

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number	0	9	4	7	3	8	1	0
Company name in full	Best Employment Services Limited							

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

2 Liquidator's name

Full forename(s)	Kevin J
Surname	Hellard

3 Liquidator's address

Building name/number	30 Finsbury Square
Street	
Post town	London
County/Region	
Postcode	E C 2 A 1 A G
Country	

4 Liquidator's name ①

Full forename(s)	Ian
Surname	Richardson

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


5 Liquidator's address ②

Building name/number	No 1 Whitehall Riverside
Street	Whitehall Road
Post town	Leeds
County/Region	
Postcode	L S 1 4 B N
Country	

② **Other liquidator**
Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	1	^d	2	^m	0	^m	3	^y	2	^y	0	^y	2	^y	1
To date	^d	1	^d	1	^m	0	^m	3	^y	2	^y	0	^y	2	^y	2
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	9	^m	1	^m	1	^y	2	^y	0	^y	2	^y	2

**Presenter information**

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

Contact name **Khalid O Opere**

Company name **Grant Thornton UK LLP**

Address **30 Finsbury Square**

London

Post town **EC2A 1AG**

County/Region

Postcode

Country

DX

Telephone **020 7184 4300**

**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

Our ref: KJH/JKT/HXA/EZF/B30202336/7

To the creditors and members

Insolvency and asset recovery

Grant Thornton UK LLP
30 Finsbury Square
London
EC2A 1AG
T +44 (0)20 7383 5100

5 May 2022

Best Employment Services Limited - In Liquidation (the Company)
Company registered no. 09473810

1 Introduction

- 1.1 I was appointed joint liquidator of the Company with Kevin Hellard on 12 March 2019. In accordance with section 104A of the Insolvency Act 1986 (the Act) we now report on the progress of the liquidation for the year ended 11 March 2022 (the Period) and attach:
- Appendix A, an account of our receipts and payments for the Period and for the whole liquidation to Period end
 - Appendix B, Statement of Insolvency Practice 9 disclosure.
- 1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners. We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.

2 Progress Report

Realisation of assets

- 2.1 During the Period funds totalling £33,110 have been recovered from former employees of the Company who received monies that are recorded as loans in the Company's records. For further details relating to employee loans, creditors should refer to the investigations section below and our previous reports.

3 Investigations into the affairs of the Company

Books and records and director correspondence

- 3.1 As stated in my previous report, we were seeking the Company's complete records and email correspondence from the former director, Mr Adrian Sacco. Mr Sacco has recently provided in the region of 10,000 email files which will require further review.
- 3.2 It was also stated that our solicitors, Gateley plc (Gateley), were in the process of seeking recognition of the liquidators' appointment in the Isle of Man to assist with attempts to gather records and information in the jurisdiction. On 2 August 2021 the High Court of Justice of the Isle of Man formally recognised the appointment. We are currently considering with my legal advisers, what further information should be sought and from which parties.

Employee loans

- 3.3 For a background to the position with regards to employee loans and a detailed explanation of acts taken in prior periods, creditors should refer to our previous reports.
- 3.4 During the Period, we have continued the loan reconciliation and collection exercise referred to in previous reports.
- 3.5 In total we have now written to around 180 former employees of the Company whose loans, based on the records available to us, had fallen due for repayment. In our communications with the employees, we requested their representations in relation to the loans and asked for repayment of any sums due to the Company.
- 3.6 A number of former employees have instructed professional advisers to respond on their behalf and have provided us with explanations and various documents which purport to show that payments made to them by the Company were not intended to be loans and were in fact taxable employment income. It has not yet been determined if the payments represent loans or taxable employment income however, we have sought legal advice from Gateley on this matter and we are currently seeking the opinion of counsel.
- 3.7 Details of the amounts paid to the former employees by the Company have been provided to HM Revenue and Customs (HMRC) so that it can assess the tax due on the basis that the payments made to employees were taxable employment income. This will assist with understanding further the loss caused to the Company.
- 3.8 HMRC has recently provided Regulation 80 determinations and notices of decision which set out the PAYE tax and National Insurance contributions that are due from the Company should it be determined that the payments made to employees represent taxable employment income. We are currently considering the determinations and notices with our internal tax colleagues and legal advisers to determine next steps and whether an appeal is necessary.

