

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 1 4 3 5 8 1 0

Company name in full Chalcroft Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Andrew

Surname McTear

### 3 Liquidator's address

Building name/number Townshend House

Street Crown Road

Post town Norwich

County/Region

Postcode N R 1 3 D T

Country

### 4 Liquidator's name ①

Full forename(s) Nicholas

Surname Barnett

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 3 Chandlers House

Street Hampton mews

Post town 191-195 Sparrows Herne

County/Region Bushey

Postcode W D 2 3 1 F L

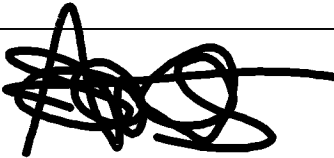
Country

#### ② Other liquidator

Use this section to tell us about  
another liquidator.

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>												
From date	<sup>d</sup>	2	<sup>d</sup>	2	<sup>m</sup>	0	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	
To date	<sup>d</sup>	2	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	2	<sup>y</sup>	2	<sup>y</sup>	0	
<b>7</b>	<b>Progress report</b>												
	<input checked="" type="checkbox"/> The progress report is attached												
<b>8</b>	<b>Sign and date</b>												
Liquidator's signature	<div>Signature</div> <div>  </div>												
Signature date	<sup>d</sup>	1	<sup>d</sup>	1	<sup>m</sup>	0	<sup>m</sup>	5	<sup>y</sup>	2	<sup>y</sup>	0	

# LIQ03

## Notice of progress report in voluntary winding up



### 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	Bethan Page
Company name	McTear Williams & Wood Limited
Address	Townshend House Crown Road
Post town	Norwich
County/Region	
Postcode	N R 1 3 D T
Country	
DX	
Telephone	01603 877540



### 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)**

# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

- ☐ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☒ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s)

Hasib

Surname

Howlader

## 3 Insolvency practitioner's address

Building name/number

3rd Floor

Street

Post town

112 Clerkenwell Road

County/Region

London

Postcode

E C 1 M 5 S A

Country

**Chalcroft Limited**  
**(In Liquidation)**  
**Joint Liquidators' Trading Account**

Statement of Affairs £	From 22/02/2020 To 21/02/2021 £	From 22/02/2019 To 21/02/2021 £
TRADING EXPENDITURE		
Heat & Light	1,052.82	1,052.82
	(1,052.82)	(1,052.82)
<b>TRADING SURPLUS/(DEFICIT)</b>	<b>(1,052.82)</b>	<b>(1,052.82)</b>

**Chalcroft Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 22/02/2020 To 21/02/2021 £	From 22/02/2019 To 21/02/2021 £
	<b>SECURED ASSETS</b>		
360,000.00	Freehold Land & Property	180,000.00	180,000.00
		180,000.00	180,000.00
	<b>COSTS OF REALISATION</b>		
	Office Holders Fees	5,000.00	5,000.00
	Legal Fees	3,250.00	3,250.00
	Agents/Valuers Fees	9,075.00	9,075.00
	Legal disbursements	89.50	89.50
	Property expenses	1,105.46	2,952.08
	Share of costs and adjustment	4,434.60	4,434.60
		(22,954.56)	(24,801.18)
	<b>SECURED CREDITORS</b>		
(3,600,000.00)	Lloyds Bank Plc	189,562.54	189,562.54
		(189,562.54)	(189,562.54)
	<b>ASSET REALISATIONS</b>		
Uncertain	Book Debts	88,104.71	432,524.74
	Cash at Bank	2,149.90	2,149.90
	Contract Power Refund	NIL	7,269.53
	Contribution to utility bills	1,105.46	1,105.46
	Funds held by solictiors	NIL	1,279.44
Uncertain	Furniture & Equipment	NIL	NIL
Uncertain	Intercompany debts	NIL	NIL
Uncertain	Leasehold improvements	NIL	NIL
Uncertain	Motor Vehicles	NIL	NIL
Uncertain	Plant & Machinery	NIL	NIL
	Rates Refund	37.92	3,303.23
Uncertain	Retentions	NIL	NIL
	Trading Surplus/(Deficit)	(1,052.82)	(1,052.82)
Uncertain	Work in progress	NIL	NIL
		90,345.17	446,579.48
	<b>COST OF REALISATIONS</b>		
	Accountancy/tax advice fees	1,470.00	3,841.00
	Agents/Valuers Fees (1)	NIL	489.80
	Bordereau	NIL	496.67
	Debt collection fees	22,291.68	83,396.69
	Hudson Weir's liquidator's fees	6,568.37	23,568.37
	Insurance of Assets	1,349.60	5,398.40
	IT costs	NIL	5,614.92
	IT Support	NIL	5,501.67
	Legal Fees (1)	17,141.50	36,866.00
	Legal fees (2)	88.25	455.25
	Libertas Associates liquidator's fees	7,306.00	35,561.00
	McTear Williams & Wood liquidator's f	55,000.00	145,000.00
	Meeting room hire	NIL	290.63
	Photocopying	NIL	1,215.45
	Searches and court fees	NIL	30.00
	Stationery & Postage	NIL	2,221.02
	Statutory Advertising	NIL	321.16
	Storage/archiving costs	1,498.76	4,093.70
	Telephone, fax & internet	NIL	184.58
	Travel & expenses	249.84	1,517.70

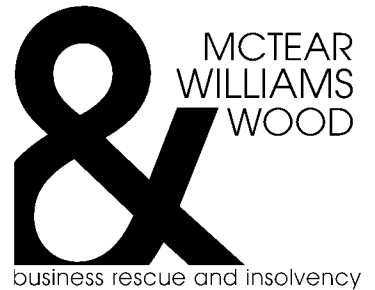
**Chalcroft Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 22/02/2020 To 21/02/2021 £	From 22/02/2019 To 21/02/2021 £
		(112,964.00)	(356,064.01)
	PREFERENTIAL CREDITORS		
(66,000.00)	Pref cred - E'ees wages/hol pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(534,000.00)	Unsecured cred - Employees	NIL	NIL
(1,600,000.00)	Unsecured cred - Intercompany loan	NIL	NIL
(465,000.00)	Unsecured cred - PAYE/NIC	NIL	NIL
(5,701,000.00)	Unsecured cred - Trade and expense	NIL	NIL
(675,000.00)	Unsecured cred - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(12,281,100.00)</b>		<b>(55,135.93)</b>	<b>56,151.75</b>
	REPRESENTED BY		
	Estate bank a/c - non interest bearing		79,641.94
	Vat Control Account		9,026.91
	Vat Payable		(36,000.00)
	Vat Receivable		3,482.90
			<b>56,151.75</b>

Contact Bethan Page  
Direct dial 01603 877868  
Email bethanpage@mw-w.com

Your ref  
My ref chal2158/514

Townshend House  
Crown Road  
Norwich  
NR1 3DT  
Office 01603 877540  
Fax 01603 877549



To all known creditors/members

11 May 2021

Dear Sirs

**Chalcroft Limited (in creditors' voluntary liquidation) ("the Company")**

I refer to my appointment as joint liquidator of the above Company on 22 February 2019 and Nicholas Barnett of Libertas and Michelle Mills of Husdon Weir Limited's appointment as joint liquidators on 3 March 2016. Hasib Howlader was appointed in place of Michelle Mills by an order of the High Court on 28 October 2019. This is our second progress report to creditors.

