

Liquidator's Progress Report

S.192

Pursuant to Sections 92A and 104A and 192
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

02763624

Name of Company

K & R Demolition Ltd

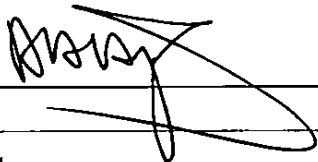
I/~~we~~

Anthony Harry Hyams, Allan House, 10 John Princes Street, London, W1G 0AH

the liquidator(s) of the company attach a copy of my/~~our~~ Progress Report
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 14/10/2013 to 13/10/2014

Signed



Date

11/12/14

Insolve Plus Ltd
Allan House
10 John Princes Street
London
W1G 0AH

Ref K015T/AHH/PJ/KL/SJ

SATURDAY



A39 13/12/2014 #309
COMPANIES HOUSE

K. & R. Demolition Ltd
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

| Statement of Affairs | From 14/10/2013 To 13/10/2014 | From 14/10/2011 To 13/10/2014 |
|-----------------------------------------------------|----------------------------------|----------------------------------|
| SECURED CREDITORS | | |
| (120,409 00) National Westminster Bank Plc | NIL | NIL |
| | NIL | NIL |
| ASSET REALISATIONS | | |
| 500 00 Office Equipment and Fixtures & Fittin | NIL | NIL |
| 500 00 Motor Vehicles | NIL | NIL |
| 11,663 00 Retentions | NIL | 30,592 14 |
| 50,502 00 Work in Progress | NIL | 70,488 03 |
| 23,949 00 Aged Book Debts | 26 45 | 13,022 01 |
| | 26 47 | 196 69 |
| | 52 92 | 114,298 87 |
| COST OF REALISATIONS | | |
| Specific Bond | 79 20 | 229 20 |
| Office Holders Fees | 9,000 00 | 20,000 00 |
| Debt Collection Fees | 1,145 85 | 13,908 46 |
| Agents/Valuers Fees | NIL | 1,500 00 |
| Agents/Valuers Fees | NIL | NIL |
| Legal Fees | 1,000 00 | 2,975 00 |
| Corporation Tax | 23 39 | 37 49 |
| Travel | NIL | 175 50 |
| | (11,248 44) | (38,825 65) |
| PREFERENTIAL CREDITORS | | |
| (11,785 00) Staff Claims - Holiday Pay | NIL | NIL |
| | NIL | NIL |
| FLOATING CHARGE CREDITORS | | |
| Floating Charge Creditor | NIL | 58,774 96 |
| | NIL | (58,774 96) |
| UNSECURED CREDITORS | | |
| (182,736 00) Trade & Expense Creditors | NIL | NIL |
| (75,318 00) Staff Claims - Notice & Redundancy | NIL | NIL |
| (257,114 00) Associated Companies | NIL | NIL |
| (98,169 00) H M Revenue & Customs - PAYE/NIC | NIL | NIL |
| (39,705 00) HM Revenue & Customs - CIS | NIL | NIL |
| (93,675 00) H M Revenue & Customs - VAT | NIL | NIL |
| | NIL | NIL |
| DISTRIBUTIONS | | |
| (3 00) Ordinary Shareholders | NIL | NIL |
| | NIL | NIL |
| (791,800.00) | (11,195.52) | 16,698.26 |
| REPRESENTED BY | | |
| Bank 1 Deposit | | 14,698 26 |
| Vat Control Account | | 2,000 00 |
| | | 16,698.26 |

10 December 2014

Our ref PJ/K015T/S6

**PROGRESS REPORT TO ALL MEMBERS AND CREDITORS
PRIVATE AND CONFIDENTIAL**

Dear Sir/Madam

K. & R. Demolition Ltd - In Liquidation ("the Company")

1. Introduction

I refer to my appointment as Liquidator of the Company on 14 October 2011 and in accordance with Section 104A of the Insolvency Act 1986 ("the Act") and all associated provisions of the Insolvency (Amendment) Rules 2010, I hereby report on the progress of the Liquidation

With effect from 1 April 2014 the practice has been rebranded as Insolve Plus. However Members and Creditors should note that this does not affect the nature of the appointment

2. Statutory Information

- The Company's registration number – 02763624
- The last trading address – Unit 1 Withy Park Industrial Estate, Dutton Lane, Eastleigh, Hampshire SO50 6AB
- Registered office – Allan House, 10 John Princes Street, London W1G 0AH
- Former registered office – Unit 5, Quay Lane Industrial Estate, Hardway, Gosport, Hampshire PO12 4LJ
- Liquidator – Anthony Hyams of Insolve Plus LLP, 4th Floor Allan House, 10 John Princes Street, London W1G 0AH
- Date of appointment – 14 October 2011
- As the Company had its only place of business at premises in the UK, the EC Regulations apply, these proceedings are Main Proceedings as defined in Article 3 of the EC Regulation

3. Liquidator's actions during the period 14 October 2013 to 13 October 2014

Following the second anniversary of my appointment as Liquidator I issued my progress report to all known Members and Creditors on 9 December 2013

You will recall that the collection of the Company's retentions, work in progress and aged book debts was being dealt with by Driver Consult Ltd

In May 2014 the collection of these assets was taken over by Kinetica Consult Ltd ("Kinetica") who are specialists in dealing with issues arising on construction contracts.