Payments to associated companies

- 3.9 As referred to in previous reports, an analysis of the Company's banking records has identified payments made to entities connected to the Company in excess of £4m. The payments were purportedly made in consideration of services provided to the Company by the various connected entities however no evidence has been provided to date to support this and there does not appear to have been any contractual obligation on the Company to make these payments.
- 3.10 Our solicitors have been instructed to advise on these payments and, as with the employee loan position, we are seeking counsel's opinion on this matter.
- 3.11 Included in the £4m paid to associated parties was a payment of around £468,000 made shortly prior to liquidation. At interview, Mr Sacco stated that the funds were paid away for the purpose of paying the Company's creditors as he had become aware that the Company's bank account was due to be frozen. No evidence to support this position has been provided to date. As such, Gateley have been instructed and have recently written to the recipient to request further information in this respect.

Potential claims

- 3.12 As a result of the loans made to its employees by the Company and the payments to the associated entities referred to above, there may be potential claims available to the liquidators that could swell the assets of the liquidation estate. As explained above, legal advisers have been instructed and we are currently seeking counsel opinion in relation to the claims available to the liquidators.
- 3.13 The potential claims and respondents being considered are confidential and we are not able to provide further details at this time.

Winding up of Retentia Services Limited (Retentia)

- 3.14 As mentioned in previous reports, the Company appears to have assigned various loan balances to Retentia, an Anguillian-based company, for little or no value and Gateley were assisting with an application to wind up Retentia.
- 3.15 During the Period, the High Court of Justice made an order to wind up Retentia as an unregistered company and on 21 December 2021 my colleague, David Ingram, and I were appointed as joint liquidators.
- 3.16 Investigations into Retentia and the assignments are continuing and it is believed that this will assist with my understanding of the employee loan position mentioned above. In addition, if any loan balances have been validly assigned to Retentia, We will be able to collect any amounts due as liquidator of Retentia.

4 Creditors and dividend prospects

Preferential creditors

- 4.1 There are no preferential creditors in this matter.

Unsecured creditors

- 4.2 We have received unsecured claims totaling £4,187,866. However, HMRC has recently issued Regulation 80 determinations and notices of decisions for sums in excess of this figure. We are currently reviewing these to assess whether appeals will be required but in any event it is expected that the figure for unsecured claims will increase substantially.
- 4.3 Unfortunately, there are insufficient funds available for a dividend to be paid to creditors at this time.

5 Remuneration and expenses

- 5.1 Our remuneration is being charged on a time costs basis with a fee estimate of £500,017, excluding time incurred in relation to the realisation of any assets, as agreed by the creditors on 21 May 2020.
- 5.2 The creditors rejected the proposal that our remuneration in respect of the realisation of any assets be fixed at 15% of any and all gross realisations.
- 5.3 We have charged remuneration and incurred expenses in the Period amounting to £438,264 and £82,775 respectively, bringing the cumulative totals at Period end to £1,619,424 and £234,972 of which £24,866 of the expenses have been paid from the estate. No remuneration has been paid to date.
- 5.4 We are currently in communications with the major creditor in the case with regards to our remuneration and we intend on issuing a separate report shortly which will include an updated fees estimate and details of the associated creditor decision procedure.
- 5.5 The reasons the fees estimate has been exceeded are as follows:

The original estimate provided did not include work relating to the realisation of assets. A separate fee basis was requested in respect of this area of work however this was rejected by creditors. A significant aspect of the work required will relate to realisation of assets and as such, the fees estimate does not take into account all areas of work originally estimated to be required.