## 1 Receipts and payments

I enclose as Appendix 1 a copy of my receipts and payments for the period 22 February 2019 to 21 February 2021 which are shown net of VAT.

## 2 Overview

As detailed in Section 4 any dividend to creditors will be dependent on the outcome of our investigations and the costs of realisation and administration of the liquidation.

## 3 Assets

### 3.1 Acquisition of assets by a connected party

In accordance with Statement of Insolvency Practice 13 I am required to disclose information to creditors regarding any connected party transactions.

On 9 September 2020 I sold the freehold property Unit 4 Campbells Business Park to Mark Reeve and David Reeve as Trustees of the Chalcroft Retirement Benefit Scheme. Mark and David Reeve are directors of the Company. As advised in section 3.2 below the properties were valued by my agents Lambert Smith Hampton Limited on an ex-situ basis at £360,000. My valuer is independent and has confirmed that it holds professional indemnity insurance. A sale of Unit 4 was agreed for £180,000 plus VAT

which has been paid in full and the sale of Unit 6 will be reported in the next reporting period.

### 3.2 Freehold property

The company owned two freehold properties with a book value of £502,000 which were expected to realise £360,000. The properties were subject to mortgages with Lloyds Bank ("Lloyds") and there will be no surplus available to non-secured creditors following the sales. Lambert Smith Hampton Limited were instructed to market the properties and Gateleys Plc were instructed to deal with the sale on behalf of the liquidators.

A sale of Unit 4 Campbells Business Park was completed on 9 September 2020 for £180,000 plus VAT. Costs of the sale of £22,955 plus VAT were deducted and the balance was paid to Lloyds in respect of its charge.

The sale of Unit 6 Campbells Business Park has since completed and will be reported in the next reporting period.

### 3.3 Book debts, retention and work in progress

The Company's books and records showed book debts, retentions and work in progress with a combined book value totalling £5,720,000 which had an uncertain realisable value. Leslie Keats, Specialist Quantity Surveyors ("LK") were instructed to advise on the value and to collect these. In the period of this report £88,105 has been realised bringing total realisations to £432,523. LK continue to collect the remaining retentions.

### 3.4 Cash at bank

Funds of £2,150 were paid into the Company's bank account post liquidation and these have been transferred into the liquidation account. There are no further realisations expected.

### 3.5 Contribution to utility bills

Funds of £1,105 were received from the sale of Unit 4 to pay the utility bills for the sale period.

### 3.6 Rates refund

A further rates refund of £38 has been received bringing total realisations to £3,303. No further realisations are expected.

### 3.7 Other assets

All other assets remain as previously reported.

## 4 Creditors' claims

There are currently no funds available for preferential or unsecured creditors and therefore no formal adjudication of claims has taken place.

There are provisions of the insolvency legislation that require a liquidator 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. This is known as the "prescribed part of the net property" ("prescribed part"). If the charge is dated on or after 15 September 2003 the prescribed part is calculated as 50% of the first £10,000 of the net property and 20% of the remaining net property up to a maximum of £600,000.

As previously advised the Company granted nine floating charges to Lloyds Bank Plc and therefore the prescribed part provisions apply. It is currently uncertain whether funds will be available to the floating charge holder or unsecured creditors after the costs of the liquidation but if there are the prescribed part provisions will apply.

## 5 Investigation into the affairs of the Company

We undertook an initial 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. This included recovering, listing and reviewing the Company's accounting records, obtaining and reviewing copy bank statements, comparing the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the liquidation and, if necessary, making enquiries about the reasons for the changes.

This identified various transactions which the Company entered into prior to my appointment for more detailed investigation. Creditors will appreciate that such enquiries have to be dealt with a degree of sensitivity and it is inappropriate make further disclosure at this time as to do so could prejudice future realisations.

## 6 Statutory matters

In accordance with Rule 18.3 of the Insolvency (England and Wales) Rules 2016 we confirm the following:

- Company name: Chalcroft Limited
- Registered office: Townshend House, Crown Road, Norwich, NR1 3DT
- Registered number: 01435810
- Liquidators Andrew McTear, Nicholas Barnett and Hasib Howlader. Andrew McTear is dealing with asset realisations and statutory aspects of the case and Nicholas Barnett and Hasib Howlader are dealing with investigations and creditors.
- Liquidators address: Townshend House, Crown Road, Norwich, NR1 3DT
- Liquidators contact number: 01603 877540
- Date of appointment: 22 February 2019

## 7 Remuneration disbursements and expenses

### 7.1 Remuneration and disbursements

The remuneration of the joint liquidators was authorised by creditors on 25 November 2019 by a resolution by correspondence on a time cost basis as set out in the combined fee estimates of £334,077. That estimate acts as a cap and I cannot draw remuneration in excess of that without first seeking approval from creditors. In addition creditors resolved that category 2 disbursements in respect of photocopying, mileage, storage and advertising be charged at the approved rates.

