

# 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 7 0 8 3 1 4 6

Company name in full Basement and Drainage Systems Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Jason Mark

Surname Elliott

### 3 Liquidator's address

Building name/number Regency House

Street 45-51 Chorley New Road

Post town Bolton

County/Region

Postcode B L 1 4 Q R

Country

### 4 Liquidator's name ①

Full forename(s) Craig

Surname Johns

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number Regency House

Street

Post town 45-53 Chorley New Road

County/Region Bolton

Postcode B L 1 4 Q R


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

**Presenter information**

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

Contact name **Ben Gray**

Company name **Cowgill Holloway Business**

**Recovery LLP**

Address **Regency House**

**45-53 Chorley New Road**

Post town **Bolton**

County/Region

Postcode **B L 1 4 Q R**

Country

DX

Telephone **0161 827 1200**

**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)**

**Basement and Drainage Systems Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 23/01/2021 To 22/01/2022 £	From 23/01/2018 To 22/01/2022 £
	<b>FLOATING CHARGE RECEIPTS</b>		
	Bank Charges Refund	NIL	31.51
	Cash at Bank	NIL	1,330.78
33,773.00	Cash Held on Appointment	NIL	33,773.07
3,484.00	Cash Held on Trust by Agents	NIL	3,483.50
Uncertain	Debtor [Intercompany Loan]	NIL	NIL
1,830.00	Furniture & Equipment	NIL	2,635.00
	Petty Cash	NIL	2.67
	Settlement - N Murphy	NIL	55,008.05
Uncertain	Stock	NIL	19,327.28
1,000.00	Website   Domain Names   Goodwill	NIL	1,500.00
		NIL	117,091.86
	<b>FLOATING CHARGE PAYMENTS</b>		
	Agent's Disbursements	NIL	3,696.94
	Agent's Fees	NIL	4,000.06
	IT Services	NIL	143.20
	Joint Liquidators Fees - Time costs	NIL	44,972.00
	Joint Liquidators Fees % of Realisations	NIL	1,000.00
	Joint Liquidators Pre-Appointment Fee	NIL	7,500.00
	Legal Disbursements	NIL	1,874.00
	Legal Fees	NIL	12,429.50
	Specific Bond	NIL	510.00
	Statutory Advertising	NIL	169.20
		NIL	(76,294.90)
	<b>PREFERENTIAL CREDITORS</b>		
(3,200.00)	Employee Claims - Wage Arrears/Hol [Est]	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(4,000.00)	Employee Claims-Redundancy & PILON [Es	NIL	NIL
(41,206.20)	HMRC - CT	NIL	NIL
(22,070.82)	HMRC - VAT	NIL	NIL
(214,493.02)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(244,983.04)		NIL	40,796.96
	<b>REPRESENTED BY</b>		
	HB Bank 1 - Non-Interest Bearing		37,974.56
	VAT Receivable		2,822.40
			40,796.96

**Joint Liquidators' Annual  
Progress Report to  
Creditors & Members**

**Basement and Drainage Systems Limited - In Liquidation**

**21 March 2022**

cowgills

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- C** Joint Liquidators' Cumulative Time Analysis for the Period from 23 January 2018 to 22 January 2022
- D** Additional information in relation to Joint Liquidators' Fees, Expenses & the use of Subcontractors

## 1 Introduction and Statutory Information

- 1.1 Jason Mark Elliott, Craig Johns and Nick Brierley of Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR, ("**CHBR**") were appointed as Joint Liquidators of Basement and Drainage Systems Limited ("**the Company**") on 23 January 2018.
- 1.2 Please be advised that due to a change in personal circumstances, Nick Brierley resigned from office as Joint Liquidator on 26 February 2021. Jason Mark Elliott and Craig Johns remain Joint Liquidators in this matter.
- 1.3 This progress report covers the period from 23 January 2021 to 22 January 2022 ("**the Period**") and should be read in conjunction with any previous progress reports which have been issued.
- 1.4 Information about the way that we will use, and store personal data in relation to insolvency appointments can be found at <https://www.cowgills.co.uk/services/business-recovery/privacy-notice/>. If you are unable to download this, please contact our office and a hard copy will be provided to you.
- 1.5 The principal trading address of the Company was Suite 5 Oaktree Barns, Hatton Lane, Warrington, WA4 4BX.
- 1.6 The registered office of the Company has been changed to c/o Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR and its registered number is 07083146.
- 1.7 This report should be read in conjunction with the director's SIP 6 report which was issued to creditors on 18 January 2018 and our previous annual progress reports which were issued to creditors on 13 March 2019, 28 February 2020 and 19 March 2021 respectively.

