

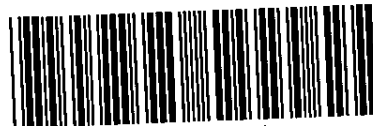
AM10

Notice of administrator's progress report



Companies House

WED  
FRIDAY



A21 \*A7A3GB8G\* 13/07/2018 #29  
COMPANIES HOUSE  
A17 \*A78YFEKI\* 27/06/2018 #337  
COMPANIES HOUSE

**1** Company details

Company number 0 8 6 9 7 9 6 7

Company name in full HYDROLOGY PLC

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

**2** Administrator's name

Full forename(s) WILLIAM ANTONY

Surname BATTY

**3** Administrator's address

Building name/number 3 FIELD COURT

Street GRAY'S INN

Post town LONDON

County/Region

Postcode W C 1 R 5 E F

Country

**4** Administrator's name ①

Full forename(s) STEPHEN JOHN

Surname EVANS

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

**5** Administrator's address ②

Building name/number 3 FIELD COURT

Street GRAY'S INN

Post town LONDON

County/Region

Postcode W C 1 R 5 E F

Country

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

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d 0	d 8	n 1	m 2	y 2	y 0	y 1	y 7
To date	d 2	d 9	m 0	m 5	y 2	y 0	y 1	y 8

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	d 2	d 9	m 0	m 5	y 2	y 0	y 1	y 8
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# AM10

## Notice of administrator's progress report



### Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **JOHN BAALHAM**

Company name **ANTONY BATTY & COMPANY LLP**

Address **3 FIELD COURT**

**GRAY'S INN**

Post town **LONDON**

County/Region

Postcode 

W	C	1	R		5	E	F
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Country

DX

Telephone **020 7831 1234**



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)**

HYDROLOGY PLC - IN ADMINISTRATION  
JOINT ADMINISTRATORS' SIX MONTHLY PROGRESS REPORT  
DATE OF REPORT: 29 MAY 2018

ANTONY BATTY & COMPANY LLP  
3 FIELD COURT  
GRAYS INN  
LONDON  
WC1R 5EF

## HYDROLOGY PLC - IN ADMINISTRATION

### JOINT ADMINISTRATORS' SIX MONTHLY PROGRESS REPORT

This report is prepared in accordance to the provisions of the Insolvency Act 1986, which require the Joint Administrators to provide creditors with a report on the progress of the Administration. The report has been prepared for the purpose of advising creditors. The report is private and confidential and may not be relied upon, referred to, copied or quoted from, in whole or in part, by creditors for any purpose other than advising them, or by any other person for any purpose whatsoever.

William Antony Batty and Stephen John Evans were appointed as Joint Administrators of Hydrology PLC on 08/06/2017.

The affairs business and property of the Company are being managed by the Joint Administrators, who act as the Company's agent and contract without personal liability.

In preparing this report the Joint Administrators have had to rely on some information provided by the Directors, management and others. It has not been possible to verify all such information. Therefore, the Joint Administrators take no responsibility for the completeness or accuracy of such information.

WA Batty, SJ Evans, HF Jesseman and TW Gardiner are licensed as Insolvency Practitioners in the UK by The Institute of Chartered Accountants in England & Wales under S. 390 (2) of the Insolvency Act 1986.

#### Abbreviations used in this report:

- Hydrology PLC - ("Hydrology PLC" or "the Company")
- William Antony Batty and Stephen John Evans - ("the Joint Administrators")
- HM Revenue & Customs - ("HMRC")

## HYDROLOGY PLC ("THE COMPANY") – IN ADMINISTRATION

### EXECUTIVE SUMMARY

### STATUTORY INFORMATION

Company name:	Hydrology PLC
Formerly known as:	Nexus Water Bonds PLC
Court name and reference:	Companies Court, Chancery Division 004280 of 2017
Registered office:	3 Field Court, Gray's Inn, London, WC1R 5EF
Former registered office:	18 Tideway Yard, 125 Mortlake High Street, London, England, SW14 8SN
Registered number:	08697967
Joint Administrators' names;	William Antony Batty and Stephen John Evans
Joint Administrators' address:	3 Field Court Grays Inn London WC1R 5EF
Joint Administrators' date of appointment:	8 June, 2017
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone.

