

In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

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	07705048
Company name in full	Aray Group Ltd

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

2 Liquidator's name

Full forename(s)	Freddy
Surname	Khalastchi

3 Liquidator's address

Building name/number	Lynton House
Street	7-12 Tavistock Square
Post town	
County/Region	London
Postcode	WC1H9LT
Country	

4 Liquidator's name ①

Full forename(s)	Jonathan David
Surname	Bass

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

5 Liquidator's address ②

Building name/number	Lynton House
Street	7-12 Tavistock Square
Post town	
County/Region	London
Postcode	WC1H9LT
Country	

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

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6

Period of progress report

From date	<div><div>d</div><div>2</div></div>	<div><div>d</div><div>3</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>1</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>2</div></div>	
To date	<div><div>d</div><div>2</div></div>	<div><div>d</div><div>2</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>1</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>3</div></div>	

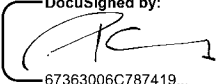
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Progress report

<div><input type="checkbox"/> The progress report is attached</div>	
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8

Sign and date

Liquidator's signature	<div>Signature</div> <div><div>X</div><div><div>DocuSigned by:</div><div></div><div>67363006C787419...</div></div></div> <div>X</div>								
Signature date	<div><div>d</div><div>0</div></div>	<div><div>d</div><div>3</div></div>	<div><div>m</div><div>0</div></div>	<div><div>m</div><div>3</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>0</div></div>	<div><div>y</div><div>2</div></div>	<div><div>y</div><div>3</div></div>	

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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 Penny Hitch

Company name Menzies LLP

Address 2 Sovereign Quay

Havannah Street

Post town Cardiff

County/Region

Postcode CF10 5SF

Country

DX DX 200767 Cardiff Bay

Telephone 029 2049 5444

**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

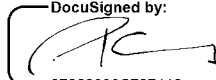
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Aray Group Ltd
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 23/01/2022 To 22/01/2023 £	From 23/01/2020 To 22/01/2023 £
	ASSET REALISATIONS		
	Bank Interest Gross	NIL	0.06
Uncertain	Book Debts	NIL	NIL
Uncertain	Director's loan account	200.00	200.00
Uncertain	Investments in subsidiaries	NIL	NIL
	Sale of use of company name	NIL	2,000.00
		200.00	2,200.06
	COST OF REALISATIONS		
	Delivery costs for Books & Records	NIL	45.00
	Preparation of S. of A.	NIL	1,621.67
	Valuation fee	500.00	500.00
		(500.00)	(2,166.67)
	UNSECURED CREDITORS		
(6,221.98)	Directors	NIL	NIL
(200.00)	HM Revenue and Customs - CT	NIL	NIL
(115,010.99)	HM Revenue and Customs - VAT	NIL	NIL
(18,017.01)	Intercompany balances	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(139,649.98)		(300.00)	33.39
	REPRESENTED BY		
	Barclays Bank NIB		0.06
	VAT Payable		(400.00)
	VAT Receivable		433.33
			33.39

Note:

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

DocuSigned by:

67363006C787419...

Freddy Khalastchi
Joint Liquidator

ARRAY GROUP LTD - **IN CREDITORS' VOLUNTARY LIQUIDATION**

JOINT LIQUIDATORS' PROGRESS REPORT PURSUANT TO SECTION 104A OF THE INSOLVENCY
ACT 1986 AND RULE 18.2 OF THE INSOLVENCY (ENGLAND & WALES) RULES 2016

FOR THE PERIOD 23 JANUARY 2022 TO 22 JANUARY 2023

DATED 3 MARCH 2023

ARRAY GROUP LTD - **IN CREDITORS' VOLUNTARY LIQUIDATION** – (“THE COMPANY”)

ANNUAL PROGRESS REPORT

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2. Progress and asset realisations
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4. Liabilities and dividend prospects
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8. Further information
9. Concluding remarks

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2. Joint Liquidators' receipts and payments account
3. Joint Liquidators' analysis of time costs and narrative of work undertaken
4. Joint Liquidators' comparison of original fee estimate, and actual time costs incurred
5. Comparison of estimated expenses and actual costs incurred

1. INTRODUCTION AND EXECUTIVE SUMMARY

1.1 I was appointed Joint Liquidator of the Company on 23 January 2020. I now present my progress report for the 3rd year of the liquidation, pursuant to Section 104A of the Insolvency Act 1986 ("the Act") and Rule 18.2 of the Insolvency (England & Wales) Rules 2016 ("the Rules").