The lack of records and cooperation provided by the Company director and other parties involved. It was therefore considered necessary to approach third party advisers in order to reconstruct the Company's records. Some parties provided information willingly and others required the input of the liquidators' legal advisers to force cooperation.

Detailed investigations into the employee loan scheme operated by the Company have been required to identify and quantify the loss caused to creditors. The Company did not maintain accurate accounting records and as such it has been necessary to reconstruct its records and review these alongside banking records to understand how monies were used by the Company.

Several thousand employees and/or contractors utilised the loan scheme operated by the Company and hundreds of transactions passed through the Company's bank accounts in a given day. This has added extensive complication and cost to the analysis.

Our analysis and reconstruction of the records highlighted that a substantial portion of payments made by the Company to employees/contractors were recorded as loans that appeared to be repayable by the employee/contractor to the Company. It was therefore necessary to understand how much money was paid to each employee/contractor and how much of this represented a loan. Given the vast number of employees/contractors involved and the lack of accurate records this was a substantial exercise that required significant time input.

In order to understand whether the loans referred to were in fact loans that were repayable to the Company, it was necessary to write to a broad selection of employees/contractors to seek their representations. The resulting correspondence was lengthy and protracted and required significant cost and time input. It also had to be specifically tailored to each individual based on the amounts loaned and their resulting responses.

The above has all been necessary to clarify the loss caused to the Company by the employee loan scheme and to get to a point where potential claims can be considered by legal advisers and counsel. Whilst it has been a costly exercise, the work has been essential to get to a point where claims can be thoroughly considered and this would not be possible if this exercise had not been undertaken.

- 5.6 We cannot currently anticipate if and when any payment from the estate will be made towards our remuneration as there have been insufficient realisations to date; this is based on current information and is therefore subject to change.
- 5.7 Further details about remuneration and expenses are provided in Appendix B to this report.

6 Contact from third parties

- 6.1 Please be aware fraudsters have been known to masquerade as liquidators. Fraudsters may contact creditors asking for an upfront fee or tax to release an investment or to enable payment of a dividend / the release of money payable to the creditor. A liquidator would never ask for such a payment nor instruct a third party to make such a request.

7 Data protection

- 7.1 Any personal information held by the Company will continue to be processed in accordance with completing the liquidation of the Company and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom. Our privacy notice on our website (www.granthornton.co.uk/en/privacy) contains further details as to how we may use, process and store personal data.

8 Contact

- 8.1 Should you have any queries please contact Khalid Opere on 020 7728 3146 or email khalid.opere@gt.uk.com or using the address above, quoting the reference on this report.

Yours faithfully,

For and on behalf of Best Employment Services Limited



Ian Richardson
Joint Liquidator

Best Employment Services Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs OR £	From 12/03/2021 To 11/03/2022 £	From 12/03/2019 To 11/03/2022 £
ASSET REALISATIONS		
Balance on Client Account	NIL	1,800.00
Book Debts	(19,440.00)	NIL
Payment from Resource Solutions Limi	19,440.00	19,440.00
Settlements with employees	33,110.62	33,110.62
	<u>33,110.62</u>	<u>54,350.62</u>
COST OF REALISATIONS		
Legal Disbursements	9,947.89	9,947.89
Transcription Fees	NIL	1,588.00
Counsel fees	NIL	13,160.00
Courier costs	NIL	23.15
Statutory Advertising	NIL	147.10
	<u>(9,947.89)</u>	<u>(24,866.14)</u>
	23,162.73	29,484.48
REPRESENTED BY		
VAT on Purchases		4,447.53
Floating Current Account NIB		26,433.90
Funds held by Gateley Legal		(1,396.95)
		<u>29,484.48</u>

Note:

Payments to the Joint Liquidators and their associates

Statement of Insolvency Practice 9 disclosure

Best Employment Services Limited - In Liquidation (the Company)

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

- Pre appointed costs
- fee basis
- work done by the Joint Liquidators and their team during the Period
- expenses
- sub-contracted work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees).