### SUMMARY OF THE ADMINISTRATORS' PROPOSALS

The following proposals were approved by the creditors by way of a Decision Procedure on 15 August 2017.

In order to achieve the objective set out at section 3 above, Stephen John Evans and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - (i) oversee the sale of the Company's desalination facility in Brazil to Unigel to ensure the sale proceeds after costs of sale are realised into the estate and to recover the outstanding loan amount due to Hydrology PLC from Wyuna Ltd;
  - (ii) sell the Company's assets at such time(s) on such terms as we consider appropriate;
  - (iii) investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - (iv) do all such things and generally exercise all their powers as Administrators as we consider

desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals

(b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered

(c) the Administration will end by placing the Company into Creditors' Voluntary Liquidation, and propose that William Antony Batty and Stephen John Evans are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Liquidators.

## STEPS TAKEN DURING THE ADMINISTRATION

Since appointment we have continued to work with Mr Christopher MacNee with a view to recovering the outstanding loans due to the Company as detailed below.

Hornbuckle COWDF, Wyoming, United States

Hydrology plc loaned a total of £935,496 to Wyuna Limited ("Wyuna"). These funds were lent on to Athol Ventures Inc ("Athol") on an unsecured basis to acquire a 40% shared interest in the Hornbuckle Commercial Oilfield Water Disposal Facility (COWDF). The loan is unsecured though under the terms of a Deed of Trust between Hydrology PLC and Wyuna, any distributions (including the payment of interest and repayment of principal), income relating to Athol's share in the COWDF, including any proceeds of a sale and any other distributions received from Athol are to be paid to Hydrology.

The plant began operations in December 2016 though as no further investment was available to carry out required improvements and up dates of the plant and facilities (COWDF's water and oil handling facilities and evaporation ponds) in order to achieve consistent operations that meet the environmental compliance requirements and obligations, all the cash flow generated from operations was utilised and reinvested to make these improvements, modifications and the day to day management, operations and administration (including insurance, bookkeeping, accounting, leasing and legal). These modifications included the installation of two new oil separation units known in the industry as gun barrels and extra receiving water handling tanks, oil tanks, environmental protection, road works, fencing, electrical, winterising, extensive pipework, valves and fittings, regulatory permitting, engineering works and general roustabout work.

The COWDF is currently not operating as the evaporation ponds are full and the COWDF cannot accept more water and is still in maintenance mode from the winter period. Due to the unseasonal late spring, sporadic snow storms and heavy rains which continued through out May 2018 the COWDF is not expected to begin operations until later in June 2018.

Further improvements can now begin during the 'downtime' window building on the modifications made in 2017. These include, better security, increasing the evaporation rates from the installation of aerators and sprinklers and solar heating of the water. In its current format the COWDF can comfortably process up to 3,500 bbl daily throughput.

A permit request for the expansion to one million bbl evaporation pond capacity was submitted in November 2017 to the state government agency, though further investment will be needed for the bonding and construction. The existing water and oil handling facilities is sufficient to meet the increased capacity. The plans for the expansion were approved in late May 2018 though permission will not be granted to commence construction until a bond the equivalent of £300,000 equivalent is lodged with the State Government. The cost of construction for the expansion is estimated to be £1,000,000.

A significant amount of project management time has been provided by Mr Christopher MacNee, to manage the facility and to oversee modifications, improvements and operations of the COWDF. Mr

MacNee is also endeavouring to source finance for the expansion of the facility which will allow the COWDF to operate without break for a further 3 years and return the loan.

It is anticipated that repayment of the loan will be made in instalments commencing later in 2018.

#### Desalination Facility, São Paulo, Brazil

Hydrology had made inter-group loans totalling £873,446 to Hydrology Ventures Limited on an unsecured basis for the development of its Brazilian operations. These funds had been used to set up a corporate presence in Brazil, finance, develop and manage the desalination facility in Cubatão a coastal city in the state of São Paulo, Brazil.

In 2017, a small injection of investment was needed to improve and upgrade the desalination plant due to an increase in the salinity and the level of chlorides in the water sourced from the local river. As the plant upgrades were not made the facility was closed as the water was not at an acceptable quality for the client.

After much negotiation, the client Unigel agreed to buy the facility from Hydrology's Brazilian subsidiary, Hydrology Ventures do Brasil – Projetos de Aqua e Participações Ltda ("Hydrology Brasil"). The settlement was made in late March 2018 with most of this settlement amount used to pay Hydrology Brasil's creditors. There is a current balance of R\$ 162,033.74 or ~£32,000 after settling the debts.