Our total time costs to the anniversary and my remuneration and category 2 disbursements charged are:

Figure 1: Summary of time costs, remuneration charged and category 2 disbursements

McTear Williams & Wood Limited				
Period 22 February 2020 to 21 February 2021	Hours	Time and disbursement costs recorded £	Accrued	Amount charged £
Remuneration	155	45,702	n/a	nil
Category 2 disbursements				
- photocopying	n/a	nil	nil	nil
- mileage	n/a	nil	nil	nil
- storage	n/a	936	234	702
	<u>155</u>	<u>46,638</u>	<u>234</u>	<u>702</u>
Average rate per hour	£294			
Source: Liquidator's records				

Libertas Associates Limited				
Period 22 February 2020 to 21 February 2021	Hours	Time and disbursement costs recorded £	Accrued	Amount charged £
Remuneration	15	8,138	n/a	8,138
Category 2 disbursements				
- photocopying	n/a	nil	nil	nil
- mileage	n/a	nil	nil	nil
- storage	n/a	nil	nil	nil
	<u>15</u>	<u>8,138</u>	<u>nil</u>	<u>8,138</u>

Average rate per hour	£546
Source: <i>Liquidator's records</i>	

Hudson Weir Limited				
Period 22 February 2020 to 21 February 2021	Hours	Time and disbursement costs recorded £	Accrued	Amount charged £
Remuneration	18	7,070	n/a	7,070
Category 2 disbursements				
- photocopying	n/a	nil	nil	nil
- mileage	n/a	nil	nil	nil
- storage	n/a	nil	nil	nil
	18	7,070	nil	7,070
Average rate per hour	£394			
Source: <i>Liquidator's records</i>				

The remuneration charged relates to time costs recorded in the periods 22 February 2019 to 21 February 2020 of £239,401 and 22 February 2020 to 21 February 2021 of £60,910. This brings the total remuneration charged to £220,456. Of the remuneration charged McTear Williams & Wood have been paid £145,000, Libertas Associates have been paid £35,561 and Hudson Weir Limited have been paid £23,568.

Attached at Appendix 2 is a summary of each firm's time costs for the period covered by this report and attached as Appendix 3 is a summary of each firm's total time costs from the commencement of the liquidation to 21 February 2021 and attached as Appendix 4 is a comparison of the actual time spent with my fee estimate.

As at 21 February 2021 the total time costs have not exceeded the combined fee estimate.

## 8.2 Future work and estimated remuneration

Future work still required is as follows:

Admin and planning – the future routine administrative work required to be carried out includes drafting and circulating further progress reports to creditors, dealing with general correspondence and queries, case management and case progression reviews, compliance with regulatory requirements and dealing with closure matters. All of this work is required by statute or best practice.

Creditors – the future work required will include statutory reporting, general correspondence with creditors and shareholders.

Investigations - investigations remain ongoing but cannot be disclosed at this time. The duration of the liquidation is dependent on how long it takes for the investigations to be concluded.

Realisation of assets – book debt collection remains ongoing and could result in further funds being received into the liquidation.

The relevant creditors' guide to liquidators' fees in a liquidation which came into force in April 2017 and this firm's practice fee and disbursement recovery policy can be found on our website [www.mw-w.com](http://www.mw-w.com) by clicking on information hub and then fees and costs or a copy can be requested from this office. Disbursements are recovered at cost. Our current charge out rates are director £470, associate director £440, associate £410, senior manager/manager £310-£350, assistant manager/senior professional £240-£290, assistant £155, assistant administrator £145 and trainee £85. Our charge out rates are reviewed annually and since 1 January 2003 have increased as detailed in our policy document.

Hudson Weir's charge out rates are director £600, senior manager/manager £370-£425, administrator £145-£285 and support staff £120 and their disbursement policy is enclosed and Libertas Associates charge out rates are, appointment taker £600, senior manager £400, manager £400, supervisor/senior administrator £250, case administrator £170, cashier £110 and support staff £75.

#### 8.4 Liquidation expenses

Details of the liquidation expenses incurred in the period of this report are attached as Appendix 5.

#### 8.5 Further information

Within 21 days from receipt of this report creditors may request further information about the remuneration and expenses set out in the report. The request must be made in writing and made either by a secured creditor or an unsecured creditor or creditors that total at least 5% in value of unsecured creditors or the permission of the Court. Other than in specific circumstances, which if applicable we would explain, we will provide this within 14 days.

In addition within 8 weeks of receipt of the report creditors may apply to Court to challenge the amount and/or basis of the liquidator's fees and the amount of any proposed expenses or expenses already incurred. The application may be made by a secured creditor, or by unsecured creditor(s) that total at least 10% in value of the creditors or with the permission of the Court.

I am required to inform you that I am bound by the Insolvency Code of Ethics and further information on this, complaints procedures, our data protection/privacy statement, provision of services regulations and other statutory regulatory information can also be found on our website by clicking on information hub and then key information for creditors.

Hudson Weir's complaints policy can be accessed at <https://www.hudsonweir.co.uk/provision-of-services-regulations/> and its privacy policy can be assessed at <https://www.hudsonweir.co.uk/privacy-policy/>.

Libertas Associates complaints procedure and privacy notice data protection can be found at <http://www.libertasassociates.co.uk/downloads>.

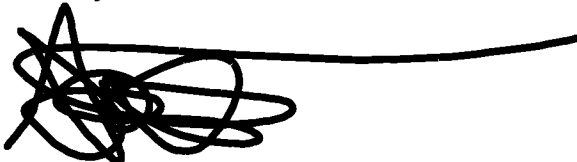
## 9 Closure

The following matters are outstanding:

- Book debt collection which is expected to take a further six months.
- Ongoing investigations.

If you require any further information please do not hesitate to contact Bethan Page at the above address.

Yours faithfully

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Andrew McTear  
Joint Liquidator

Enclosures

Chalcroft Limited  
(In Liquidation)  
Joint Liquidators' Trading Account

Statement of Affairs £	From 22/02/2020 To 21/02/2021 £	From 22/02/2019 To 21/02/2021 £
TRADING EXPENDITURE		
Heat & Light	1,052.82	1,052.82
	(1,052.82)	(1,052.82)
TRADING SURPLUS/(DEFICIT)	(1,052.82)	(1,052.82)

Chalcroft Limited  
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360,000.00	SECURED ASSETS		
	Freehold Land & Property	180,000.00	180,000.00
		180,000.00	180,000.00
	COSTS OF REALISATION		
	Office Holders Fees	5,000.00	5,000.00
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(3,600,000.00)	SECURED CREDITORS		
	Lloyds Bank Plc	189,562.54	189,562.54
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	ASSET REALISATIONS		
Uncertain	Book Debts	88,104.71	432,524.74
	Cash at Bank	2,149.90	2,149.90
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Uncertain	Retentions	NIL	NIL
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Uncertain	Work in progress	NIL	NIL
		90,345.17	446,579.48
	COST OF REALISATIONS		
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		(112,964.00)	(356,064.01)