1.2 The Company's statutory information is attached at Appendix 1 of this report.

Executive summary

1.3 As previously reported, at the date of my appointment, that company had ceased trading and I took steps to realise the remaining assets with a view to distributing the funds to creditors, after costs, in the prescribed order of priority. As Liquidator, I was also obliged to investigate the Company's affairs. At the outset it was anticipated that I would not be in a position to declare a dividend to any class of creditor, and this continues to be the case.

1.4 The manner in which the affairs of the Company have been managed since my last progress report is set out below.

1.5 My Receipts & Payments Account for the period from 23 January 2022 to 22 January 2023, which I have reconciled to the financial records that I am required to maintain, is attached at Appendix 2. All receipts and payments are shown net of VAT.

1.6 The balance of funds amounting to £0.06 is held in a non-interest-bearing estate bank account.

2. PROGRESS AND ASSET REALISATIONS

Directors overdrawn loan account ("*DLA*")

2.1 During the period, the director has continued to make payments of £200 per month towards the DLA in this Company and the subsidiary company, Aray Architects Ltd. I have not yet agreed a figure to be repaid in full and my discussions with the director remain ongoing.

2.2 During the period, £200 has been received into the estate.

2.3 It remains my intention to allocate £600, approximately 25% of the liability due to the Company in respect of the DLA, from the funds being paid by the director. I anticipate being in a position to do so in the next few months.

VAT refund

2.4 The Company was registered to VAT purposes as part of a VAT group together with a number of subsidiary companies, two of which are also in liquidation. Prior to the reporting period, I had requested that the VAT group was disbanded and new VAT numbers allocated to this Company to enable me to deal with the VAT due to HMRC on the sale of assets and to recover the VAT due on the costs of the liquidation. Prior to this reporting period, the VAT group was disbanded but the VAT number was not allocated. My efforts to obtain a VAT registration number continue.

2.5 It has been necessary to escalate this matter through HMRC's internal complaints process and I await a substantive response.

3. INVESTIGATIONS

3.1 There were no matters which justified further investigation in this matter.

4. LIABILITIES AND DIVIDEND PROSPECTS

4.1 LIABILITIES

Secured creditors

4.2 The Company has no charges registered over its assets. Accordingly, there are no known secured creditors.

4.3 The legislation requires that if the Company has created a floating charge on or after 15 September 2003, a prescribed part of the Company's net property (i.e. the money that would otherwise be available to the charge holder) should be ring-fenced for distribution to unsecured creditors. In this case there were no creditors secured by a floating charge such that the prescribed part provisions do not apply.

Preferential creditors

4.4 The Company has no preferential creditors.

Non-preferential unsecured creditors

4.5 The statement of affairs included 6 unsecured creditors with an estimated total liability of £139,449.98. I have received claims from 2 creditors at a total of £157,870.99. I have not received claims from 5 creditors with original estimated claims in the statement of affairs of £24,438.99. I have received one claim in the sum of £600.00 which was not included on the statement of affairs.

4.6 There are currently insufficient funds to enable a dividend to be paid to unsecured creditors. The position is not expected to change.

5. PRE-APPOINTMENT FEES

5.1 On 23 January 2020 the creditors authorised the payment of a fee of £2,000 plus VAT to Menzies LLP for assistance with preparing the statement of affairs and arranging the decision procedure for creditors to appoint a Liquidator.

5.2 The fee for preparing the statement of affairs and arranging the decision procedure for creditors to appoint a liquidator was paid in party, from the first realisations, in a previous period and is shown in the enclosed receipts and payments account. The balance of £378.33 plus VAT will be paid when sufficient funds have been received.