## 2 Receipts and Payments

- 2.1 At Appendix A is our Receipts and Payments Account covering the Period of this report, together with a Cumulative Receipts and Payments Account for the period from the date of our appointment as Joint Liquidators to the end of the Period covered by this report.

## 3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period and an explanation of the work done by the Joint Liquidators and their staff.

### ***Administration (including statutory compliance & reporting)***

- 3.2 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work we anticipated would need to be done in this area was outlined in our initial fees estimate/information which was previously agreed by creditors.
- 3.3 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Liquidators.

- 3.4 As noted in our initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

**Realisation of Assets**

- 3.5 There have been no asset realisations in the Period.
- 3.6 It is anticipated that the work the Joint Liquidators and their staff have undertaken to date will bring a financial benefit to creditors because it is anticipated that it will result in a distribution to unsecured creditors of the Company only. However, this is dependent on the outcome of recovery action against the former directors, further details of which are provided in this report.

***Creditors (claims and distributions)***

- 3.7 The Joint Liquidators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.8 Since 1 December 2020, claims from preferential creditors now fall into one of two categories, either ordinary (typically involving employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal, which rank equally among themselves), or secondary (which are claims by HMRC for VAT or other relevant tax deductions such as PAYE and employee NIC deductions, together with student loans and CIS deductions, which also rank equally among themselves). Ordinary preferential claims rank ahead of secondary preferential claims and all preferential creditors must be paid in full before any distribution can be made to the unsecured creditors of a company.
- 3.9 Work undertaken by a Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however the Liquidators are required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Joint Liquidators in dealing with those claims.
- 3.10 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.11 At this stage, we consider the following matters worth bringing to the attention of creditors:
- As per the Directors' Statement of Affairs ("**SoA**"), there were 13 unsecured creditors with an approximate value of £281,770. To date, we have received claims from 18 unsecured creditors with a value of £359,846.
  - We have dealt with and are continuing to deal with matters that have arisen following the Joint Liquidators' statutory investigations into the conduct of the Directors, which have required the instruction of solicitors, as detailed in this Progress Report.

***Investigations***

- 3.12 You may recall from our first progress report to creditors that some of the work the Joint Liquidators are required to undertake is to comply with legislation such as the Company Directors' Disqualification Act



1986 (“**CDDA 1986**”) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Joint Liquidators can pursue for the benefit of creditors.

- 3.13 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first year of the liquidation and is confidential.
- 3.14 As previously reported our investigations highlighted several transactions that required further investigation which may result in further realisations for the Liquidation estate. These transactions related to illegal dividends which were paid to Mr Nicholas Murphy, Mr Kenneth Smith and Mrs Diane Smith. As detailed in our previous reports, we agreed to a full and final settlement with N Murphy and payment has been received.
- 3.15 With regards to the claims made against Mr and Mrs Smith, the Joint Liquidators initially instructed Knights LLP (“**Knights**”) to enter into correspondence regarding repayment of the illegal dividends, however, the case has subsequently been transferred to Ward Hadaway LLP (“**WHL**”). Judgement has been obtained against Mr and Mrs Smith in the sum of £554,117, including interest and costs.
- 3.16 Following the award of a judgement against Mr and Mrs Smith, on 10 March 2020, the Joint Liquidators obtained an interim charging order against Mr and Mrs Smith’s jointly owned residential property. This interim charging order is now a final charging order.
- 3.17 The Joint Liquidators are currently liaising with WHL in respect of progressing an application for possession and sale of the property and are currently reviewing a witness statement to support the application. A further update detailing the progress made in relation to the legal action will be provided in our next report to creditors.

***Matters still to be dealt with***

- 3.18 As detailed above, following the Joint Liquidators’ statutory investigations into the affairs of the Company and the conduct of its directors, several transactions were identified which required further investigation which may result in additional realisations for the benefit of the liquidation estate.
- 3.19 We will continue the recovery action in respect of the matters outlined above with a view to realising the amounts due to the Company for the benefit of the liquidation estate.
- 3.20 A further update will be made available to creditors in our next Progress Report.