Chalcroft Limited  
(In Liquidation)  
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(66,000.00)	Pref cred - E'ees wages/hol pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(534,000.00)	Unsecured cred - Employees	NIL	NIL
(1,600,000.00)	Unsecured cred - Intercompany loan	NIL	NIL
(465,000.00)	Unsecured cred - PAYE/NIC	NIL	NIL
(5,701,000.00)	Unsecured cred - Trade and expense	NIL	NIL
(675,000.00)	Unsecured cred - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(12,281,100.00)		(55,135.93)	56,151.75
	REPRESENTED BY		
	Estate bank a/c - non interest bearing		79,641.94
	Vat Control Account		9,026.91
	Vat Payable		(36,000.00)
	Vat Receivable		3,482.90
			56,151.75

# Time Entry - SIP9 Time & Cost Summary

CHAL2158 - Chalcroft Limited  
Project Code: POST  
From: 22/02/2020 To: 21/02/2021

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Snr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	4.10	21.50	2.70	0.00	25.10	53.40	12,853.50	240.70
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	1.00	11.30	7.90	0.00	8.60	28.80	7,833.50	272.00
Investigations	0.80	2.70	0.00	0.00	2.60	6.10	1,583.00	259.51
Realisation of Assets	3.90	55.00	0.60	0.00	7.60	67.10	23,432.00	349.21
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	9.80	90.50	11.20	0.00	43.90	155.40	45,702.00	294.09
Total Fees Claimed							150,000.00	
Total Disbursements Claimed							24,952.52	

# Time Entry - SIP9 Time & Cost Summary

## Category 2 Disbursements

CHAL2158 - Chalcroft Limited  
Project Code: POST  
From: 22/02/2020 To: 21/02/2021

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
01/05/2020	Storage costs - 01.02.20 - 30.04.20	234.00
31/07/2020	Quarterly Category 2 Storage 01.05.20 - 31.07.20	234.00
31/10/2020	Quarterly Category 2 disbursements - Storage 01.08.20 - 31.10.20	234.00
31/01/2021	Quarterly Storage - Storage charge 01.11.20 - 31.01.21	234.00
	Total	936.00

Joint Liquidators' Remuneration Schedule  
Chalcroft Limited  
Between 22 February 2020 and 21 February 2021

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	11.80	0.00	0.00	0.00	14.00	7,810.00	557.86
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.20	0.00	0.20	48.00	240.00
Case Specific Matters	0.00	0.70	0.00	0.00	0.70	280.00	400.00
Total hours	11.80	0.70	0.20	0.00	14.90		
Time costs	6,490.00	280.00	48.00	0.00		8,138.00	
Average hourly rate	550.00	400.00	240.00	0.00			546.17


Summary of Fees

Time spent in administering the Assignment	Hours	14.90
Total value of time spent to 21 February 2021	£	8,138.00
Total Joint Liquidators' fees charged to 21 February 2021	£	35,561.00

# Time Entry - SIP9 Time & Cost Summary

CHAL001 - Chalcroft Limited  
All Post Appointment Project Codes  
From: 22/02/2020 To: 21/02/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.60	7.30	0.00	0.26	8.16	3,025.62	370.56
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors and Distributions	0.00	0.20	0.00	0.00	0.20	72.00	360.00
Fixed Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	2.50	5.30	0.00	0.10	7.90	3,448.50	436.52
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reporting	0.30	0.20	1.20	0.00	1.70	523.50	307.94
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	3.40	13.00	1.20	0.36	17.96	7,069.62	393.52
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

## Time Entry - Detailed SIP9 Time & Cost Summary

CHAL2158 - Chalcroft Limited  
From: 22/02/2019 To: 21/02/2021  
Project Code: POST

Classification of Work Function	Directors	Associates & Managers	Assistant Mgrs & Shr professionals	Case Administrators	Assistants & Trainees	Total Hours	Time Cost (£)	Average Hourly Rate (£)
103 : Post appointment bank account	0.20	11.30	11.70	0.00	48.10	71.30	11,765.00	165.01
109 : Standard pre appointment work	0.00	0.10	0.00	0.00	0.00	0.10	35.00	350.00
113 : Appointment formalities	17.60	51.00	21.20	0.00	10.10	99.90	32,180.50	322.13
114 : Checklists & IPS diary	0.00	0.30	1.60	0.00	3.30	5.20	860.00	165.38
115 : Case strategy & reviews	1.40	5.30	1.90	0.00	1.70	10.30	2,834.50	275.19
117 : Case progression meetings	4.10	27.50	3.20	0.00	0.40	35.20	12,419.00	352.81
118 : Fees & billing	0.90	3.60	9.00	0.00	5.80	19.30	4,420.00	229.02
120 : Bonding and pre appt insurance	0.00	1.70	2.50	0.00	0.90	5.10	1,278.00	250.59
<b>Admin &amp; Planning</b>	<b>24.20</b>	<b>100.80</b>	<b>51.10</b>	<b>0.00</b>	<b>70.30</b>	<b>246.40</b>	<b>65,792.00</b>	<b>267.01</b>
504 : Secured	1.00	12.50	0.70	0.00	0.00	14.20	5,383.00	379.08
506 : Unsecured - general correspondence	6.60	27.10	37.70	0.00	31.80	103.20	25,631.00	248.36
508 : Employees & RPS	0.80	13.80	48.10	0.00	24.20	75.40	16,023.00	212.51
510 : Unsecured - adjudicate, declare & pay	0.40	0.00	0.00	0.00	0.00	0.40	166.00	415.00
513 : Pension	0.00	3.60	5.30	0.00	13.60	22.50	3,957.50	175.89
514 : Reporting to creditors	4.80	2.10	21.10	0.00	19.00	47.00	9,876.00	210.13
515 : VAT / Tax	0.00	2.50	0.10	0.00	0.20	2.80	927.00	331.07
<b>Creditors</b>	<b>13.60</b>	<b>61.60</b>	<b>113.00</b>	<b>0.00</b>	<b>88.80</b>	<b>265.50</b>	<b>61,963.50</b>	<b>233.38</b>
202 : SIP2 / CDDA	1.00	2.30	3.40	0.00	0.60	7.30	2,153.00	294.93
204 : Books and records	0.00	27.20	13.60	0.00	79.30	120.10	21,010.50	174.94
205 : Investigating potential claims	12.90	0.70	83.20	0.00	0.20	97.00	23,199.50	239.17
<b>Investigations</b>	<b>13.90</b>	<b>30.20</b>	<b>100.20</b>	<b>0.00</b>	<b>80.10</b>	<b>224.40</b>	<b>46,363.00</b>	<b>206.61</b>
301 : Debtors	5.10	38.50	6.30	0.00	0.40	50.30	18,247.50	362.77
306 : Insurance	0.00	1.00	2.00	0.00	0.00	3.00	803.50	267.83
307 : Chattel	0.00	0.90	7.80	0.00	0.00	8.70	2,198.00	252.64
308 : Property	4.90	64.30	9.50	0.00	2.10	80.80	28,353.00	350.90
309 : ROT claims	0.00	1.00	0.10	0.00	0.00	1.10	305.00	277.27
310 : Civil recovery action & litigation	0.00	28.30	0.00	0.00	0.00	28.30	10,875.00	384.28
311 : Pre appointment bank account	0.10	0.50	3.00	0.00	1.50	5.10	1,153.50	226.18
317 : PPI & similar claims	0.00	0.00	0.00	0.00	0.70	0.70	94.50	135.00
320 : VAT / Tax	0.00	4.10	3.40	0.00	11.40	18.90	3,591.00	190.00
<b>Realisation of Assets</b>	<b>10.10</b>	<b>138.60</b>	<b>32.10</b>	<b>0.00</b>	<b>16.10</b>	<b>196.90</b>	<b>65,621.00</b>	<b>333.27</b>
<b>Total Hours</b>	<b>61.80</b>	<b>331.20</b>	<b>296.40</b>	<b>0.00</b>	<b>255.30</b>	<b>933.20</b>	<b>239,739.50</b>	<b>256.90</b>
<b>Total Fees Claimed</b>							<b>150,000.00</b>	