Hydrology Brasil has also begun action claiming damages against Perenne and its owner, the company who built the desalination facility, due to the fact that the facility was defective and did not meet the necessary water quality and operational requirements set out in the contract with Unigel. Hydrology Brasil has been informed by its local solicitors that a Court-Appointed Administrator will soon be appointed to allow a Creditors Assembly to review a new reorganisation plan which would free up Perenne's assets and allow Hydrology Brasil to recover investment. The recovery of further Brazilian investment will be dependent on the outcome Creditors Assembly in São Paulo and Hydrology Brasil's claim against Perenne.

Again, a significant amount of time has been provided by Christopher MacNee, to work with the Hydrology Brasil representatives, legal team and engineers in order to find a solution and potential repayment of the intercompany loan.

There is certain work that I am required by the insolvency legislation to undertake work in connection with the Administration that provides no financial benefit for the creditors. A description of the routine work undertaken since my appointment as Administrator is contained in Appendix 3.

#### OUTCOME OF ADMINISTRATION

The Joint Administrators' have sought to achieve objectives (a) for the Company by overseeing the sale of the Company's desalination facility in Brazil to Unigel to ensure the sale proceeds after costs of sale are realised into the estate and to recover the outstanding loan amount due to Hydrology PLC from Wyuna Ltd, however, this has not yet been achieved as detailed earlier in this report.

In order to successfully complete these objectives the Joint Administrators' will now move the Administration to creditors' voluntary liquidation "CVL" to allow the asset realisations in the form of the sale proceeds to come into the Company's estate and in doing so may increase the dividend prospects for creditors.

#### RECEIPTS AND PAYMENTS ACCOUNT

My Receipts & Payments Account for the period from 8 June 2017 to 29 May 2018 is attached at Appendix 1.

There have been no receipts or payments relating to the company for the period from when it entered administration (being 8 June 2017) to the date of these proposals and an account confirming this is enclosed as Appendix 1.

## ASSETS

### Book Debts

Loan made to Wyuna Limited (£935,496.00)

There is a Management Agreement between Hydrology (formerly Water Bonds plc) and Wyuna Ltd dated 1 August 2014. There also is a Deed of Trust between Hydrology (formerly Water Bonds plc) and Wyuna Ltd dated 14 October 2014.

The project began operations in November 2016 and was generating revenue that has been used to date to develop the facility, pay legal costs etc. and is being managed by Christopher MacNee who was appointed as an officer and overall project developer/ manager of the COWDF in October 2016.

As previously reported, funds generated from operations in 2017 have been spent on maintenance and the necessary upgrades to bring the project to its planned full capacity, this together with the prolonged adverse weather conditions detailed earlier in this report has resulted in further delays with the loan repayments which are now expected to commence in the next two to three months.

This situation will be closely monitored in the liquidation.

Loan made to Nexus Ventures Limited – (£873,446.00)

Hydrology Ventures (formerly Nexus Ventures Limited) is a wholly owned subsidiary that was granted an inter Company loan from Hydrology PLC in the sum of £873,446.

As previously reported Hydrology Ventures had agreed to sell its plant to Unigel with the sale completing at the end of March 2018. The sale proceeds were used to settle all of Hydrology Brazil's creditors. After payment of all liabilities the balance of approximately £32,000 remains. Hydrology do Brasil and Unigel have also started legal proceedings against the contractors and have advised that an administrator will be appointed in Brazil by the Court to allow a Creditor Assembly to review and start recovering investment monies and pursue Hydrology Brazil's claim against the contractors that original built the plant.

The balance of the sale proceeds in the sum of £32,000 will be recovered in the liquidation against the outstanding inter Company loan and the legal action will continue to be monitored in the liquidation.

Loan made to Nexus Water Limited (In Liquidation) (£519,780)

As previously reported Antony Batty was appointed liquidator of Nexus Water Ltd on the 23 March 2017. Nexus Water Limited is a connected Company and shares a common director in Christopher MacNee.

We do not anticipate any recovers to made against this outstanding loan.

The Joint Administrators are not aware of any further realisable assets. Should any creditor be aware of any such assets, please advise us immediately.