As part of the collection process following a discussion with the Director it became necessary for me to instruct solicitors in respect of one debt and I instructed Blake-Turner & Co with the collection of this debt which was disputed. It was agreed that they be paid an initial fee of £1,000 for drafting a "Pre-Action Protocol Letter Before Claim" with further fees to be agreed in due course depending upon the response received from the debtor

The choice of Blake-Turner & Co was based on their expertise in dealing with legal issues arising on construction contracts where disputes have arisen.

A settlement was agreed whereby the debtor pay an amount of 6,500 plus VAT. As at the anniversary of my appointment this amount has not been received and I shall provide creditors with an update in a subsequent report.

You will also recall that I instructed solicitors, Ashfords LLP, to pursue one debt of £21,050. However this debtor has proceeded in to Administration and it is uncertain as to whether there will be any recovery in this respect

Members and creditors will recall that from the report to creditors sent following my appointment as Liquidator that the overall anticipated realisation in respect of these classes of assets was £86,114 and to date I am pleased to report that a total sum of £114,102 has been received.

In addition there may be further monies due in respect of deductions made from debts received after the date of my appointment which I continue to examine and I shall provide an update in a subsequent report

4. Liquidator's account of receipts and payments

You will find attached a summary of my receipts and payments account as at 13 October 2014, being the third anniversary date and a full account of receipts and payments for the entirety of the Liquidation to the third anniversary, which should be read in conjunction with the information contained in this report and my previous reports of 28 November 2012 and 9 December 2013. I specifically comment in respect of the matters arising during the last year as follows

4.1 Receipts

4.1.1 Aged Book Debts

A sum of £26 has been received in this respect and throughout the entire period of the Liquidation the sum of £13,022 has been received

4.1.2 Bank Interest Gross

The funds received are held on an interest bearing account and gross interest of £26 has been received

4.2 Assets remaining to be realised

4.2.1 Retentions, WIP and Aged Book Debts

You will note from Part 3 of this report that I continue to pursue the remaining debts due to the Company and it is expected that the monies due under the settlement agreement will be received shortly

In addition there may be further monies due in respect of deductions made from debts received after the date of my appointment and I shall provide an update in a subsequent report.

4.3 Payments

4.3.1 Specific Bond

A further amount of £79 has been paid to AUA Insolvency Risk Services Limited in respect of the specific bond insurance as required by The Insolvency Act 1986.

4.3.2 Debt Collection Fees

A further amount of £1,146 has been paid to Driver Consult Ltd in respect of their fees for assisting with analysing the contractual position and the collection of the outstanding retentions, WIP and aged book debts.

Creditors should note that their fees are based on a percentage of 12.5% of gross realisation in respect of the WIP, Retentions and Book Debts where their assistance has been required

4.3.3 Legal Fees

An amount of £1,000 has been paid to Blake-Turner & Co in respect of their fees for assisting with the collecting the remaining retentions, work in progress ("WIP") and aged book debts

4.3.4 Corporation Tax

An amount of £23 has been paid to HM Revenue & Customs in respect of the Corporation Tax due on the interest received during the second year of the Liquidation.

5. The costs spent in the conduct of the Liquidation

5.1 Liquidator's Post Appointment Fees

My fees are based on the resolution passed by creditors at the first meeting held on 14 October 2011 whereby the Liquidator is hereby authorised to draw his remuneration pursuant to Rule 4.127 of The Insolvency Rules 1986 according to time spent and expertise applied by him and his staff in the conduct of the Liquidation

You will find attached a summary of time costs for the period since the second anniversary of my appointment to the third anniversary, being 14 October 2013 to 13 October 2014 and a summary for the entire period of the Liquidation to the third anniversary. This is in accordance with the requirements of Statement of Insolvency Practice 9 ("SIP9")

My total time costs to 13 October 2014 amount to £55,585, representing 191 hours and 14 minutes of work at an average charge out rate of £291 per hour, of which £6,861, representing 24 hours and 30 minutes of work, was charged in the period between 14 October 2013 and 13 October 2014 at an average charge out rate of £280 per hour