6. JOINT LIQUIDATORS' REMUNERATION & EXPENSES

Joint Liquidators' remuneration

6.1 At a virtual meeting of creditors held on 23 January 2020, it was resolved that my remuneration be fixed by reference to time properly spent by myself and my staff in attending to matters arising in the liquidation based on a fee estimate of £14,745.00. The fees estimate acts as a cap, and I cannot draw remuneration in excess of that estimate without first seeking approval from the creditors/liquidation committee.

6.2 My total time costs to 22 January 2023 amount to £23,243.47, representing 110.14 hours of work at a blended charge out rate of £211.04 per hour, of which £5,447.10 was charged in the period since 23 January 2022, at a blended charge out rate of £264.42 per hour. The actual blended charge out rate incurred compares with the estimated blended charge out rate of £186.65 in my fees estimate. There is a difference in the blended rate charged, compared with the estimated blended rate

because more of the work has been undertaken by a higher grade of staff than was originally anticipated.

- 6.3 I attach at Appendix 3, a breakdown of these time costs by work category and staff grade, together with a narrative explanation of work done in the period since my last report to creditors.
- 6.4 I have not been able to draw any remuneration in this period.
- 6.6 Given the size and technical nature of the liquidation, much of the work described in the sections above was undertaken by me and a manager. Additional assistance was provided by cashiers dealing with banking and statutory duties, and administrators offering various support services. All time spent on administering various duties was charged directly to the case in 6 minute units, with the exception of time incurred by my taxation team which has been charged in 5 minute units.
- 6.7 As at 22 January 2023, the total time costs that I have incurred in the Liquidation have exceeded the total estimated remuneration which was set out in my fee estimate, when my remuneration was authorised by creditors. Please see Appendix 4 which details the actual time costs incurred as compared to the fee estimate provided to creditors in my report dated 20 January 2020. As you will see, the time costs incurred was exceeded by an amount of £8,498.47.
- 6.8 The reasons for exceeding the fee estimate are that the case has remained open for longer than anticipated such that more progress reports have been prepared than were expected and that the time spent dealing with the DLA has taken longer than expected. In addition, time has been spent liaising with HMRC regarding the disbanding of the VAT group and chasing the necessary VAT numbers and forms which was not anticipated when my fee estimate was provided to creditors. Currently I do not intend to draw remuneration in excess of the fees estimate and so will not be seeking a decision to increase my fees estimate.
- 6.9 I only anticipate needing to seek approval to draw fees in excess of this increased estimate if my additional work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.
- 6.10 Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at <https://www.menzies.co.uk/helping-you/business-recovery/fees-guide/>. There are different versions of these Guidance Notes, and in this case please refer to the version for appointments before after September 2015.
- 6.11 I have incurred total expenses of £2,456.53 since my appointment as Liquidator of which £nil was incurred in the period since my last report to creditors. I have drawn £2,166.67 to 22 January 2023, of which £500.00 was drawn in the period since my last report to creditors. Menzies LLP has paid £289.86 on behalf of the liquidation estate, which I have not been able to reimburse from the estate as yet due to lack of realisations.
- 6.12 No expenses were incurred in the period since my last progress report.
- 6.13 During the reporting period, I have paid £500 to Williams & Partners, a firm of independent, professional asset valuers, for the work done prior to my appointment to value the assets for the purpose of the Company's Statement of Affairs. I had understood that the Company was to pay for the services prior to liquidation however, it was made known to me during the period that the fee remained outstanding. Accordingly, I have settled the fee from the funds in the Liquidation estate.
- 6.14 Appendix 5 details the expenses I estimated that I would incur in this matter when my remuneration was authorised by creditors and compares them with those incurred and drawn to date.
- 6.15 As of 22 January 2023, as you can see from the information provided in this report, the expenses I

have incurred in this matter have exceeded the total expenses I estimated I would incur when my remuneration was authorised by the creditors. The reasons I have exceeded the expenses estimate are that my estimate did not include the figures for the valuer's fee, nor the Statement of Affairs fee and more advertising costs were incurred than were anticipated.