# Time Entry - SIP9 Time & Cost Summary

## Category 2 Disbursments

CHAL2158 - Chalcroft Limited  
Project Code: POST  
From: 22/02/2019 To: 21/02/2021

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Amount
25/02/2019	Photocopying	139.25
08/03/2019	Photocopying	194.95
01/08/2019	Category 2 Quarterly New storage boxes - 01.05.19 - 31.07.19	304.20
01/08/2019	Category 2 Quarterly Storage one off 15 month - 01.05.19 - 31.07.19	1,170.00
01/08/2019	Category 2 Quarterly Storage Destruction charge - 01.05.19 - 31.07.19	312.00
01/11/2019	Quarterly Storage - 01.08.19 - 31.10.19	234.00
01/02/2020	Quarterly Storage Charges 01.11.19 - 31.01.20	234.00
01/05/2020	Storage costs - 01.02.20 - 30.04.20	234.00
31/07/2020	Quarterly Category 2 Storage 01.05.20 - 31.07.20	234.00
31/10/2020	Quarterly Category 2 disbursments - Storage 01.08.20 - 31.10.20	234.00
31/01/2021	Quarterly Storage - Storage charge 01.11.20 - 31.01.21	234.00
Total		3,524.40

Joint Liquidators' Remuneration Schedule  
Chalcroft Limited  
Between 22 February 2019 and 21 February 2021

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	2.00	0.00	23.00	0.00	25.00	6,620.00	264.80
Investigations	20.80	0.00	4.10	0.00	27.10	13,744.00	507.16
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	6.40	0.00	61.80	0.00	68.20	16,077.00	235.73
Case Specific Matters	0.80	0.70	0.00	0.00	1.50	720.00	480.00
Total hours	30.00	0.70	88.90	0.00	121.80		
Time costs	16,500.00	280.00	19,061.00	0.00		37,161.00	
Average hourly rate	550.00	400.00	214.41	0.00			305.10

Time spent in administering the Assignment	Hours	121.80
Total value of time spent to 21 February 2021	£	37,161.00
Total Joint Liquidators' fees charged to 21 February 2021	£	35,561.00

## Time Entry - SIP9 Time & Cost Summary

CHAL001 - Chalcroft Limited  
All Post Appointment Project Codes  
To: 21/02/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	11.75	10.10	13.50	1.47	36.82	12,617.37	342.72
Case Specific Matters	0.90	0.00	1.10	0.00	2.00	720.50	360.25
Creditors and Distributions	0.10	0.20	0.10	0.00	0.40	146.50	366.25
Fixed Charge	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	16.30	6.80	10.90	0.10	34.10	12,469.50	365.67
Realisation of Assets	0.00	1.60	0.00	0.00	1.60	600.00	375.00
Reporting	0.30	0.20	1.20	0.00	1.70	523.50	307.94
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	29.35	18.90	26.80	1.57	76.62	27,077.37	353.42
Total Fees Claimed						17,000.00	
Total Disbursements Claimed						0.00	

## Chalcroft Limited (in creditors' voluntary liquidation)

## Comparison of actual time spent to the anniversary with the fee estimate

Insolvency practitioner fee estimate	Note	Estimated hours	Estimated average rate £	Estimated cost £	Actual hours	Actual average rate £	Actual cost £
Admin and planning	1	280	290	81,249	308	276	85,029
Case specific matters	2	nil	nil	nil	4	360	1,440
Creditors	3	393	232	91,032	336	234	78,711
Investigations	4	509	281	143,048	286	253	72,577
Realisations of assets	5	61	307	18,748	198	334	66,221
Trading	6	nil	nil	nil	nil	nil	nil
		<u>1,243</u>	<u>269</u>	<u>334,077</u>	<u>1,132</u>	<u>269</u>	<u>303,978</u>

## Notes

The work undertaken on this case includes routine administrative functions, statutory and compliance work required by statute, professional regulatory guidance or is otherwise necessary for the orderly conduct of the proceedings. Whilst this may not produce any direct benefit for creditors it still has to be carried out.

The appendix above details work under the following classifications:

## 1 Admin &amp; planning

This encompasses work required by statute and necessary for case progression.

I have exceeded the cost detailed in my initial estimate as the case has remained open longer than initially expected to the delays in selling the freehold properties, collection of book debts and ongoing investigations.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

2 Case specific matters

This includes matters specific to the case which are not covered by any of the other categories of activity.

3 Creditors

This includes statutory reporting, corresponding with creditors and shareholders, agreeing creditors' claims, declaring and paying dividends, creating and updating the list of creditors, responding to enquiries from creditors and shareholders, reviewing completed creditor claim forms, formally admitting and maintaining claim records.