Pre-appointment costs

Pre-appointment costs comprise any reasonable and necessary expenses incurred in preparing the statement of affairs or the decision procedure or deemed consent procedure to seek a decision from creditors on the nomination of a liquidator. These may be paid out of the estate, with the approval of the appropriate body of creditors, to the extent that they have been incurred by the liquidator or an associate of the liquidator.

The Company acting by its board of directors chose to engage Anderson Brookes Insolvency Practitioners Limited to assist with preparing the statement of affairs and the decision procedure to seek a decision from creditors on the nomination of a liquidator.

The Company's creditors resolved that Ian Richardson and Kevin Hellard of Grant Thornton UK LLP be appointed as joint liquidators. The creditors also resolved that the fees of Anderson Brookes Insolvency Practitioners Limited totalling £4,000 plus VAT for preparing the statement of affairs and assisting with the decision procedure be paid from the Company's assets.

Under r6.7(4) of the Rules, the liquidators appointed under section 100 of the Insolvency Act 1986 may pay the pre-appointment costs of Anderson Brookes Insolvency Practitioners Limited, but at least five business days' notice of intention to make the payment must be given if there is a liquidation committee. There is no liquidation committee on this matter. Although the creditors agreed the payment of the fees incurred by Anderson Brookes Insolvency Practitioners Limited, there have been insufficient realisations in the insolvency estate to make the payment.

Post-appointment costs

Fee basis of the Joint Liquidators

On 21 May 2020 the creditors resolved that the remuneration be fixed according to the time properly spent by the liquidators and their staff in dealing with the liquidation, excluding any time incurred in relation to the realisation of any assets, with a fee estimate of £500,017.

During the Period time costs were incurred totalling £438,264 represented by 960 hours at an average of £457/hr (as shown in the 'Work done' section below). This brings cumulative recorded time costs at the Period end to £1,619,424. A description of the work done in the Period is provided in the respective section below.

Recorded time costs exceed the time costs in the fees estimate which was provided to the creditors prior to the determination of our fee basis. The reasons for the excess are as follows:

- The original estimate provided did not include work relating to the realisation of assets. A separate fee basis was requested in respect of this area of work however this was rejected by creditors. As such, the fees estimate does not take into account all areas of work originally estimated to be required.
- The lack of records and cooperation provided by the company director and other parties involved. It was therefore considered necessary to approach third party advisers in order to reconstruct the Company's records. Some parties provided information willingly and others required the input of the liquidators' legal advisers.
- Detailed investigations into the scheme operated by the Company have been required to identify and quantify the loss caused to creditors. The Company did not maintain accurate accounting records and as such it has been necessary to reconstruct its records and review these alongside banking records to understand how monies were used by the Company.
- Several thousand employees and/or contractors utilised the scheme operated by the Company and hundreds of transactions passed through the Company's bank accounts in a given day. This has added extensive complication and cost to the analysis.
- Our analysis and reconstruction of the records highlighted that a substantial portion of payments made by the Company to employees/contractors were recorded as loans that were repayable by the employee/contractor to the Company. It was therefore necessary to understand how much money was paid to each employee/contractor and how much of this represented a loan. Given the vast number of employees/contractors involved this was a substantial exercise that required significant time input.
- In order to understand whether the loans referred to were in fact loans that were repayable to the Company, it was necessary to write to a broad selection of employees/contractors to seek their representations. The resulting correspondence was lengthy and protracted and added significant cost and time input.
- The above has all been necessary to clarify the loss caused to the Company by the scheme and to get to a point where possible claims can be considered by legal advisers and counsel.

As at Period end, no payment from the estate has been made towards our remuneration. Based on the report to which this document is appended, we cannot currently anticipate if and when any payment from the estate will be made towards our remuneration; this is based on current information and is therefore subject to change. Please note that the total anticipated payment does not limit the amount of remuneration that the Joint Liquidators can draw from the estate, only the fees estimate has such effect.