A Creditors' Guide to Fees, which provides guidance as to how an insolvency practitioner's remuneration is authorised, may be obtained from the Insolve Plus Ltd website via the following link, www.insolveplus.com/services/creditors-guides/

Creditors should note that following the rebranding to Insolve Plus the charge out rates and disbursement costs that were previously provided remained the same until they were revised with effect from 28 April 2014 and I attach a copy of the current Charging and Disbursement Policy

5.2 Grades of Staff Used

The grades of staff are selected according to the nature of work required to be undertaken for each appointment. In this particular case the Liquidator has been involved with the realisation of the monies due to the Company and in overseeing all aspects of the case.

Other staff charged out at lower rates were employed to deal with the administrative aspects of the case. This is outlined in the attached SIP 9 time cost summary.

5.3 Remuneration charged

During the course of the third year of the Liquidation I have drawn remuneration of £9,000 and throughout the entire period of the Liquidation the sum of £20,000 has been drawn

5.4 Areas of Time Expense for the Period from 14 October 2013 to 13 October 2014

5.4.1 Administration and Planning

A total of 16 hours minutes have been spent resulting in a time expense of £3,680 by my staff engaged on this case and I at an average hourly rate of £230, which has included the following:

- Dealing with correspondence
- Maintaining physical case files and electronic case details.
- Periodic case reviews
- Submitting and periodic review of the statutory bond insurance.
- Case planning and administration.
- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met.
- Preparing the second annual progress report to members and creditors
- Liaising with the Directors

5.4.2 Realisation of Assets

A total of 7 hours and 36 minutes has been spent resulting in a time expense of £2,936 by my staff engaged on this case and I at an average hourly rate of £387, which has included the following.

- Discussions with Driver Consult Limited and Kinetica Consult Ltd in respect of the remaining debtors
- Instructing and liaising with Kinetica Consult Ltd in respect of collecting the outstanding Retentions, Book Debts and WIP both verbally and by correspondence.
- Instructing and liaising with Blake-Turner & Co in respect of legal advice provided with the collection of the Company's book debts
- Meetings with Kinetica Consult Ltd, Blake-Turner & Co and Director in respect of book debts.

5.4.3 Creditors

A total of 54 minutes has been spent resulting in a time expense of £245 by my staff engaged on this case and I at an average hourly rate of £272, which has included the following:

- Dealing with creditor correspondence and telephone conversations
- Reviewing proofs of debt received from creditors
- Dealing with employees claims and liaising with Redundancy Payments Service

5.5 Areas of Time Expense for the period from 14 October 2011 to 13 October 2014

5.5.1 Administration and Planning

A total of 112 hours and 26 minutes have been spent resulting in a time expense of £25,267 by my staff engaged on this case and I at an average hourly rate of £225, which has included the following

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising.
- Dealing with correspondence
- Maintaining physical case files and electronic case details.
- Periodic case reviews.
- Submitting and periodic review of the statutory bond insurance
- Case planning and administration
- Maintaining and managing the Liquidator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met.
- Preparing reports to members and creditors
- Liaising with the Company's accountant
- Liaising with employees and the Redundancy Payments Office
- Instructing Kerman & Co LLP to validate National West Minster Bank Plc's fixed and floating charge
- Instructing Alexander Marks LLP to validate the subrogation of the Bank's charge to Mr & Mrs Bell
- Liaising with the Directors.

5.5.2 Investigations

A total of 19 hours and 8 minutes have been spent resulting in a time expense of £6,231 by my staff engaged on this case and I at an average hourly rate of £326, which has included the following:

- Review of books and records
- Preparing a return pursuant to the Company Directors Disqualification Act
- Conducting investigations into suspicious transactions.
- Review of certain books and records that had been provided to identify any transactions or actions a Liquidator may take against a third party in order to recover funds for the benefit of creditors.

5.5.3 Realisation of Assets

A total of 48 hours and 18 minutes have been spent resulting in a time expense of £21,040 by my staff engaged on this case and I at an average hourly rate of £436, which has included the following:

- Instructing and liaising with Cypher Consultants in respect of collecting the outstanding Retentions, Book Debts and WIP both verbally and by correspondence.