I have not exceeded the cost detailed in my initial estimate as we initially anticipated a dividend would be paid and creditor claims would need to be agreed but this is now unlikely due to the amounts owed to secured and preferential creditors.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

4 Investigations

As previously reported I have completed my statutory obligation to investigate the conduct of the directors and filed my report with the Department for Business Energy & Industrial Strategy. Non-statutory work required includes reviewing the Company's accounting records to identify any potential assets and claims to be pursued for the benefit of creditors.

The costs are lower than the estimate as the investigation work remains ongoing.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

5 Realisation of assets

To discharge my duty to realise the assets of the Company this includes identifying, securing, insuring and realising assets, instructing and liaising with agents, reviewing, collecting outstanding debtors and pursuing any antecedent transactions claims identified.

I have exceeded the cost detailed in my initial estimate as the sale of the properties has taken longer than anticipated due to various issues arising and the book debt collection has also taken considerable work of locating supporting documents from books and records.

A schedule of routine work typically undertaken is attached as Appendix 6. In the period covered by the report I have dealt with the ticked items.

## 6 Trading

The company didn't trade and no time has been spent on this.

## Chalcroft Limited (in creditors' voluntary liquidation)

## Liquidation expenses

The major areas of expenditure incurred in the period of this report and the reasons why these were incurred were:

- Leslie Keats have been paid £22,291 plus VAT assist with collecting book debts and retentions.
- Mapus Smith & Lemmon LLP have been paid £1,470 plus VAT for the preparation of intercompany loan analysis on a time cost basis.
- Gateley Legal have been paid £20,392 plus VAT and disbursements of £178 for preparing contracts and dealing with the sale of the properties.
- Lambert Smith Hampton ("LSH") were paid £1,080 plus VAT for advertising and dealing with the sale of the property. This was based on 2% commission of the sale price and split 30% LSH and 70% SW.
- Sanderson Weatherall were paid £5,000 plus VAT on a time cost basis and £2,520 plus VAT based on 2% commission of the sale of price as detailed above and disbursements of £475 for work completed in achieving a sale of the property.

Detailed below is a statement of the expenses accrued in the liquidation during the period covered by this report.

As at 21 February 2021 I have exceeded the total expenses estimated in my fee proposal as I have incurred more book debt collection fees than anticipated to the complexity of some of the contracts and significant costs have been spent on IT support that were not initially anticipated.

## Statement of expenses incurred and not paid for in the period 22 February 2020 to 21 February 2021

Nature of expense	Details	Estimated expenses	Expenses brought forward	Expenses incurred in period	Expenses paid in period	Expenses carried forward
		£	£	£	£	£
Category 2 disbursements						
Photocopying	McTear Williams & Wood Limited	500	0	0	0	0
Mileage	McTear Williams & Wood Limited	100	0	0	0	0
Storage	McTear Williams & Wood Limited	3,000	563	936	1,499	234
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		3,600	563	936	1,499	234
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
		3,600	563	936	1,499	234
		<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I consider their expertise and reputation are sufficient for me to rely on their judgement. I also consider their fees represented value for money and am satisfied that they are reasonable in the circumstances of this case.

## Routine work undertaken

Time spent on casework is recorded in 6 minute units under the following categories:

### Admin and planning

#### Statutory and compliance

Carried out in  
period of report

- Collating initial information to enable us to carry out our statutory duties including creditor information, details of assets and other information. ☐
- Providing initial statutory notifications of our appointment to the Registrar of Companies, clients, creditors, other stakeholders and advertising our appointment. ☐
- Submitting initial notifications to HM Revenue & Customs. ☐
- Ensuring compliance with statutory obligations arising from the Insolvency Act 1986 within the relevant timescales. ☒
- Arranging for the redirection of the Company's mail. ☐
- Completing closing formalities. ☐

#### Post appointment bank account

- Setting up estate bank account. ☐
- Preparing and processing vouchers for the payment of post appointment invoices. ☒
- Creating remittances and sending payments to settle post appointment invoices. ☒
- Reconciling post appointment bank accounts. ☒

#### Checklists & IPS diary

- Use of multiple checklists and standard and modified diaries on our case management software. ☒

#### Case progression meetings

- Formulating, monitoring and reviewing case strategy and meetings with internal and external parties to agree the same. ☒
- Briefing staff on the case strategy and matters in relation to various work streams. ☐
- Regular reviews of progress and case management including team update meetings and calls. ☒
- Reviews, routine correspondence and other work. ☒
- Allocating and managing staff/case resourcing and reviews. ☒
- Documenting strategy decisions. ☒

#### Fees & Billing

- Preparation of our fee and expenses estimate. ☐
- Seeking a decision from creditors to fix the basis of remuneration. ☐

- Reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9.



#### Bonding

- Arranging bonding and, if necessary, reviewing the adequacy of the bond on a quarterly basis.



Note: Insolvency practitioners when appointed to act must have in place a bond which contains provisions whereby a surety or cautioner undertakes to be jointly or severally liable for losses in relation to the insolvent.



#### Creditors

##### Shareholders

- Providing notification of appointment and reports to shareholders.
- Responding to enquiries from shareholders.



##### Secured

- Issuing our initial letter to secured creditors to obtain information and copy charges.
- Considering background to charge and which assets are covered.
- Calculation of the prescribed part and estimated outcomes.
- Agreeing secured creditors claims including checking the validity of security
- Reporting on progress of liquidation.



##### Preferential – adjudicate, declare & pay

- Agreeing preferential creditors' claims
- Issuing notice of intended dividend, declaring dividend and making payment.
- Accounting to HM Revenue & Customs for tax.



##### Unsecured – general correspondence

- Seeking to pass resolutions by correspondence and convening and preparing for meetings of creditors if requested.
- Creating and updating the list of unsecured creditors.
- Responding to enquiries from creditors regarding submission of their claims, prospects and paperwork required
- Reviewing completed forms submitted by creditors, recording claim amounts and maintaining claim records.



##### Committee

- Forming a creditors' committee, reporting and liaising as necessary



##### Employees & RPS

- Dealing with queries from employees regarding various matters relating to their employment if applicable.