- 6.16 Based on my knowledge of the case to date, I do not anticipate being able to draw my time costs and expenses, which I have estimated at £25,700.00, in full and expect to draw only £2,600.06. As a result, it is not anticipated that there will be a return to unsecured creditors.

7. CREDITORS' RIGHTS TO FURTHER INFORMATION AND TO CHALLENGE LIQUIDATORS' REMUNERATION AND EXPENSES

Creditors' right to request information

- 7.1 Any secured creditor, or an unsecured creditor with the support of at least 5% in value of unsecured creditors or with the leave of court, may (in writing) request me to provide additional information regarding remuneration or expenses already supplied within this report. In accordance with rule 18.9(2) of the Rules, such a request or application for leave must be made within 21 days of receipt of this report.

Creditors' right to challenge remuneration and/or expenses

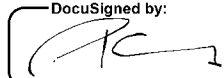
- 7.2 Any secured creditor, or an unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the court, may apply to court for one or more orders under Rule 18.36(4) or 18.37(4) of the Rules. In accordance with rule 18.34(3) of the Rules such applications must be made within eight weeks of receipt of this report.

8. FURTHER INFORMATION

- 8.1 The Joint Liquidators are data controllers of personal data as defined by the relevant provisions of the applicable data protection legislation. Menzies LLP will act as a data processor on their instructions. Personal data will be kept secure and processed only for matters relating to the insolvency appointment. Full details of our privacy notice is at the following link:
<https://www.menzies.co.uk/legal/>.
- 8.2 To comply with the Provision of Services Regulations, some general information about Menzies LLP, including about our complaints policy and Professional Indemnity Insurance, can be found at <https://www.menzies.co.uk/legal/> and <https://www.menzies.co.uk/helping-you/business-recovery/making-a-complaint/>.

9. CONCLUDING REMARKS

- 9.1 The liquidation will remain open until the outstanding matters with HMRC have been resolved. I estimate that this will take approximately 6-8 months and, once resolved, I will be in a position to conclude the liquidation.
- 9.2 I will report again on the progress of the liquidation after the next anniversary of the Liquidation or in the final account, whichever is earlier.
- 9.3 If creditors have any queries regarding the conduct of the Liquidation, or if they want hard copies of any of the documents made available on-line, they should contact Penny Hitch by email at phitch@menzies.co.uk, or by phone on +44 (0)29 2067 4993.

DocuSigned by:

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Freddy Khalastchi
Joint Liquidator

APPENDIX 1
STATUTORY INFORMATION

Company name:	Aray Group Ltd
Company number:	07705048
Registered office:	Lynton House, 7-12 Tavistock Square, London, WC1H 9LT
Former registered office:	Foframe House, 35 - 37 Brent Street, London, NW1 5AB
Former trading address:	Foframe House, 35 - 37 Brent Street, London, NW1 5AB
Principal trading activity:	Holding company
Joint Liquidators' names:	Freddy Khalastchi and Jonathan David Bass
Joint Liquidators' address:	2 Sovereign Quay, Havannah Street, Cardiff, CF10 5SF
Date of appointment:	23 January 2020
Contact details of Joint Liquidators	Penny Hitch on +44 (0)29 2067 4993 or at phitch@menzies.co.uk
Details of any changes of Liquidator:	There have been no changes of Liquidator during the winding up.

APPENDIX 2

ARRAY GROUP LTD - **IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")**
JOINT LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT

Appendix 2
 Aray Group Ltd
 (In Liquidation)
 Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs		From 23/01/2022 To 22/01/2023	From 23/01/2020 To 22/01/2023
	ASSET REALISATIONS		
Uncertain	Investments in subsidiaries	NIL	NIL
Uncertain	Book Debts	NIL	NIL
Uncertain	Director's loan account	200.00	200.00
	Sale of use of company name	NIL	2,000.00
	Bank Interest Gross	NIL	0.06
		200.00	2,200.06
	COST OF REALISATIONS		
	Preparation of S. of A.	NIL	1,621.67
	Valuation fee	500.00	500.00
	Delivery costs for Books & Records	NIL	45.00
		(500.00)	(2,166.67)
	UNSECURED CREDITORS		
(18,017.01)	Intercompany balances	NIL	NIL
(6,221.98)	Directors	NIL	NIL
(200.00)	HM Revenue and Customs - CT	NIL	NIL
(115,010.99)	HM Revenue and Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(139,649.98)		(300.00)	33.39
	REPRESENTED BY		
	VAT Receivable		433.33
	Barclays Bank NIB		0.06
	VAT Payable		(400.00)
			33.39