- Instructing and liaising with Driver Consult Ltd in respect of collecting the outstanding Retentions, Book Debts and VIP both verbally and by correspondence.
- Instructing and liaising with Kinetica Consult Ltd in respect of collecting the outstanding Retentions, Book Debts and VIP both verbally and by correspondence
- Instructing and liaising with Ashfords LLP in respect of legal advice provided with the collection of the Company's book debts
- Instructing and liaising with Blake-Turner & Co in respect of legal advice provided with the collection of the Company's book debts.
- Meetings with Kinetica Consult Ltd, Blake-Turner & Co and Director in respect of book debts
- Corresponding with HM Revenue & Customs in respect recovering CIS deductions

5.5.5 Creditors

A total of 11 hours and 22 minutes have been spent resulting in a time expense of £3,047 by my staff engaged on this case and I at an average hourly rate of £268, which has included the following

- Dealing with creditor correspondence and telephone conversations
- Maintaining creditor information on computerised systems
- Reviewing proofs of debt received from creditors.
- Payment of monies due to National Westminster Bank Plc and Mr & Mrs Bell
- Dealing with employees claims and liaising with Redundancy Payments Service

6. Liquidator's Disbursements

6.1 Category 1 Disbursements

Creditors will note that during the period covered by this report no further Category 1 Disbursements have been paid on behalf of the Company by Marriotts Recovery LLP or Insolve Plus Ltd

However during the entire period of the Liquidation to the third anniversary the following Category 1 Disbursements were charged and paid by Marriotts Recovery LLP These disbursements have not been reimbursed.

| Category 1 Disbursements | £ |
|--------------------------|---------------|
| Statutory Advertising | 142 53 |
| Specific Bond | 180.00 |
| Courier Charges | 8 10 |
| Company Searches | 1 00 |
| | <u>331 63</u> |

6.2 Category 2 Disbursements

Creditors will note that during the period covered by this report the following Category 2 Disbursements have been charged and paid by Marriotts Recovery LLP and Insolve Plus Ltd on behalf of the Company

| Category 2 Disbursements | £ |
|----------------------------------------------------------------------|---------------|
| Copying, stationery & postage of second progress report to creditors | 147.40 |
| Storage | 12.00 |
| | <u>159 40</u> |

During the entire period of the Liquidation to the third anniversary the following Category 2 Disbursements were charged and paid by Marriotts Recovery LLP and Insolve Plus Ltd To date Category 2 Disbursements totalling £175 50 have been reimbursed to Marriotts Recovery LLP

| Category 2 Disbursements | £ |
|-------------------------------------------------------------------------|--------------------|
| Copying, stationery & postage of second progress report to creditors | 147 40 |
| Copying, stationery & postage of first progress report to creditors | 155.10 |
| Copying, stationery & postage of letter to creditors seeking resolution | 79 56 |
| Storage | 24.00 |
| Copying, stationery & postage first report to creditors | 293 76 |
| Travel | 175 50 |
| | <hr/> 875 32 <hr/> |

Attached to this report is also a statement of the creditors' rights to request further information in accordance with Rule 4 49E of the Insolvency (Amendment) Rules 2010, and their right to challenge the Liquidator's remuneration and expenses in accordance with Rule 4 131 of the Insolvency (Amendment) Rules 2010

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

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the creditors (including the creditor in question), 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, within 8 weeks of receipt of this report Any secured creditor may make a similar application to court within the same time limit

7. Outcome for Creditors

7.1 Preferential Creditors

As previously reported there are sufficient funds to enable a distribution to preferential creditors of 100p in the £ and accordingly a resolution was passed by creditors authorising the Liquidator to pay any class of creditor in full in accordance with Schedule 4 of the Insolvency Act 1986.

The Redundancy Payments Service ("RPS") has dealt with the claims made by the staff dismissed as a result of the winding up and had submitted a preferential claim for £6,651 14

In addition there were additional preferential claims due from employees in respect of holiday pay, which exceed the amount paid by the RPS subject to the statutory limit.

Creditors will note from the receipts and payments account that as at the third anniversary of my appointment preferential creditors had not been discharged.

However I can confirm that since the third anniversary preferential creditors have received a distribution of 100p in the £ and I shall report on this further in a subsequent report.

7.2 Floating charge creditor

Creditors will recall that National Westminster Bank Plc ("NatWest") hold a fixed and floating charge over the Company's assets which was created on 15 March 1995 and registered 22 March 1995

The charge in favour of NatWest was supported by a personal guarantee from Mr and Mrs Bell

The validity of NatWest's charge has been examined by my solicitor Kerman & Co LLP which has been confirmed as being valid

During the course of the second year of the Liquidation Mr and Mrs Bell discharged the outstanding debt due to NatWest and have taken a subrogation of their security

I sought legal advice from Alexander Marks LLP as to the validity of the Guarantors taking a subrogation of the Banks charge which was confirmed.

I previously reported that NatWest had received an amount of £58,775.