- Issuing claim information to employees and assisting employees to complete online applications. ┐
- Correspondence with employees to establish pay during notice period. ┐
- Dealing with statutory employment related matters including obtaining information from Company records, statutory notices to employees and making statutory submissions to the relevant government departments if applicable. ┐
- Reviewing employment contracts. ┐
- Liaising with Job Centre Plus, union representatives and payroll providers. ┐
- Administering the Company's payroll including associated taxation and other deductions and preparing PAYE and NIC returns where applicable. ┐
- Preparing payroll payments for retained staff, dealing with salary related queries and confirming payments with the employee's banks. ┐
- Communicating and corresponding with HM Revenue & Customs. ┐
- Dealing with issues arising from employee redundancies including statutory notifications and liaising with the Redundancy Payments Service if applicable. ┐
- Agreeing employees claims to claims paid by Redundancy Payments Service. ┐
- Managing claims from employees if applicable. ┐
- Processing and agreeing Redundancy Payments Service claims. ┐

#### Landlords

- Dealing with landlord's claims for arrears of rent, loss of future rent and dilapidations. ┐

#### Unsecured – adjudicate & pay

- Requesting additional information from creditors in support of their proofs of debt in order to adjudicate on their claims. ┐
- Agreeing/rejecting secured/preferential/client/unsecured claims. ┐
- Corresponding with rejected claims. ┐
- Dealing with disputed claims which would materially affect the dividend to other creditors. ┐
- Issuing a notice of intended dividend and placing an appropriate gazette notice. ┐
- Calculating, declaring and paying a dividend to creditors. ┐

#### Pension

- Requesting information from pension company and establishing if any claims. ┐
- Collating information and reviewing the Company's pension schemes where applicable. ┐

- Ensuring compliance with our duties to issue statutory notices.
- Calculating employee pension contributions and review of pre-appointment unpaid contributions if applicable.
- Communicating with employees' representatives concerning the effect of the insolvency on pensions

#### Reporting to creditors

- Preparing statutory receipts and payment accounts.
- Preparing progress reports to members and creditors and filing with Court/Registrar as appropriate.

#### Investigations

##### SIP 2/ CDDA

- Reviewing pre appointment transactions.
- Reporting on the director's conduct to the Insolvency Service.
- Reviewing the questionnaires submitted by the directors of the Company.

##### Books & records

- Locating relevant Company books and records, arranging for their collection, listing records and dealing with ongoing storage.
- Collating information from the Company's records regarding assets and /or investigations.

##### Investigating potential claims

- Identifying possible causes of action which could lead to a return to creditors.
- Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties such as banks, accountants, solicitors etc.
- Considering and discussing merits of potential claims with solicitors.
- Identifying heads of claims.
- Interrogating the books and records to provide evidence, meetings with the directors over a number of months to negotiate a settlement of the claims.
- Instructing solicitors to advise on the merits of the claim and if appropriate to commence action on the claim.
- Preparing documents of solicitors and editing draft witness statements and reviewing other documents.

#### Realisation of assets

##### Debtors

- Reviewing outstanding debtors and agreeing debt collection strategy.
- Liaising with Company credit control staff and communicating with debtors.

- Reconciling the sales ledger control account. ┐
- Locating and copying invoices. ┐
- Researching queries identified by debtors and agreeing to credit notes and/or disputing the queries. ✓
- Seeking legal advice in relation to book debt collections if applicable. ✓
- Considering merits of taking legal action and pursuing as appropriate, considering or providing further evidence as required. ┐
- Reviewing the inter-company debtor position between the Company and other group companies if applicable. ┐
- Identifying and realising debts that are not trade debts or director loan accounts, if shown on the statement of affairs. ┐

#### Business sale

- Planning the strategy for the sale of the business and assets including instruction and liaison with professional advisers. ┐
- Collating relevant information and drafting information memorandum in relation to the sale of the Company's business and assets and advertising the business for sale if applicable. ┐
- Identifying interested parties by reference to information provided by the directors, our own contacts and research of interested buyers. ┐
- Sending out memorandums to interested parties and collating return of confidentiality letters. ┐
- Chasing up interest and sending additional information. ┐
- Dealing with queries from interested parties and managing the information flow to potential purchasers if applicable. ┐
- Managing site visits with interested parties, fielding due diligence queries and maintaining a record of interested parties if applicable. ┐
- Consideration of offers. ┐
- Carrying out sale negotiations with interested parties if applicable. ┐
- Instructing solicitors to draft sale and purchase agreement. ┐
- Issuing press releases and posting information on our website/IP-bid as appropriate. ┐
- Addressing potential ROT claims arising and other contract specific matters in the sale and purchase agreement. ┐
- Agreeing and signing documents, monitoring the terms of sale and collecting the consideration. ┐

#### Insurance

- Arranging ongoing insurance for the Company's business and assets. ┐

- Liaising with post appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place.
- Reviewing whether any insurance premiums due.
- Assessing the level of insurance premiums.

#### Chattel

- Liaising with agents regarding the sale of assets.
- Dealing with any third party claims.

#### Property

- Reviewing the Company's leasehold properties including review of leases if applicable.
- Communicating with landlords regarding rent, property occupation and other issues if applicable.
- Performing land registry searches if applicable.
- Securing, insuring and making ready for sale.
- Instructing agents to market, reviewing marketing materials and considering the most appropriate method of sale.
- Instructing solicitors.
- Liaising with secured creditors.
- Dealing with tenants and utility companies.
- Considering offers and negotiating heads of terms for sale.
- Consider, review and amend sale contracts.
- Dealing with rating authorities, planning issues and environmental issues.
- Reviewing completion statement, paying fees and costs of solicitors and agents and secured creditors' claims.

#### ROT claims

- Receiving and responding to claims from creditors that claim to have retained title to goods supplied.
- Establishing terms of business and assets on site.

#### Pre appointment bank account

- Liaising with the bank regarding transfer of funds and the closure of pre appointment bank accounts.

- Dealing with the Company's pre appointment account.



#### **Directors' loan account**

- Identifying from the Company's books and records.
- Interrogating Company's books and records to substantiate the claims in the accounts.
- Interviewing the directors and considering investigating and responding to possible defences put forward.
- Meetings with the directors to negotiate settlement of the debt.
- Instructing solicitors and editing witness statements for Court.
- Collecting monies owed by directors



#### **Assets not on statement of affairs**

- Dealing with assets identified following appointment which were not detailed on the statement of affairs.