As stated above, total time costs exceed the fees estimate provided to creditors prior to the determination of our fee basis. Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £500,017, without approval. We are currently in communications with the major creditor in the case with regards to our remuneration and we intend on issuing a separate report shortly which will include an updated fees estimate and details of the associated creditor decision procedure.

Work done by the Joint Liquidators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, against any fees estimate provided. Our fees estimate was included within our report to creditors dated 5 May 2020. We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information for the Joint Liquidators' fees incurred together with a numerical fees estimate variance analysis. Reasons for any excess of the fees estimate are included in the 'Fee basis' section above. Note, however, that the level of fees eventually paid may be less depending on the value of asset recoveries or successful claims, for example. Details of expenses incurred in connection with work done are provided in the 'Expenses' section below.

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees (time costs) incurred		
Assets				85.35 hrs	£18,717.00	£/hr219.30
Insurance	<ul style="list-style-type: none"> Communications with the Company's insurer regarding policy and claims made 	<ul style="list-style-type: none"> To understand the policy held by the Company and the elements insured 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available 			
Debtors	<ul style="list-style-type: none"> Communications with parties indebted to the Company 	<ul style="list-style-type: none"> To recover sums due to the Company 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available 			
Other assets	<ul style="list-style-type: none"> Extensive reconciliation of the Company's bank statements and loan book to establish loans made and sums due for repayment Calculation of the premium due on employee loans that have fallen due for repayment Communications with approximately 150 employees about loans that have fallen due for repayment 	<ul style="list-style-type: none"> To clarify the position with regards to amounts paid to the Company's employees To seek repayment of amounts due to the Company 	<ul style="list-style-type: none"> This work was necessary to realise financial value for the estate and for a distribution to creditors should sufficient funds become available 			
Investigations				746.50 hrs	£369,197.00	£/hr494.57
Debtor/ directors/ senior employees	<ul style="list-style-type: none"> Communications and meetings with the director Communications and meetings with others involved with the Company and /or scheme Research into debtor addresses 	<ul style="list-style-type: none"> To understand the Company's affairs and how the scheme was operated For the correspondence with the employees 	<ul style="list-style-type: none"> This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available 			

Books & records	<ul style="list-style-type: none">Recovery and review of the Company's books and recordsReconstruction of records where not possible to recoverCorrespondence with the Company's former advisers to obtain recordsLiaising with our lawyers to assist with the recovery of recordsExtensive analysis of the records in the Relativity platformCommunications with HMRC regarding tax records	<ul style="list-style-type: none">To understand the Company's affairs and dealingsTo identify assets and claimsTo understand the loan positionTo comply with the liquidators' statutory obligations	<ul style="list-style-type: none">This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
Bank statements & analysis	<ul style="list-style-type: none">Analysis of the Company's banking records alongside Company recordsCommunications with the Company's former bank	<ul style="list-style-type: none">To understand the Company's transactions and how monies were utilisedTo assess the value of payments made to employees and how much represented loans	<ul style="list-style-type: none">This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
Claims	<ul style="list-style-type: none">Communications and meetings with legal advisers in relation to the loans, records and recognition mattersCommunications and application to wind up Retentia Services LtdRegular calls with legal advisers to consider strategy and next stepsReviewing legal advice receivedConsidering legal action to be taken and strategy	<ul style="list-style-type: none">To obtain relevant advice on claimsTo swell the assets of the liquidation estate	<ul style="list-style-type: none">This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
General	<ul style="list-style-type: none">Investigation planning and strategyAnalysis of the Company's payroll records	<ul style="list-style-type: none">To ensure strategic and cost-effective case progression	<ul style="list-style-type: none">This work was necessary to help realise financial value for the benefit of the estate and for a distribution to creditors should sufficient funds become available			
Creditors				5.70 hrs	£2,136.50	£/hr374.82
Employees & pensions	<ul style="list-style-type: none">Correspondence with the Company's pension provider and employeesCommunications with employees regarding their claims in the liquidation	<ul style="list-style-type: none">To notify parties of the liquidation and ongoing matters where required	<ul style="list-style-type: none">This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value			