No further payments have been made in the third year of the Liquidation and creditors should note that any future payments made under the floating charge will be paid to Mr and Mrs Bell as a result of the subrogation

Section 176 of The Insolvency Act 1986 which deals with the prescribed part will not apply due to the Banks charge being created prior to 15 September 2003

7.3 Unsecured Creditors

The statement of affairs included 50 unsecured creditors with an estimated total liability of £746,717. I have received claims from 32 creditors totalling £845,108 which includes an amount of £351 which represents a claim from 1 creditor who wasn't shown on the statement of affairs

Included in the above amount are claims of £93,675 and £274,665 received from HM Revenue & Customs in respect of VAT and PAYE/NIC/CIS respectively. The claim in respect of PAYE/NIC/CIS is higher than that shown on the statement of affairs as a result of estimates being raised by HM Revenue & Customs in the absence of actual returns.

I have not received claims from 19 creditors with original estimated claims in the statement of affairs of £55,840.

8. Dividend Prospects

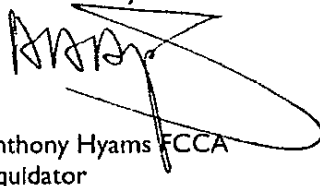
Based on present information there will not be surplus funds to enable a distribution to unsecured creditors

9. Summary

The Liquidation will remain open until the remaining monies due to the Company have been realised

Should you require any further information or clarification then please do not hesitate to contact Peter Jukes of this office

Yours faithfully


Anthony Hyams FCCA
Liquidator

K. & R. Demolition Ltd
(In Liquidation)
Liquidator's Abstract of Receipts & Payments

| Statement of Affairs | | From 14/10/2013 To 13/10/2014 | From 14/10/2011 To 13/10/2014 |
|-------------------------|----------------------------------------|----------------------------------|----------------------------------|
| | SECURED CREDITORS | | |
| (120,409 00) | National Westminster Bank Plc | NIL | NIL |
| | | NIL | NIL |
| | ASSET REALISATIONS | | |
| 500 00 | Office Equipment and Fixtures & Fittin | NIL | NIL |
| 500 00 | Motor Vehicles | NIL | NIL |
| 11,663 00 | Retentions | NIL | 30,592 14 |
| 50,502 00 | Work in Progress | NIL | 70,488 03 |
| 23,949.00 | Aged Book Debts | 26 45 | 13,022 01 |
| | Bank Interest Gross | 26 47 | 196 69 |
| | | 52 92 | 114,298 87 |
| | COST OF REALISATIONS | | |
| | Specific Bond | 79 20 | 229.20 |
| | Office Holders Fees | 9,000 00 | 20,000 00 |
| | Debt Collection Fees | 1,145 85 | 13,908 46 |
| | Agents/Valuers Fees | NIL | 1,500.00 |
| | Agents/Valuers Fees | NIL | NIL |
| | Legal Fees | 1,000 00 | 2,975 00 |
| | Corporation Tax | 23 39 | 37 49 |
| | Travel | NIL | 175 50 |
| | | (11,248 44) | (38,825 65) |
| | PREFERENTIAL CREDITORS | | |
| (11,785 00) | Staff Claims - Holiday Pay | NIL | NIL |
| | | NIL | NIL |
| | FLOATING CHARGE CREDITORS | | |
| | Floating Charge Creditor | NIL | 58,774 96 |
| | | NIL | (58,774 96) |
| | UNSECURED CREDITORS | | |
| (182,736 00) | Trade & Expense Creditors | NIL | NIL |
| (75,318 00) | Staff Claims - Notice & Redundancy | NIL | NIL |
| (257,114 00) | Associated Companies | NIL | NIL |
| (98,169 00) | H M Revenue & Customs - PAYE/NIC | NIL | NIL |
| (39,705 00) | HM Revenue & Customs - CIS | NIL | NIL |
| (93,675 00) | H M Revenue & Customs - VAT | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (3 00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (791,800.00) | | (11,195.52) | 16,698.26 |
| | REPRESENTED BY | | |
| | Bank 1 Deposit | | 14,698.26 |
| | Vat Control Account | | 2,000 00 |
| | | | 16,698.26 |