## LIABILITIES

### Secured Creditors

An examination of the Company's mortgage register held by the Registrar of Companies, showed that the Company Woodside Corporate Services Ltd acts as Security Trustee for the Loan Note holders, they are the only secured creditor. The Loan Notes are secured by Debentures containing floating Charges contained in a Trust Deed dated 30 June 2014 and Registered at Companies House.

The principle debt due to the Loan Note holders is £5,000,000 plus accrued interest of £371,590.

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

The Company gave a floating charge to Woodside Corporate Services Ltd on 30 June 2014 and the prescribed part provisions will apply. The Statement of affairs shows that the net property of the Company is £1,035,496, and I estimate that the prescribed part of the net property for unsecured creditors is £210,099. However, these estimates do not take into account the costs of the Administration which will reduce the amount of the Company's net property. Even after taking into account the costs of the Administration I still envisage being able to make a distribution of the prescribed part of the net property to the unsecured creditors, but I am unable to estimate the amount of that distribution at present.

#### Preferential Creditors

Preferential creditors will retain their status, and will be paid in priority to unsecured creditors; however, as previously reported we are not aware of any preferential creditors.

#### Crown Creditors

The statement of affairs did not originally show any monies owed to HMRC. Since my appointment a provisional claim of £7,853 has been received by HMRC after returns were brought up to date, details of their final claim have not been received to date. It is unclear at this stage whether a dividend will be payable to the general body of unsecured creditors since the asset realisation process is not yet been finalised.

#### Non-preferential unsecured Creditors

The statement of affairs included eleven non-preferential unsecured creditors with an estimated total liability of £67,624. I have received claims from eight creditors (Inc. HMRC) at a total of £72,867.

It is unclear at this stage whether a dividend will be payable to the general body of unsecured creditors since the asset realisation process is not yet been finalised.

#### DIVIDENDS

On the basis of the information currently available it is unclear at this stage whether a dividend will be payable to the general body of unsecured creditors since the asset realisation process is not yet been finalised and accordingly, the Company has been placed into creditors' voluntary liquidation to facilitate any future dividend distribution following assets realisations into the Company's estate should sufficient funds permit.

#### INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

We have commenced a detailed investigation into the Company's affairs to establish whether *there were any potential asset recoveries or conduct matters that justified further investigation*, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Specifically, I have reviewed the use of the funds raised by the Company. I have recovered, listed and reviewed the Company's accounting records; obtained and reviewed copy bank statements that have been made available to me from the Company directors and the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Administration and made some initial enquiries.

Within three months of my appointment as joint administrator, I am required to submit a confidential report to the Secretary of State to include any matters which have come to my attention during the course of my work which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. I would confirm that my report has been submitted.

#### PRE-ADMINISTRATION COSTS

On 15 August 2017 the following pre-administration costs were approved by the creditors.

Pre-administration fees charged by Antony Batty & Company LLP: £3,457.50.

No funds have yet been drawn in respect of our pre-appointment costs these will be paid in due course from realisations made.

#### ADMINISTRATORS' REMUNERATION

On the decision date the joint administrator's remuneration was approved on a time cost basis based on our fees estimate of £66,000. The fees estimate acts as a cap and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors. My total time costs to 29 May 2018 amount to £42,868, representing 114 of hours work at a blended charge out rate of £373 per hour.

I have not been able to draw any remuneration in this matter.

A detailed schedule of my time costs incurred to 29 May 2018 is attached as Appendix 2.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Administrators' Fees' also published by R3, together with an explanatory note which shows Antony Batty & Company LLP's fee policy are available at the <http://www.antonybatty.com/insolvency-resources>. Please note that there are different versions of the Guidance Notes and in this case you should refer to the October 2015 version.

#### ADMINISTRATORS' EXPENSES

I have incurred total expenses of £822 since my appointment as Administrator. I have not been able to draw any expenses in this matter.

I have incurred the following expenses in the period since my appointment as Administrator:

Type of expense	Amount incurred/ accrued in the reporting period
Court Fees	£50
Statutory Advertising	£163
Bordereaux (Officer Holder Insurance)	£110

I have incurred the following category 2 disbursements in the period since my appointment as Administrator:

Type of category 2 disbursement	Amount incurred/ accrued in the reporting period
Postage	£109
Photocopying	£185
Companies House Fee	£20
Storage	£35
Sundry	£150

As at 29 May 2018 I do not anticipate that the expenses I will incur in this matter will exceed the total expenses I estimated I would incur when my remuneration was authorised by the creditors.