Note:

All items detailed on the receipts and payments account are shown net of VAT as the Company was VAT registered and VAT has therefore been recovered for the benefit of the liquidation estate.

APPENDIX 3

ARRAY GROUP LTD - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")
JOINT LIQUIDATORS' TIME COSTS

TIME CHARGE OUT SUMMARY FOR THE PERIOD FROM 23 JANUARY 2022 TO 22 JANUARY 2023

Classification of Work Function	HOURS					Total Hours	Time Costs £	Blended Hourly Rate £
	Partner/ Director	Manager	Senior	Administrator	Support			
Brought Forward From 22.01.2023						89.54	17,796.37	198.75
Administration & Planning	0.30	14.20	0.10	3.10	2.80	20.50	5,394.60	263.15
Realisation of Assets	0.10	-	-	-	-	0.10	52.50	525.00
Creditors	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-	-
Total Hours	0.40	14.20	0.10	3.10	2.80	20.60		
Total Costs	210.00	4,391.00	27.00	526.00	293.10		5,447.10	264.42
Total Carried Forward						110.14	23,243.47	211.04
Fees Drawn for Period Ended:								
22.01.2021							-	
22.01.2022							-	
22.01.2023							-	
Total Fees Drawn to Date:							-	
Balance of Time Costs Accrued but Unpaid							23,243.47	

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

From 1 June 2022 1 Oct 2021 to 31 May 2022

	£ per hour	£ per hour
Partner/Director	500-580	450-525
Manager	300-450	270-400
Senior	270-280	240-250
Administrator	150-220	135-200
Support Staff	120	105

- Note 1 There may have been a number of promotions through the various grades during the period of the administration.
 Note 2 Overhead costs are reflected in the charge out rates detailed.
 Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £580 per hour, and the manager is £330 per hour.
 Note 4 Time is recorded in minimum units of 6 minutes.

ARRAY GROUP LTD - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")

JOINT LIQUIDATORS' NARRATIVE OF WORK UNDERTAKEN IN THE PERIOD 23 JANUARY 2022 TO 23 JANUARY 2023

A description of the work undertaken since my last progress report is as follows:

1 Administration and planning

There are certain aspects of the case that are required by statute and for the efficient running of the case. They are not expected to provide a direct quantifiable benefit to creditors; however, without them, other aspects of the case which do provide a quantifiable benefit to creditors would be less efficient. They include:

The maintenance of electronic case management systems, the periodic review of files; strategic case planning and routine administration of the case together with the preparation of documents and reports and dealing with correspondence.

Specifically:

Reporting

As the case remained open for a further year, it was necessary to prepare a progress report to members and creditors for circulation following the anniversary to advise upon the progress made over the year.

Cashiering

Time spent by cashiers included lodging receipts and processing invoices for payment; reconciling the bank account and producing the receipts and payments account.

Taxation

Time has been spent preparing and filing the annual corporation tax return. Time has been spent liaising with HMRC regarding the filing of pre-liquidation and post-liquidations VAT returns. My efforts continue to obtain a VAT number for the Company and the VAT forms to enable those return to be filed.

2 Asset realisations

Net asset realisations provide the financial benefit to creditors and their quantum directly contributes to any dividend ultimately available to creditors.

During the period, the only receipt has been £200 towards the outstanding DLA. Time has been spent requesting those funds from the associated company into which the director is making monthly payments towards the combined DLA liabilities to the two companies.

3 Investigations

No time has been spent in this category during the reporting period.

4 Creditors (claims and distribution)

No time has been spent in this category during the reporting period.

