
- b. That the basis fixed for the Liquidators' remuneration, or
- c. That the expenses incurred by the Liquidators ,

is in all of the circumstances, excessive or inappropriate.

13.3. Further guidance

13.3.1. 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 Liquidator's fees" which is available to download from <https://www.r3.org.uk/media/documents/publications/professional/Liquidations%20Creditor%20Fee%20Guide%20April%202017.pdf> or alternatively will be provided free of charge upon written request to this office.

13.3.2. For further general information regarding a creditor's role throughout an insolvency process, creditors are reminded that they can also visit www.creditorinsolvencyguide.co.uk.



S D Chandler
Joint Liquidator

Dated 30 April 2018

Authorised to act as an insolvency practitioner in the UK by the Insolvency Practitioners Association and bound by the Insolvency Code of Ethics

**Diamond Floors Limited
In Liquidation****Identification Details****Details relating to the Company**

Company name	Diamond Floors Limited
Previous names	N/A
Trading name	Diamond Floors Limited
Company number	06370556
Registered office	c/o Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF
Trading address	16 High Street, Goring on Thames, Reading, RG8 9AR

Details relating to the Liquidators

Date of appointment	6 March 2015
Liquidators	S D Chandler and R J Dacre IP No(s) 008822 and 009572
Liquidators' address	Mazars LLP 45 Church Street, Birmingham, B3 2RT
Liquidators' contact telephone number	0121 232 9500

Diamond Floors Limited
Joint Liquidators' Summary of Receipts & Payments

Appendix B

Statement of Affairs £		From 06/03/2017 To 05/03/2018 £	From 06/03/2015 To 05/03/2018 £
	HIRE PURCHASE		
8,000.00	Vehicle 1	NIL	8,342.50
(7,688.00)	ING Limited	NIL	(5,712.40)
13,000.00	Vehicle 2	NIL	9,265.32
(12,388.00)	Liberty Finance	NIL	(7,442.19)
6,200.00	Vehicle 3	NIL	NIL
NIL	Finance Company	NIL	NIL
		NIL	4,453.23
	ASSET REALISATIONS		
2,000.00	Plant & Machinery, Computer Equipment	NIL	895.00
45,000.00	Motor Vehicles	NIL	63,370.00
Uncertain	Stock	NIL	4,670.00
1,350.00	Book Debts	NIL	100.00
4,000.00	Repayment of dividends	7,500.00	7,500.00
14,751.51	Cash at Bank	NIL	100.00
	Rent	NIL	(1,000.00)
	Sundry Refund	NIL	1,110.61
	Bank Interest Gross	10.31	91.57
		7,510.31	76,837.18
	COST OF REALISATIONS		
	Preparation of S. of A.	NIL	2,357.77
	Liquidator's Fees	NIL	30,707.95
	Liquidator's Disbursements	NIL	402.27
	Transaction fee	NIL	149.98
	Agents Fees	250.00	9,344.85
	Agents Disbursements	NIL	7,078.00
	Legal Fees (1)	3,125.00	3,875.00
	Corporation Tax	4.80	16.24
	Storage Costs	212.32	811.87
	Statutory Advertising	NIL	141.50
	Other property expenses - electricity	NIL	321.21
	Insurance of Assets	NIL	768.50
		(3,592.12)	(55,975.14)
	PREFERENTIAL CREDITORS		
	Redundancy Payment Service	NIL	5,970.08
(2,245.24)	Employees Wage Arrears & Holiday Pay	NIL	NIL
		NIL	(5,970.08)
	UNSECURED CREDITORS		
(466,718.22)	Trade & Expense Creditors	NIL	NIL
(17,539.19)	Employees-Redundancy Pay & Lieu of No	NIL	NIL
(7,663.43)	Barclays Bank plc	NIL	NIL
(10,000.00)	HMRC re VAT	NIL	NIL
(3,000.00)	HMRC re PAYE & NI	NIL	NIL
(15,000.00)	HMRC re Corporation Tax	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL

Diamond Floors Limited
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 06/03/2017 To 05/03/2018 £	From 06/03/2015 To 05/03/2018 £
	NIL	NIL
(447,941.57)	3,918.19	19,345.19
REPRESENTED BY		
Vat Receivable		656.86
Floating Charge Current NIB		18,688.33
		19,345.19

Diamond Floors Limited - in Liquidation
Estimated Outcome Statement as at 5 March 2018
APPENDIX C

	Estimated to Realise
Assets not specifically pledged	£
Surplus from Hire Purchase Motor Vehicles	4,453.23
Motor Vehicles	63,370.00
Plant & Machinery	895.00
Stock	4,670.00
Book Debts	100.00
Director's Loan Account	0.00
Cash at Bank	100.00
Sundry Refund	1,110.61
Bank interest	91.57
Repayment of Unlawful dividends	7,500.00
Rent	-1,000.00
	<hr/> 81,290.41
Estimated Costs of realisation	
Preparation of Statement of Affairs	-2,357.77
Liquidators' Remuneration	-44,824.55
Liquidators' Disbursements	-402.27
Transaction fee	-149.98
Agents fees	-9,344.85
Agents disbursements	-7,078.00
Legal Fees (1)	-3,875.00
Corporation Tax	-18.20
Storage Costs	-1,219.71
Statutory Advertising	-226.1
Insurance of Assets	-768.5
Other property expenses - electricity	-321.21
Amount Available to Creditors	<hr/> 10,704.27
Less Preferential Creditors	-5,970.08
Available for Non Preferential Creditors	<hr/> 4,734.19
Available to Ordinary Unsecured Creditors	4,734.19
Unsecured Creditors claims as per the Statement of Affairs	-519,920.84
Shortfall to Unsecured Creditors (as per Statement of Affairs)	<hr/> -515,186.65
Return to Ordinary Unsecured Creditors (as per Statement of Affairs)	p in £ 0.0091
Unsecured Creditors claims received to 5 March 2018	-372,673.94
Shortfall to Unsecured Creditors (claims received as at 5 March 2018)	<hr/> -367,939.75
Return to Ordinary Unsecured Creditors (as per Statement of Affairs)	p in £ 0.0127

EXPENSES STATEMENT

Type of Expenditure	Who expense incurred by and nature of expense	Amount incurred in current period (£)
Professional advisors' costs The officeholder's choice of the professional advisors listed below 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.		
Legal fees	Howes Percival LLP have been instructed to provide legal assistance in respect of reclaiming unlawful dividends paid. They were chosen based on their experience in insolvency matters. Their fees have been agreed on a time cost basis.	3,125.00
Agent's fees	Shennans Ltd were instructed to produce and issue employees' with their P45.	250.00
Other Expenses		
Corporation tax	Corporation tax will be payable in respect of the interest accrued whilst surplus funds are held on an interest-bearing deposit account.	4.80
Storage	Storage costs are payable to L&R Storage Limited in respect of archiving the Company's books & records.	212.32
Total Expenses		3,592.12