#### FURTHER INFORMATION

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

To comply with the Provision of Services Regulations, some general information about Antony Batty & Company LLP can be found at <http://www.antonybatty.com/insolvency-resources>.

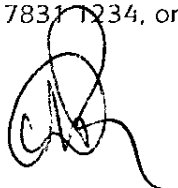
#### SUMMARY

In accordance with the proposals, the Administration has ended by the Company moving into creditors' voluntary liquidation. A formal notice has been filed with the Registrar of Companies. The Joint Administrators are the Joint Liquidators of the Company since no other nominations were received. *As Joint Liquidators it will be their duty to realise the remaining assets of the Company*, undertake investigations into the affairs of the Company, agree creditors' claims and make a distribution to unsecured creditors. All acts of the Joint Liquidators may be taken jointly or alone.

The Joint Liquidators will continue to oversee the asset sales and recovery of the sale proceeds due in line with the sale purchase agreement.

Please note that any unpaid liabilities and expenses incurred in the Administration will rank as a first charge on the funds and assets passed to the Liquidators.

The Administration as approved in the proposals is now complete and our files will be closed. If creditors have any queries regarding the conduct of the Administration, or this report, or if they want hard copies of any of the documents made available on-line, they should contact John Baalham on 020 7831 1234, or by email at [JohnBaalham@antonybatty.com](mailto:JohnBaalham@antonybatty.com).



William Antony Batty  
Joint Administrator  
Date: 29 May 2018

The affairs, business and property of the Company are being managed by the Joint Administrators, William Antony Batty and Stephen John Evans. The Joint Administrators act as agents of the Company and contract without personal liability.

**Appendix I**

**HYDROLOGY PLC  
IN ADMINISTRATION**

**SUMMARY OF RECEIPTS AND PAYMENTS  
08 JUNE 2017 TO 29 MAY 2018**

	TOTAL (£)
RECEIPTS	
	<hr/>
	NIL
PAYMENTS	
	<hr/>
	NIL
	<hr/>
BALANCE IN HAND	NIL
	<hr/>
	NIL
	<hr/>

# Time Entry - SIP9 Time & Cost Summary

HYDRO - Hydrology PLC  
Project Code: POST  
From 08/06/2017 To: 29/05/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	17.70	16.00	5.10	1.30	40.10	14,381.80	358.55
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.80	10.40	10.40	0.20	22.80	5,940.20	304.39
Investigations	12.50	2.00	3.10	0.00	17.60	6,823.00	387.67
Realisations of Assets	33.90	0.50	0.10	0.00	34.40	14,722.60	427.98
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>65.90</b>	<b>28.90</b>	<b>16.60</b>	<b>1.50</b>	<b>114.90</b>	<b>42,867.60</b>	<b>373.09</b>
<b>Total Fees Claimed</b>						<b>0.00</b>	
<b>Total Disbursements Claimed</b>						<b>0.00</b>	

## Details of work to be undertaken in the Administration

Details of work to be undertaken in the administration for which the joint administrator is seeking to be remunerated on a time cost fee basis:

## Administration:

Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.  
 Setting up physical/electronic case files  
 Setting up the case on the practice's electronic case management system and entering data.  
 Issuing the statutory notifications to creditors and other required on appointment as office holder, including gazetting the office holder's appointment.  
 Obtaining a specific penalty bond (this is insurance required by statute that every insolvency office holder has to obtain for the protection of each estate).  
 Preparing, reviewing and issuing proposals to the creditors and members.  
 Filing the proposals at Companies House.  
 Convening and holding a meeting of creditors to consider the proposals.  
 Reporting on the outcome of the meeting of creditors to the creditors, Companies House and the Court.  
 Dealing with all routine correspondence and emails relating to the case.  
 Opening, maintaining and managing the office holder's estate bank account.  
 Creating, maintaining and managing the office holder's cashbook.  
*Undertaking regular reconciliations of the bank account containing estate funds.*  
 Reviewing the adequacy of the specific penalty bond on a quarterly basis.  
 Overseeing and controlling the work done on the case by case administrators.  
 Preparing and issuing six monthly progress reports to members and creditors  
 Lodging periodic returns with the Registrar of Companies for the administration.  
 Redirection of the Company's mail to the joint administrators' office.  
 Establishing and holding periodic meetings of the creditors committee and associated filing formalities (*if a committee is appointed*).  
 Securing the Company's books and records.  
 Pension regulatory reporting and auto-enrolment cancellation.  
 Completion and filing of the notice of the Company's insolvency to HMRC.  
 Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the administration.  
 Submitting a statutory report to the Insolvency Service under the CDDA.  
 Periodic case progression reviews (typically at the end of month 1 and every 6 months thereafter).  
 Dealing with all post-appointment VAT and corporation tax compliance.  
 Closing the administration and preparing and issuing the joint administrators final progress report to members and creditors.