**4 Creditors**

***Secured Creditors***

- 4.1 RBS Invoice Finance Limited (“**RBSIF**”) hold the benefit of a debenture which incorporates a fixed and floating charge over the undertaking and all property and assets of the Company, both present and future, to include goodwill, book debts, uncalled capital, buildings, fixtures and fixed plant and machinery.
- 4.2 The fixed and floating charge was created on 8 December 2010 and registered on 9 December 2010. However, although this charge is listed as outstanding at Companies House, it is understood that RBSIF

never provided any funding or finance to the Company and, the charge was created following the Company's initial discussions with RBSIF in 2010, which did not materialise in an advance of funds.

- 4.3 It is therefore understood that no liability exists to RBSIF. Furthermore, no claim has been received to date from RBSIF.

***Preferential Creditors***

- 4.4 A summary of the preferential claims in the liquidation and details of any distributions paid to date can be found below:

<b>Preferential claims</b>	<b>Agreed Claim £</b>	<b>Statement of Affairs Claim £</b>	<b>Dividend paid p in the £1</b>
Department for Business, Energy & Industrial Strategy ("BEIS")	No claim received	3,200	N/A

- 4.5 We would confirm that based on current information provided by BEIS, there is no preferential element due in this matter and as such, it is not anticipated that a preferential distribution will be required.

***Unsecured Creditors***

- 4.6 The Director's SoA indicated there were 13 unsecured creditors whose debts totalled £281,770. To date, we have received claims totalling £359,846 from 18 creditors.
- 4.7 The Company granted a floating charge to RBSIF on 8 December 2010; however, as detailed earlier in this Progress Report, there is no liability due to RBSIF under the charge granted as no funding or finance was provided to the Company. As such, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part).
- 4.8 We have received a claim from BEIS in the sum of £5,578 and is in respect of a non-preferential claim of two employees. This claim is yet to be agreed but will be adjudicated upon in due course and as is appropriate.
- 4.9 Based on current information and taking into consideration the related costs and expenses of the liquidation, a distribution to the unsecured creditors is anticipated. However, the quantum and timing of the same is currently uncertain and is subject to change depending on the level of realisations achieved following our pursuit of the illegal dividends detailed earlier in this report.
- 4.10 Creditors will be provided with an update in this respect in our next Progress Report.

**5 Joint Liquidators' Remuneration**

- 5.1 Creditors approved that the basis of the Joint Liquidators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Liquidation by way of a decision by correspondence on 13 February 2018.

## Basement and Drainage Systems Limited - In Liquidation

5.2 Our fees estimate/information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time. This fee was subject to a cap in the total sum of £44,972.50 plus VAT.

5.3 A copy of our approved fee estimate for the Liquidation is reproduced below:

	Partner	Director	Manager	Senior Administrator	Administrator	Junior Administrator	Cashier	Total Hours	Total Cost £	Average Cost £
Administration (inc statutory compliance & reporting)	9.00	13.00	4.00	30.00	3.00	-	10.00	69.00	15,325.00	222.10
Realisation of Assets	10.00	15.00	5.00	13.00	2.00	-	8.00	53.00	13,100.00	247.17
Creditors (claims & distributions)	3.50	4.00	2.00	7.00	3.00	-	3.50	23.00	5,142.50	223.59
Investigations	10.00	12.00	3.50	16.00	2.00	-	-	43.50	11,405.00	262.18
Case Specific Matters (where applicable)	-	-	-	-	-	-	-	-	-	-
<b>Total Hours</b>	<b>32.50</b>	<b>44.00</b>	<b>14.50</b>	<b>66.00</b>	<b>10.00</b>	<b>-</b>	<b>21.50</b>	<b>188.50</b>	<b>44,972.50</b>	<b>238.58</b>
Current Chargeout Rates	375.00	300.00	250.00	180.00	150.00	100.00	120.00			

5.4 Creditors approved an uplift on the Joint Liquidators' original fee estimate on 26 March 2020 by way of a decision by correspondence. This uplift was based on a percentage of future assets realised at the rate of 20% of the total value of future assets realised, following 28 February 2020.

5.5 Our time costs for the Period are £3,261.50. This represents 17.8 hours at an average rate of £183.23 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by us in managing the liquidation.

5.6 Also attached as Appendix C is a Cumulative Time Analysis for the period from 23 January 2018 to 22 January 2022 which provides details of the time costs incurred since our appointment. The Cumulative time costs incurred to date are £55,722. This represents 239.45 hours at an average rate of £232.71 per hour.