APPENDIX E1
LIQUIDATORS' TIME COSTS FOR 6 MARCH 2017 TO 5 MARCH 2018

Classification of Work Function	Hours					Total	Time	Av hourly
	Partner	Director	Manager	Administrator	Support	Hours	Cost	Rate
							£	£
2 Admin & Planning			0.60	1.60	0.00	2.20	311.00	141.36
3 Taxation	0.10		0.70	2.60	0.00	3.40	415.00	122.06
4 Investigations	2.60		0.20		0.00	2.80	1,187.00	423.93
5 Realisation of Assets			9.70	1.10	0.00	10.80	2,256.50	208.94
7 Employees			0.80		0.00	0.80	172.00	215.00
8 Creditors	0.40	0.20	17.20	2.80	0.00	20.60	5,128.00	248.93
9 Reporting	1.10	0.20	3.20	3.00	0.00	7.50	1,520.00	202.67
10 Distributions			0.30		0.00	0.30	64.50	215.00
11 Cashiering	0.40		1.20	5.10	0.10	6.80	1,151.70	169.37
12 Statutory & Compliance	1.60		1.90	3.30	0.00	6.80	1,451.50	213.46
Total Hours	6.20	0.40	35.80	19.50	0.10	62.00		
Total Time Costs (£)	2,728.00	156.00	8,783.00	1,977.50	12.70		13,657.20	
Av Hourly Rate	440.00	390.00	245.34	101.41	127.00			220.28

APPENDIX E2

NARRATIVE SUMMARY OF WORK UNDERTAKEN BY THE JOINT LIQUIDATORS' FOR THE PERIOD 6 MARCH 2017 TO 5 MARCH 2018

<p>Introduction</p> <p>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.</p> <p>This summary should be read together with the Joint Liquidators' Time Costs Analysis at Appendix E1. The costs incurred in relation to each category are set out in the attached Time Cost Analysis.</p>
<p>Work carried out in the current period</p> <p><u>Administration and planning</u></p> <p>The Liquidators have undertaken the following work:</p> <p>Work undertaken in previous periods</p> <ul style="list-style-type: none"> Managing and maintaining the case on the Firm's client systems and our specialist insolvency software system. Managing and maintain paper file. <p>Work undertaken in the current period</p> <ul style="list-style-type: none"> Managing and maintain paper file. <p>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.</p>
<p><u>Taxation</u></p> <p>The following activities were undertaken in order to ensure the Company is compliant with tax requirements:</p> <p>Work undertaken in previous periods</p> <ul style="list-style-type: none"> Preparing post-Liquidation Corporation Tax returns. <p>Work undertaken in the current period</p> <ul style="list-style-type: none"> Preparing post-Liquidation Corporation Tax returns. Preparing and submitting VAT426 form to reclaim VAT receivable. <p>The majority of this work derived no financial benefit for creditors, however, it is required in accordance with tax legislation.</p>
<p><u>Investigations</u></p> <p>Further details of the investigation required to be carried out is provided within Section 8 of the report.</p> <p>Work undertaken in previous periods</p> <p>A summary of the work undertaken to date is as follows:</p> <ul style="list-style-type: none"> Detailed review of financial documentation regarding the loan account and calculations to establish the final position Detailed review of financial documentation regarding the unlawful dividends drawn by the Shareholder Correspondence with the Director/Shareholder regarding the loan account and unlawful dividend <p>Work undertaken in the current period</p> <ul style="list-style-type: none"> Discussing and reviewing the settlement agreement as detailed in section 3.2 of the report. <p>The majority of this work derived no financial benefit for creditors. However, it is required in order to ensure compliance with statutory duties.</p>
<p><u>Realisation of Assets</u></p> <p>The work undertaken in respect of the realisation of the Company's assets is detailed in Section 3 of the report.</p>

Work undertaken in previous periods

- Correspondence with the Director/Shareholder regarding the loan account and unlawful dividend, including a conference call, calls, emails and letters.
- Instruction of solicitors to assist with the loan account and unlawful dividend recovery. Liaising with the solicitors for advice and recovery action.

Work undertaken in the current period

- Liaising with the solicitors for advice and recovery action in relation to the unlawful dividends.
- Reviewing settlement agreement in relation to the unlawful dividends.

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
Work undertaken in previous periods

- Dealing with request from former employee for assistance in dealing with an unemployment claim.

Work undertaken in the current period

- Answering employee's query in respect of making a claim via the Redundancy Payments Service.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors.

Creditors
Work undertaken in previous periods

- Responding to any queries for updates on the Liquidation and dividend queries.