## Creditors:

Dealing with creditor correspondence, emails and telephone conversations regarding their claims.  
 Maintaining up to date creditor information on the case management system.  
 Issuing a notice of intended dividend and placing an appropriate gazette notice.  
 Issuing a notice of intended dividend and placing an appropriate gazette notice.  
 Reviewing proofs of debt received from creditors, adjudicating on them and formally admitting them for the payment of a dividend.  
 Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims.  
 Calculating and paying a dividend to creditors, and issuing the notice of declaration of dividend.

#### Realisation of assets:

Arranging suitable insurance over assets.

Regularly monitoring the suitability and appropriateness of the insurance cover in place.

Corresponding with debtors and attempting to collect outstanding book debts.

Liaising with the bank regarding the closure of the account.

Instructing agents to value known assets.

Liaising with agents to realise known assets.

Instructing solicitors to assist in the realisation of assets

Liaising with the secured creditors over the realisation of the assets subject to a mortgagee or other charge.

#### Investigations:

Recovering the books and records for the case.

Listing the books and records recovered.

Submitting an online return on the conduct of the directors as required by the Company Directors *Disqualification Act*.

Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.

Reviewing books and records to identify any transactions or actions the office holder may take against a third party in order to recover funds for the benefit of creditors.

## Antony Batty &amp; Company LLP

Time Costs – Charge out rates per hour and disbursements policy.

1 June 2017 – 31 May 2018

	2017\18
Office Holder (e.g. Administrator)	£429
Senior Manager	£375
Case Manager	£335
Senior Administrator 1	£255
Senior Administrator 2	£295
Administrator	£160
Junior Administrator	£90
	2013\17
Office Holder (e.g. Administrator)	£399
Senior Manager	£335
Case Manager	£295
Senior Administrator	£235
Administrator	£145
Junior Administrator	£80

Please note that these rates may be increased from time to time. Creditors will be notified of changes in the annual report.

Time is recorded in units of six minutes: the minimum unit of time is therefore 6 minutes.

Members of staff with the appropriate level of experience and authority have been and will be used for the various aspects of work necessary in this assignment.

## Disbursement Policy

Please note that the liquidator's disbursements are charged out at the following rates:-

Category 1 - represent recovery of necessarily incurred disbursements at the cost incurred.

Sundry disbursements, such as advertising, where incurred appropriately, are recharged at 100% of the cost incurred.

There is a statutory requirement to advertise the following notices in the London Gazette: first meeting of creditors, resolutions for winding-up, appointment of Liquidators, final meetings and notices to creditors to submit claims. The London Gazette's price list can be accessed at <https://www.thegazette.co.uk/place-notice/pricing>.

Insurance and bonding is recharged at 100% of the relevant charge to the office holder.

There is a statutory requirement for the Liquidator to apply for specific bond cover based on the expected realisations in each appointment. The bond premiums may be found on our website: <http://antonybatty.com/resource>.

Travel costs with the exception of mileage costs are recharged at 100% of the cost incurred.

VAT is charged as appropriate.

## Category 2

Photocopying	15p per sheet.
Postage	Royal Mail postage rates (Non-franked mail).
Faxes	£1 per sheet.
UK	
International	£2 per sheet.
Internal meeting room hire -	£100 per hour, (minimum 1 hour).
Storage	£35 per box per annum.
Companies House search	£20 per company.
File set up, stationery & record retention	£50 per folder.
Travel: where Antony Batty & Company LLP staff use their own vehicles in the course of their duties in this matter, the mileage is recharged at 45p per mile.	
VAT is charged as appropriate.	