APPENDIX 4

ARRAY GROUP LTD - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")
COMPARISON OF ORIGINAL EE ESTIMATE AND ACTUAL COSTS INCURRED

Classification of work function	Fee Estimate			Actual - 23 January 2020 to 22 January 2023		
	Total Hours	Blended Hourly Rate	Total Time Costs	Total Hours	Blended Hourly Rate	Total Time Costs
		£	£		£	£
Administration	40.00	179.25	7,170.00	68.30	212.42	14,508.30
Asset realisation	13.00	194.23	2,525.00	10.30	214.03	2,204.50
Creditors (claims and distribution)	12.00	187.50	2,250.00	23.54	213.92	5,035.67
Investigations	14.00	200.00	2,800.00	8.00	186.88	1,495.00
Estimated total hours	79.00			110.14		
Estimated average blended rate		186.65			211.04	
Estimated total cost			14,745.00			23,243.47

CHARGE OUT RATES OF INSOLVENCY TEAM MEMBERS

	<u>From 1 June 2022</u>	<u>1 Oct 2019 to 31 May2022</u>
	£ per hour	£ per hour
Partner/Director	500-580	400-525
Manager	300-450	260-360
Senior	270-280	230-250
Administrator	150-220	100-205
Support Staff	120	100-135

Note 1 There may have been a number of promotions through the various grades during the period of the administration.

Note 2 Overhead costs are reflected in the charge out rates detailed.

Note 3 The charge-out rate of the Insolvency Practitioner for this assignment is currently £580 per hour, and the manager is £330 per hour

Note 4 Time is recorded in minimum units of 6 minutes.

APPENDIX 5

ARRAY GROUP LTD - IN CREDITORS' VOLUNTARY LIQUIDATION – ("THE COMPANY")
JOINT LIQUIDATORS' COMPARISON OF ESTIMATED EXPENSES AND ACTUAL COSTS INCURRED AND PAID

Details of Expense	Estimated amount £	Incurred/Accrued in the period since last report £	Total incurred/accrued to date £	Paid in period since last report £	Total paid £
<u>Category 1 expenses</u>					
Statutory Advertising - various notices relating to the Company have to be placed in the London Gazette	179.92	-	269.86	-	-
Specific penalty bonding - this is insurance required by statute that every officeholder has to obtain for the protection of each estate, with the premium being based on the value of the Company's assets	20.00	-	20.00	-	-
Postage for delivery of books and records	-	-	45.00	-	45.00
Statement of affairs fee	-	-	1,621.67	-	1,621.67
<u>Agents' fees</u>					
Valuer's fees - prior to my appointment, the Company instructed Williams & Partner, a firm of professional valuation agents, to value the Company's assets. The fee was on a fixed fee basis.	-	-	500.00	500.00	500.00
Storage costs - collection, listing and storage of books and records - An agent may be instructed to collect the books and records of the Company. The books and records will be stored by the agent throughout the period of the Liquidation and for one year following the dissolution of the Company. The agent will be paid per box per month.	50.00	-	-	-	-
<u>Category 2 expenses</u>					
None					
Totals	249.92	-	2,456.53	500.00	2,166.67

EXPENSES

Expenses are any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. The term expenses also includes disbursements which are payments which are first met by the office holder, and then reimbursed to the office holder from the estate.

Category 1 Expenses

Specific expenditure relating to the administration of the insolvent estate and payable to a person or persons who are not associates of the office holder is recoverable without creditor approval. Such expenditure is

made if funds are available from the insolvent estate. If funds are not available, then payment is made from this firm's office account and reimbursed from the estate should funds become available.

Category 1 expenses will generally comprise external supplies of incidental services specifically identifiable to the case. Typical items include legal fees, agents' fees, sub-contractors' fees, statutory advertising, insurance of assets, search fees, specific penalty bonding, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 Expenses

These are expenses that are directly referable to the administration of the insolvent estate and are made to associates of the officeholder or have an element of shared costs.

Category 2 Expenses require creditor approval.

Menzies LLP do not as a matter of policy seek approval of, or claim any, Category 2 expenses other than those which are paid to associates of the office holder.