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K. & R. Demolition Ltd

SIP 9 - Time & Cost Summary

Period. 14/10/13 13/10/14

Time Summary

| Hours | | | | | | Time Cost (£) | Average hourly rate (£) |
|-----------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Classification of work function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration & Planning | 0 10 | 1 50 | 0 40 | 2 20 | 4 20 | 851 40 | 202 71 |
| Annual Reporting | 0 40 | 0 00 | 0 00 | 0 00 | 0 40 | 154 80 | 387 00 |
| Statutory reporting | 0 00 | 4 50 | 0 00 | 0 00 | 4 50 | 1,291 50 | 287 00 |
| Billing | 0 00 | 0 30 | 0 00 | 0 30 | 0 60 | 142 50 | 237 50 |
| Case Review | 0 20 | 0 70 | 0 00 | 0 00 | 0 90 | 278 30 | 309.22 |
| Conversation with Directors | 0 00 | 1 00 | 0 00 | 0 00 | 1 00 | 331 10 | 331 10 |
| Correspondence with Directors | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Diary Updating | 0 00 | 0 30 | 0 00 | 0 00 | 0 30 | 86 10 | 287 00 |
| Meeting with Lawyer | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Post appointment Corporation Tax | 0 10 | 0 00 | 0 00 | 0 40 | 0 50 | 99 50 | 199 00 |
| Post appointment VAT Returns | 0 00 | 0 00 | 0 00 | 1 00 | 1 00 | 112 50 | 112 50 |
| Statutory Returns to Registrar of | 0 00 | 0 00 | 0 00 | 0 70 | 0 70 | 70 00 | 100 00 |
| Bank Reconciliation | 0 00 | 0 00 | 0 00 | 1 70 | 1 70 | 192 50 | 113 24 |
| Administration & planning | 0 80 | 8 50 | 0 40 | 6 30 | 16 00 | 3,680 20 | 230 01 |
| Realisation of assets | 1 30 | 0 00 | 0 00 | 0 00 | 1 30 | 656 09 | 504 69 |
| Debt collection | 0 00 | 2 00 | 0 00 | 0 00 | 2 00 | 713 06 | 356 53 |
| Conversation with Agents | 0 00 | 1 30 | 0 00 | 0 00 | 1 30 | 481 13 | 370 10 |
| Conversation with Lawyer | 0 00 | 0 60 | 0 00 | 0 00 | 0 60 | 219 80 | 368 33 |
| Correspondence with Agent | 0 00 | 1 50 | 0 00 | 0 00 | 1 50 | 538 06 | 358 71 |
| Correspondence with Lawyer | 0 00 | 0 70 | 0 00 | 0 00 | 0 70 | 258 06 | 368 66 |
| Meeting with Agent | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 70 00 | 350 00 |
| Realisations of assets | 1 30 | 6 30 | 0 00 | 0 00 | 7 60 | 2,938 21 | 386 34 |
| Creditors | 0 00 | 0 00 | 0 10 | 0 00 | 0 10 | 15 00 | 150 00 |
| Conversation with creditors | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 28 70 | 287 00 |
| Creditor correspondence | 0 00 | 0 40 | 0 00 | 0 00 | 0 40 | 114 80 | 287 00 |
| Employment Rights Act (1996), c | 0 00 | 0 30 | 0 00 | 0 00 | 0 30 | 86 10 | 287 00 |
| Creditors | 0 00 | 0 80 | 0 10 | 0 00 | 0 90 | 244 60 | 271 78 |
| Total Hours | 2 10 | 15 60 | 0 50 | 6 30 | 24 50 | 6,861 01 | 280 04 |
| | | | | | | | |