			to the estate it adds value to the insolvency process			
Unsecured	<ul style="list-style-type: none"> Correspondence and meetings with creditors Logging creditor claims Providing updates where required 	<ul style="list-style-type: none"> To keep creditors informed To ensure accurate records are kept To distribute funds to creditors where possible 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Administration				122.27 hrs	£48,213.60	£/hr394.32
Appointment formalities	<ul style="list-style-type: none"> Filing appointment documents at Companies House 	<ul style="list-style-type: none"> Statutory requirement 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Other IPs, OR¹	<ul style="list-style-type: none"> Communications with the Insolvency Service Communications with Anderson Brookes 	<ul style="list-style-type: none"> To seek further details and handover upon appointment To provide information where required 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Case management	<ul style="list-style-type: none"> Regular case strategy notes and file reviews Regular case strategy meetings and calls Management of case diary Case filing Internal reviews of data protection third party advisers 	<ul style="list-style-type: none"> To identify cost effective routes to recoveries To ensure matters are progressed efficiently To ensure statutory deadlines are met 	<ul style="list-style-type: none"> This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process 			
Reports to creditors, notices & decisions	<ul style="list-style-type: none"> Drafting and sending annual reports to creditor and members Requesting creditor decisions 	<ul style="list-style-type: none"> To keep stakeholders informed of the case progress and seek decisions where required 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate 			
Treasury, billing & funding	<ul style="list-style-type: none"> Setup and maintenance of the case cashbook and bank account Paying invoices 	<ul style="list-style-type: none"> To keep an accurate record of the account 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements 			

	<ul style="list-style-type: none"> Logging receipts Bank reconciliations 		and it had no direct financial benefit to the estate
Tax	<ul style="list-style-type: none"> Reviewing the estate's tax position Deregistering the Company for VAT purposes Communications with HMRC regarding dormancy 	<ul style="list-style-type: none"> To ensure compliance with tax regulations 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
Pensions	<ul style="list-style-type: none"> Reviewing the estate's pension position 	<ul style="list-style-type: none"> To ensure compliance with pension regulations 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
General	<ul style="list-style-type: none"> Case filing 	<ul style="list-style-type: none"> To maintain accurate case records 	<ul style="list-style-type: none"> This work was necessary for administrative purposes and/or complying with statutory requirements and it had no direct financial benefit to the estate
Total remuneration charged in the Period			959.82 hrs £438,264.10 £/hr456.61

Detailed SIP9 time cost analysis for the period
Period from 12/03/2021 to 11/03/2022