#### **VAT & tax**

- Gathering initial information from the Company's records in relation to taxation.
- Corresponding with the Company's former accountants, HM Revenue & Customs and directors to understand and obtain copies of the previous tax returns and accounts.
- Calculating and claiming VAT bad debt relief.
- Calculating and claiming corporation tax terminal loss relief.
- Reviewing the Company's pre-appointment corporation tax and VAT position.
- Analysing and considering the tax effects of various sale options, tax planning for efficient use of tax assets and to maximise realisations.
- Analysing VAT related transactions.
- Dealing with post appointment tax returns and compliance.
- Prepare or instruct accountants to prepare tax returns to reclaim tax.



#### **Trading**

##### **Strategy and management**

- Monitoring and controlling the day to day trading of the business.
- Preparing cash flow statements to monitor the cash position.
- Securing petty cash on site and monitoring spend.



- Dealing with issues in relation to stock and other assets required for trading.
- Monitoring stock and stock reconciliations.
- Monitoring ongoing trading including attending site.
- Attending to supplier and customer queries and correspondence.
- Dealing with hauliers to ensure ongoing services.
- Ensuring ongoing provision of emergency and other essential services to site.
- Ongoing health and safety compliance.
- Dealing with landlord and property issues.
- General management and supervision of trading carried out by our staff based on site.
- Compliance with legal and licensing obligations and ongoing monitoring.
- To do all such other things as may be necessary or expedient for the management of the affairs, business and property of the company.

#### Employees

- Liaising with staff and trade unions.
- Setting up a new RTI registration for the business with HMRC and submitting relevant information in respect of wages and salaries paid.

#### Utilities/purchases

- Attending to supplier and customer queries and correspondence.
- Raising, approving and monitoring purchase orders and setting up control systems for trading.
- Negotiating and making direct contact with various suppliers as necessary to provide additional information and undertakings, including agreeing terms and conditions in order to ensure continued support.

#### Sales/contracts

- Communicating and negotiating with customers regarding ongoing supplies including agreeing terms and conditions.

## CHARGE OUT RATES & POLICY REGARDING THE RECOVERY OF EXPENSES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

The following information applies to all appointments of Insolvency Practitioners acting as:-

Liquidator, Receiver, Administrator or Administrative Receiver of a Limited Company  
Trustee in Bankruptcy  
Supervisor of an Individual, Company or Partnership Voluntary Arrangement  
Administrator under the Insolvent Estates Order  
Monitor

When acting as Nominee, the provisions of the Insolvency Act require that the amount of the fees payable to the Office-holder be specified within the Debtor's proposals. Such fees will nevertheless be fixed to take account of the Office-holder's expected time costs arising as referred to below.

### 1. POLICY ON FEES

Fees are either fixed by reference to time costs, or as a percentage of realisations and distributions, or a set amount or any combination of all three. Where fees are agreed on a time cost basis, rates may be varied from time to time, at the sole discretion of the practice, and such changes will be notified in retrospect with each report to Creditors. It is our policy to use as junior grade of staff as compatible with the efficient conduct of the matter in order to ensure costs are kept to a minimum.

#### 1.1. CHARGE-OUT RATES

Where the approved basis of remuneration is on a time costs basis, work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. Details of charge-out rates effective from 1 April 2021 are as follows:

	Rate from 1 May 2020 Per hour (£)	Rate from 1 April 2021 Per Hour (£)
Directors/Insolvency Practitioners	560	600
Senior Managers and Managers	360-415	370-425
Administrators	140-275	145-285
Secretaries & Support Staff	110	120

Rates vary between individuals, reflecting experience and qualification. Please note that support staff time is charged to the case at the rate indicated. Rates are subject to review annually. Any change in rates will be advised to creditors.

For further information on the manner in which an Office Holder's fees may be fixed, please refer to the guidance notes in relation to fees which can be downloaded from <https://www.hudsonweir.co.uk/resources/>.

#### 1.2. FIXED AND % FEES

Where fees are authorised and approved as a fixed fee and/or % fee this fee is to cover the costs incurred by the Insolvency Practitioner and his staff and does not include any additional direct costs.

## 2. RECOVERY OF EXPENSES

An expense is a directly attributable cost to the estate which is neither an office holder's remuneration nor a distribution to creditors or members. Expenses can include disbursements, payments met by the office holder and subsequently recovered from the estate, and are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses are payments to independent third parties and do not have to be approved prior to payment, but when reporting to the creditors committee and creditors during the course of the liquidation the actual expenses incurred will be compared with the original estimate provided with any material difference explained (e.g. where legal costs rise due to escalated recovery action).

Category 2 expenses are payments to associates, or parties with a professional or personal relationship, or payments which have an element of shared costs. These expenses require approval in the same manner as an office holder's remuneration. This will include any case related travel or subsistence incurred by staff working on this case. Where it is necessary for staff to travel from the office, business mileage may be charged at the HMRC rate of 45p per mile.

An estimate of expenses (including disbursements) is provided to creditors when the basis of the office-holder's fees are approved.

The expenses recovered by the practice are as follows:-

Expenses	Charge
Category 1	
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Company searches	At cost incurred
Statutory Advertising	At cost incurred
External postage	At cost incurred
Category 2	
Mileage (where any staff of office holder of utilises their own vehicle)	45p/mile
Other travel charges	At cost in accordance with internal policy
Subsistence and any other miscellaneous disbursements, where appropriately incurred,	At cost in accordance with internal policy

Some statutory category 1 expenses, such as the bond and statutory advertising, may be paid by the practice in the first instance due to a lack of funds in the estate to enable a direct payment. These disbursements, when recovered, may be considered a category 2 expense as the recovery is a payment to the practice of the IP however they are recovered at cost, plus VAT, as appropriate. Where this is the case, agreement to the recovery of category 2 expenses as authorised is to include these, otherwise, direct costs.

## 3. Specialist Professional Advisors

On occasion it is necessary for the office holder to engage with specialist professional advisers. Professional advisers are selected with regard to the specific requirements and based upon the office-holders professional judgement of their experience and ability to perform the necessary work, the complexity and nature of the assignment and the basis of the fee arrangement with to ensure a fair and reasonable cost to the estate.

Expenses incurred in respect of specialist advisers are subject to independent assessment prior to engagement and reported in accordance with current guidance. Unless a significant personal or

professional relationship, that may give rise to a potential threat or conflict, has been identified with any Advisor their costs are regarded as category 1 expenses.

#### 4. Use of Subcontractors

It is not our policy to use sub-contractors. If it is necessary to use sub-contractors for the benefit of the estate full disclosure will be provided to creditors in the regular progress report for individual cases with an explanation of the work to be undertaken, why it is necessary and the cost incurred.