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K. & R. Demolition Ltd

SIP 9 - Time & Cost Summary

Period 14/10/11 13/10/14

Time Summary

| Hours | | | | | | Time Cost (£) | Average hourly rate (£) |
|-----------------------------------|---------|---------|----------------------------|----------------------------|-------------|---------------|-------------------------|
| Classification of work function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | | |
| Administration & Planning | 2 40 | 57 00 | 14 00 | 25 00 | 98 40 | 21,909 58 | 222 66 |
| Annual Reporting | 0 40 | 0 00 | 0 00 | 0 00 | 0 40 | 154 80 | 387 00 |
| Statutory reporting | 0 00 | 4 50 | 0 00 | 0 00 | 4 50 | 1,291 50 | 287 00 |
| Billing | 0 00 | 0 30 | 0 00 | 0 30 | 0 60 | 142.50 | 237 50 |
| Case Review | 0 93 | 0 70 | 0 00 | 0 00 | 1 63 | 582 10 | 344 14 |
| Conversation with Directors | 0 00 | 1 00 | 0 00 | 0 00 | 1 00 | 331 10 | 331 10 |
| Correspondence with Directors | 0 00 | 0 20 | 0 00 | 0 00 | 0 20 | 63 70 | 318 50 |
| Diary Updating | 0 00 | 0 30 | 0 00 | 0 20 | 0 50 | 106 10 | 212 20 |
| Meeting with Lawyer | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 35 00 | 350 00 |
| Post appointment Corporation Tax | 0 20 | 0 00 | 0 00 | 0 40 | 0 60 | 138.20 | 230 33 |
| Post appointment VAT Returns | 0 00 | 0 00 | 0 00 | 1 40 | 1 40 | 152 50 | 108 93 |
| Receipts and Payments Review | 0 10 | 0 00 | 0 00 | 0 00 | 0 10 | 38 70 | 387 00 |
| Statutory Returns to Registrar of | 0 00 | 0 00 | 0 00 | 0 70 | 0 70 | 70 00 | 100 00 |
| Taxation | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 28 70 | 287 00 |
| Bank Reconciliation | 0 00 | 0 00 | 0 00 | 2 20 | 2.20 | 242 50 | 110.23 |
| Administration & planning | 4 03 | 64 20 | 14 00 | 30 20 | 112 43 | 25,266 97 | 224 73 |
| Investigation | 1 93 | 9 30 | 7 60 | 0 00 | 18 83 | 6,076.33 | 322 64 |
| CDDA reports | 0 30 | 0 00 | 0 00 | 0 00 | 0 30 | 154.80 | 515 99 |
| Investigations | 2 23 | 9 30 | 7 60 | 0 00 | 19 13 | 6,231 13 | 325 67 |
| Realisation of assets | 20 07 | 21 33 | 0 00 | 0 00 | 41 40 | 18,503 08 | 446 93 |
| Debt collection | 0 00 | 2 00 | 0 00 | 0 00 | 2 00 | 713 08 | 356 53 |
| Conversation with Agents | 0 00 | 1 50 | 0 00 | 0 00 | 1 50 | 557 68 | 371 77 |
| Conversation with Lawyer | 0 00 | 0 60 | 0 00 | 0 00 | 0 60 | 219 80 | 366 33 |
| Correspondence with Agent | 0 00 | 1 50 | 0 00 | 0 00 | 1 50 | 538 08 | 358 71 |
| Correspondence with Bank | 0 20 | 0 00 | 0 00 | 0 00 | 0 20 | 103 20 | 515 99 |
| Correspondence with Lawyer | 0 00 | 0 70 | 0 00 | 0 00 | 0 70 | 258 06 | 368 66 |
| Meeting with Agent | 0 00 | 0 40 | 0 00 | 0 00 | 0 40 | 146 53 | 366 33 |
| Realisations of assets | 20 27 | 28 03 | 0 00 | 0 00 | 48 30 | 21,039 44 | 435 60 |
| Creditors | 0 40 | 5 03 | 2 63 | 0 50 | 8 57 | 2,043 88 | 238 58 |
| Conversation with creditors | 0 00 | 0 10 | 0 00 | 0 00 | 0 10 | 28 70 | 287 00 |
| Creditor correspondence | 0 00 | 0 40 | 0 00 | 0 00 | 0 40 | 114 80 | 287 00 |
| Creditors meeting | 1 50 | 0 00 | 0 00 | 0 00 | 1 50 | 580 51 | 387 00 |
| Employment Rights Act (1996), c | 0 00 | 0 30 | 0 00 | 0 00 | 0 30 | 86 10 | 287 00 |
| Section 105 Insolvency Act Report | 0 50 | 0 00 | 0 00 | 0 00 | 0 50 | 193 50 | 387 00 |
| Creditors | 2 40 | 5 83 | 2 63 | 0 50 | 11 37 | 3,047 49 | 268 11 |
| Total Hours | 28 93 | 107 37 | 24 23 | 30 70 | 191.23 | 55,585 03 | 290 66 |
| | | | | | | | |

Insolve Plus Insolvency Assignment Charging and Disbursement Recovery Policy

Time spent by this firm's licensed insolvency practitioners and staff, as categorised below, directly engaged upon various aspects of an assignment, is all charged to the case under the six major headings given below, as required by Statement of Insolvency Practice 9 ("SIP 9") A Creditors' Guide to Fees, which provides guidance as to how an insolvency practitioner's remuneration is authorised, may be obtained from our website via the following link, www.insolveplus.com/services/creditors-guides

Charge out rates The current basic hourly charge out rate (net of VAT) per hour of each grade of staff employed in the administration of insolvency assignments, as categorised below are as follows. -

| | <u>From 28 April 2014</u> | <u>From 1 October 2011 to 27 April 2014</u> |
|-----------------------------------|---------------------------|-------------------------------------------------|
| Licensed insolvency practitioners | £495 00 | £387.00 |
| Managers | £350.00 | £287 00 |
| Senior case-handler | £250 00 | £232 00 |
| Case-handler | £175.00 | £150 00 |
| Cashier | £125 00 | £100 00 |
| Secretarial | £ 75 00 | £ 65 00 |