Area of work	Partner		Manager		Executive		Administrator		Period total		Cumulative total as at period end		
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr
Realisation of assets:									85.35	18,717.00	219.30	1,516.09	352.42
Insurance	-	-	2.10	924.00	-	-	-	-	2.10	924.00	440.00	4.10	386.34
Debtors	1.10	715.00	0.20	88.00	-	-	-	-	1.30	803.00	617.69	2.60	452.50
Other assets	-	-	1.70	660.00	-	-	80.25	16,330.00	81.95	16,990.00	207.32	1,477.69	351.55
General	-	-	-	-	-	-	-	-	-	-	-	31.70	380.36
Investigations:									746.50	369,197.00	494.57	1,918.79	418.05
Debtor / director / senior employees	1.75	1,137.50	19.80	10,134.75	33.00	11,385.00	4.50	996.00	59.05	23,653.25	400.56	149.84	390.45
Books & records	1.75	1,137.50	26.20	11,479.00	3.70	1,332.00	21.50	5,116.00	53.15	19,064.50	358.69	292.30	336.03
Claims	237.90	154,635.00	306.60	145,855.00	44.00	15,840.00	24.15	5,962.25	612.65	322,292.25	526.06	923.55	509.04
General	-	-	-	-	-	-	-	-	-	-	-	477.75	321.66
Bank statements & analysis	-	-	0.40	176.00	4.50	990.00	16.75	3,021.00	21.65	4,187.00	193.39	75.35	286.94
Creditors:									5.70	2,136.50	374.82	38.75	367.87
Employees & pensions	-	-	0.50	223.50	-	-	-	-	0.50	223.50	447.00	18.55	384.38
Unsecured	-	-	3.60	1,561.00	-	-	1.60	352.00	5.20	1,913.00	367.88	20.20	352.71
Administration:									122.27	48,213.60	394.32	711.32	377.79
Appointment formalities	-	-	0.20	88.00	-	-	-	-	0.20	88.00	440.00	0.20	440.00
Other IPs, OR, AiB	3.00	1,950.00	0.60	264.00	-	-	-	-	3.60	2,214.00	615.00	14.30	446.82
Case management	15.50	10,176.00	27.17	11,971.60	2.55	698.00	17.85	3,860.00	63.07	26,705.60	423.43	168.22	387.17
Reports to creditors, notices & decisions	1.50	975.00	10.25	4,511.75	5.70	1,482.00	10.20	2,040.00	27.65	9,008.75	325.81	81.20	315.30
Treasury, billing & funding	-	-	7.15	3,158.75	3.80	904.00	7.25	1,456.50	18.20	5,519.25	303.26	96.65	210.19
Tax	0.75	607.50	3.80	2,567.00	0.60	276.00	4.40	1,227.50	9.55	4,678.00	489.84	94.20	425.42
Pensions	-	-	-	-	-	-	-	-	-	-	-	6.60	535.23
General	-	-	-	-	-	-	-	-	-	-	-	249.95	430.47
Total	263.25	171,333.50	410.27	193,662.35	97.85	32,907.00	188.45	40,361.25	959.82	438,264.10	456.61	4,184.95	386.96

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Appendix B

Summary SIP9 time cost analysis for the period
Period from 12/03/2021 to 11/03/2022

Area of work	Partner		Manager		Executive		Administrator		Period total			Cumulative total as at period end			Fees estimate			Variance	
	Hrs	£	Hrs	£	Hrs	£	Hrs	£	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£	£/hr	Hrs	£
Investigations	241.40	156,910.00	353.00	167,644.75	85.20	29,547.00	66.90	15,095.25	746.50	369,197.00	494.57	1,918.79	802,146.24	418.05	831.00	277,909.00	334.00	(1,087.79)	(524,237.24)
Creditors	-	-	4.10	1,784.50	-	-	1.60	352.00	5.70	2,136.50	374.82	38.75	14,255.00	367.87	46.00	15,439.00	336.00	7.25	1,184.00
Administration	20.75	13,708.50	48.92	22,477.35	12.65	3,360.00	39.70	8,584.00	122.27	48,213.60	394.32	711.32	268,727.35	377.79	478.00	180,839.00	378.00	(233.32)	(87,888.35)
Realisation of assets	1.10	715.00	4.00	1,672.00	-	-	80.25	16,330.00	85.35	18,717.00	219.30	1,516.09	534,295.85	352.42	71.00	25,830.00	364.00	(1,445.09)	(508,465.85)
Total	263.25	171,333.50	410.27	193,662.35	97.85	32,907.00	188.45	40,361.25	959.82	438,264.10	456.61	4,184.95	1,619,424.44	386.96	1,426.00	500,017.00	350.00	(2,758.95)	(1,119,407.44)

- Partner includes partners and directors

- Manager includes associate directors and managers

- Executive includes assistant manager and executives

- Total time costs paid to date: nil

- Please note that the actual time incurred in the Period may slightly differ to that reported in the table above. This is due to lags between time being recorded on our internal system by staff and then being posted to the case. We do not expect any differences to be material and any such discrepancies will be noted in our next report.