Work undertaken in the current period

- Responding to creditor queries.
- Reviewing consumer and trade claims submitted.
- Preparing and sending a circular to consumer creditors in respect of chargebacks.
- Liaising with consumer creditors in relation to chargebacks.

The majority of work in this category is required for statutory purposes and so does not provide a direct financial benefit to creditors. However, as it is expected that a dividend will be paid to unsecured creditors, work undertaken in dealing with creditor claims does have a financial benefit in enabling the correct adjudication of claims (as detailed further below).

Distributions

A distribution are expected to be paid to the unsecured creditors (c.1 p in the £).

Work undertaken in the current period

- Preparing an estimated outcome statement for unsecured dividend.

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
Work undertaken in previous periods

- Annual progress report to stakeholders.

Work undertaken in the current period

- Annual progress report to stakeholders.
- Closure report to stakeholders.

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
Work undertaken in previous periods

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

Work undertaken in the current period

- Bank account maintenance, including periodic reconciliations.
- 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.

Statutory and Compliance

Work undertaken in previous periods

- Case monitoring and statutory compliance, including internal case reviews.

Work undertaken in the current period

- Case monitoring and statutory compliance, including internal case reviews.

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.

LIQUIDATORS' CUMULATIVE TIME COSTS

Classification of Work	Hours					Total	Time	Av hourly
Function	Partner	Director	Manager	Administrator	Support	Hours	Cost	Rate
							£	£
2 Admin & Planning			1.00	14.10	0.10	15.20	1,548.00	101.84
3 Taxation	0.30	0.10	3.10	14.00	0.00	17.50	1,733.20	99.04
4 Investigations	8.30	1.80	27.90	22.50	0.00	60.50	12,370.00	204.46
5 Realisation of Assets	0.50	0.80	53.40	7.60	0.00	62.30	12,769.00	204.96
7 Employees	0.60		3.90	3.90	0.00	8.40	1,453.50	173.04
8 Creditors	0.70	1.60	37.30	27.00	0.00	66.60	12,384.50	185.95
9 Reporting	1.90	0.20	5.40	12.20	0.00	19.70	3,173.00	161.07
10 Distributions			0.30		0.20	0.50	84.50	169.00
11 Cashiering	0.40	0.10	5.40	12.20	9.40	27.50	3,858.00	140.29
12 Statutory & Compliance	8.20	0.10	9.90	9.20	0.60	28.00	6,702.00	239.36
Total Hours	20.90	4.70	147.60	122.70	10.30	306.20		
Total Time Costs (£)	9,196.00	1,826.00	32,815.60	11,086.60	1,151.50		56,075.70	
Av Hourly Rate	440.00	388.51	222.33	90.36	111.80			183.13

APPENDIX E4

Guidance for creditors on charge out rates and allocated (Category 2) disbursements

Charge out rates

It is anticipated that the following grades of personnel will work on the case. Their current charge out rates are set out below.

Grade of personnel	Hourly charge out rate (£)
Partner	440.00
Director	390.00
Manager	215.00-335.00
Administrator	80.00-190.00
Cashier	90.00-190.00
Support Staff	90.00

Charge out rates are reviewed annually on 1 September and may be adjusted to take into account inflation and the firm's overheads. The rates are appropriate to the skills and experience of the team member and the work that they perform. Time is recorded in 6 minute units with supporting narrative to explain the work undertaken.

Allocated (category 2) disbursements

It is proposed that the following allocated expenses of administering the case be charged: -

- Company search(es). Searches are obtained by the firm's company secretarial department and are charged at the cost of the search plus an administration charge, which is currently 25% of cost, subject to a minimum administration charge of £5.00
- Mileage will be charged at relevant Inland Revenue rates, currently 45p per mile.
- Document storage – based on the cost of the square footage occupied by boxes and files of records and allocated on the basis of the number of open cases

It should be noted that disbursement costs might increase from time to time. However, increases would only be in line with inflation or increases from our suppliers.