These rates are the hourly charge out rates, billed in units of six minutes, applicable to the time spent by each grade of staff attending to any of the following areas of activity

| | |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administration and Planning | Case planning; administrative set-up, appointment notification, maintenance of records, statutory reporting, dealing with taxation and VAT. |
| Investigations | Undertaking an investigation into the accounting books, records and the conduct of its business and affairs as required by SIP 2 and work carried out examining antecedent transactions with a view to recovering assets and complying with the obligations imposed upon insolvency practitioners to make reports upon the conduct of directors under the terms of the Company Directors Disqualification Act 1986 |
| Realisation of Assets | Identifying, securing and insuring assets, debt collection and dealing with the realisation of property and other assets, disposing of a business and ongoing trading |
| Trading | Managing operations, accounting for trading and dealing with ongoing employee and supplier issues |
| Creditors | Communication with creditors and shareholders, and dealing with creditor's claims |
| Case Specific Matters | Dealing with ad hoc matters arising in the case |

Disbursement Recovery Policy The policy regarding payments made to this firm is that these represent the re-imbursment of actual payments made on behalf of the assignment, and do not relate to the recovery of general overhead costs

The following Category 2 Disbursements may be recoverable from the case In accordance with SIP 9, a resolution for approval of Category 2 Disbursements by the Creditors or Committee is required.

| | |
|-------------------------|--------------|
| Travelling by motor car | 65p per mile |
| Storage | At cost |

It should be noted that the majority of this firm's storage is undertaken by Archival Record Management Plc A member of this firm is a Director of that company

28/04/2014

Rule 4.131 of the Insolvency Rules 1986

4.131.— Creditors' claim that remuneration is or other expenses are excessive

(1) Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the court, may apply to the court for one or more of the orders in paragraph (4)

(1A) Application may be made on the grounds that—

- (a) the remuneration charged by the liquidator,
- (b) the basis fixed for the liquidator's remuneration under Rule 4.127, or
- (c) expenses incurred by the liquidator,

is or are, in all the circumstances, excessive or, in the case of an application under sub-paragraph (b), inappropriate.

(1B) The application must, subject to any order of the court under Rule 4.49E(5), be made no later than 8 weeks (or, in a case falling within Rule 4.108, 4 weeks) after receipt by the applicant of the progress report, or the draft report under Rule 4.49D, which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss the application, but it shall not do so unless the applicant has had an opportunity to attend the court for a hearing, of which he has been given at least 5 business days' notice but which is without notice to any other party. If the application is not dismissed under this paragraph, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly.

(3) The applicant shall, at least 14 days before the hearing, send to the liquidator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the liquidator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount,
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the liquidation,
- (e) an order that the liquidator or the liquidator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify, and may make any other order that it thinks just; but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report.

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant and are not payable as an expense of the liquidation.

Rule 4 49E Creditors' request for further information

4 49E Creditors' and members' request for further information

(1) If—

(a) within the period mentioned in paragraph (2)—

(i) a secured creditor or

(ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question),

or

(iii) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(b) with the permission of the court upon an application made within the period mentioned in paragraph (2)—

(i) any unsecured creditor, or

(ii) any member of the company in a members' voluntary winding up,

makes a request in writing to the liquidator for further information about remuneration or expenses set out in a progress report in accordance with Rule 4 49B(1)(a) or (f) (including by virtue of Rule 4 49C(5)) or in a draft report under Rule 4 49D, the liquidator must, within 14 days of receipt of the request, comply with paragraph (3) except to the extent that the request is in respect of matter in a draft report under Rule 4 49D or a progress report required by Rule 4 108 which (in either case) was previously included in a progress report not required by Rule 4 108

(2) The period referred to in paragraph (1)(a) and (b) is—

(a) 7 business days of receipt (by the last of them in the case of an application by more than one member) of the progress report where it is required by Rule 4 108, and

(b) 21 days of receipt (by the last of them in the case of an application by more than one member) of the report or draft report in any other case

(3) The liquidator complies with this paragraph by either—

(a) providing all of the information asked for, or

(b) so far as the liquidator considers that—

(i) the time or cost of preparation of the information would be excessive, or

(ii) disclosure of the information would be prejudicial to the conduct of the liquidation or might reasonably be expected to lead to violence against any person, or

(iii) the liquidator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

(4) Any creditor, and any member of the company in a members' voluntary winding up, who need not be the same as the creditors or members who asked for the information, may apply to the court within 21 days of—

(a) the giving by the liquidator of reasons for not providing all of the information asked for, or

(b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(5) Without prejudice to the generality of paragraph (4), the order of the court under that paragraph may extend the period of 8 weeks or, as the case may be, 4 weeks provided for in Rule 4 131(1B) or 4 148C(2) by such further period as the court thinks just.

(6) This Rule does not apply where the liquidator is the official receiver