Statement of expenses incurred in the Period

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

Category	Incurred in the Period (£)	Cumulatively incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 expenses			
Land registry	63.00	234.46	-
Online searches	189.71	424.17	-
Bond JLT	-	20.00	-
Travel (non-mileage)	-	1,039.80	-
Subsistence	41.25	41.25	-
Legal fees (Gateley Legal)	61,207.90	176,320.00	-
Legal disbursement (Gateley Legal)	9,947.89	9,947.89	9,947.89
Transcription fees	-	1,588.00	1,588.00
Counsel fees	-	13,160.00	13,160.00
Courier costs	-	23.15	23.15
Statutory advertising	-	147.10	147.10
Category 2 expenses			
Relativity charges (electronic records)*	11,325.00	32,026.25	-
Total expenses	82,774.75	234,972.07	24,866.14

* The Relativity charges were incurred by Grant Thornton UK LLP's Digital Forensics Group in relation to storage and analysis of the Company's records on the Relativity software platform along with the records of connected companies Daily Employment Services Limited (Daily) and Pembroke Payment Services Limited (Pembroke). Daily and Pembroke are connected to the Company and myself and Kevin Hellard have been appointed joint liquidators over these companies. The expenses have been set out in this report, however the balance owed will be apportioned amongst the three cases in due course.

Expenses are any payments from the estate which are neither the Joint Liquidators' remuneration nor a distribution to a creditor or member, but they may include disbursements which are payments first met by and then reimbursed to the Joint Liquidators from the estate. Expenses fall into two categories:

Category 1 expenses

These are also known as 'out of pocket expenses' and are payments to third parties not associated with the Joint Liquidators where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval from creditors.

Category 2 expenses

These are expenses directly referable to the insolvent estate but payments that are either to an associate, or that include shared or allocated costs that may be incurred by the Joint Liquidators or their firm and that can be allocated to the appointment on a proper and reasonable basis. Category 2 expenses require approval in the same manner as the Joint Liquidators' remuneration.

We intend on seeking approval for the shared Relativity costs referred to above when requesting approval for an increased fees estimate.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service.

To the extent that services have been enlisted from Grant Thornton UK LLP's specialist teams, for example tax, pensions, digital forensics, or any others, the narrative for and cost of their work is included in the work done narrative and SIP9 time costs analysis details in the Fee basis of the Joint Liquidators section above.

We disclose, below, any other services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has an association. The costs incurred for these services and paid by the estate are disclosed in the 'Statement of expenses incurred in the Period' table in the previous section.

Associate name	Services enlisted	Fee basis
Grant Thornton UK LLP - Digital Forensics	<ul style="list-style-type: none">Digital forensics provision of platform(s) for data hosting and analysis. This assists the joint liquidators and their staff with the review of the Company's records.	<ul style="list-style-type: none">The costs of these services are listed in the Statement of expenses incurred in the Period section above. No monies have been paid in respect of these services.The joint liquidators do not currently have approval to pay the costs associated with these services. They intend on requesting this from creditors when requesting approval for in increased fees estimate.The rate of costs is set out below this table. We anticipate total costs of circa £50,000 across Best, Daily and Pembroke

Grant Thornton UK LLP – Digital Forensics Charge	Description	Cost
Processing	Processing data and putting it onto Relativity to enable it to be reviewed and analysed	£60 per GB
Loading into review (if applicable)	Assessment of data to help ensure only relevant data is loaded on to Relativity	£50 per GB
Hosting	Hosting/storage of relevant data on Relativity for live review and analysis	£25 per GB per month

Hosting warm archive (if applicable)	Hosting/storage of relevant data on Relativity, but data not reviewable and users are disabled. Data can be released from warm archive for live use without delay	£10 per GB per month
Users	Relativity user fee - to enable review and analysis of data hosted on Relativity	£100 per user per month

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the Joint Liquidators' fee basis.

Sub-contracted work

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

Information for creditors and members

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

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

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