5.7 To date, the Joint Liquidators have drawn remuneration of £44,972 plus VAT on a time costs basis.

5.8 In addition, the Joint Liquidators have made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below:

Asset Category	Value of assets realised since fee basis of percentage of realisations approved	Remuneration % agreed	Total fees invoiced to date	Fees not yet drawn
Settlement of outstanding DLA	£20,008	20% plus VAT	£1,000 plus VAT	£3,002 plus VAT

- 5.9 At the date of this report, we would confirm that our fees estimate for the liquidation remains unchanged the basis of our remuneration to be sufficient.
- 5.10 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from <http://www.cowgills.co.uk/wp-content/uploads/2016/01/Creditors-Guide-to-Liquidators-Fees.pdf>.
- 5.11 Attached as Appendix D is additional information in relation to the Joint Liquidators' fees and expenses, including where relevant, information on the use of subcontractors and professional advisers.

## 6 Creditors' Rights

- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Liquidators provide further information about their remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Liquidators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Liquidators, as set out in this progress report, are excessive.

## 7 Next Report

- 7.1 We are required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless we have concluded matters prior to this, in which case we will write to all creditors with our final account.
- 7.2 If you have any queries in relation to the contents of this report, we can be contacted by telephone on 0161 672 5767 or by email at Ben.Gray@cowgills.co.uk.

Yours faithfully



**Craig Johns**  
Joint Liquidator

## Appendix A

**Joint Liquidators' Receipts and Payments Account for the Period from 23 January 2021 to 22 January 2022, together with a Cumulative Receipts and Payments Account for the Period from 23 January 2018 to 22 January 2022**

Statement of Affairs £	From 23/01/2021 To 22/01/2022 £	From 23/01/2018 To 22/01/2022 £
	FLOATING CHARGE RECEIPTS	
	Bank Charges Refund	31.51
	Cash at Bank	1,330.78
33,773.00	Cash Held on Appointment	33,773.07
3,484.00	Cash Held on Trust by Agents	3,483.50
Uncertain	Debtor [Intercompany Loan]	NIL
1,830.00	Furniture & Equipment	2,635.00
	Petty Cash	2.67
	Settlement - N Murphy	55,008.05
Uncertain	Stock	19,327.28
1,000.00	Website   Domain Names   Goodwill	1,500.00
	<hr/> NIL	<hr/> 117,091.86
	FLOATING CHARGE PAYMENTS	
	Agent's Disbursements	3,696.94
	Agent's Fees	4,000.06
	IT Services	143.20
	Joint Liquidators Fees - Time costs	44,972.00
	Joint Liquidators Fees % of Realisations	1,000.00
	Joint Liquidators Pre-Appointment Fee	7,500.00
	Legal Disbursements	1,874.00
	Legal Fees	12,429.50
	Specific Bond	510.00
	Statutory Advertising	169.20
	<hr/> NIL	<hr/> (76,294.90)
	PREFERENTIAL CREDITORS	
(3,200.00)	Employee Claims - Wage Arrears/HoI [Est]	NIL
	<hr/> NIL	<hr/> NIL
	UNSECURED CREDITORS	
(4,000.00)	Employee Claims-Redundancy & PILON [Es	NIL
(41,206.20)	HMRC - CT	NIL
(22,070.82)	HMRC - VAT	NIL
(214,493.02)	Trade & Expense Creditors	NIL
	<hr/> NIL	<hr/> NIL
	DISTRIBUTIONS	
(100.00)	Ordinary Shareholders	NIL
	<hr/> NIL	<hr/> NIL
<hr/> (244,983.04)	<hr/> NIL	<hr/> 40,796.96
	REPRESENTED BY	
	HB Bank 1 - Non-Interest Bearing	37,974.56
	VAT Receivable	2,822.40
		<hr/> 40,796.96
		<hr/>

## Appendix B

### Joint Liquidators' Time Analysis for the Period from 23 January 2021 to 22 January 2022

	Senior												Average			
	Director - from		Manager - from		Assistant Manager - from		Administrator - from		Senior Administrator/As		Administrator - from				Junior	
	01/06/2021	Manager	01/06/2021	01/06/2021	01/06/2021	01/06/2021	Assistant Manager	from 01/06/2021	Administrator	Administrator	01/06/2021	Cashier	hours	Total Cost	Total Cost	Cost
Administration (including Stat	-	0.20	-	-	-	1.60	10.10	-	0.20	-	-	0.90	13.00	2,366.00	182.00	
Creditors (Claims and Distributions)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investigations	-	-	-	-	-	0.30	1.70	-	-	-	-	-	2.00	373.50	186.75	
Asset Realisation/Management	-	-	-	-	-	0.40	2.40	-	-	-	-	-	2.80	522.00	186.43	
Total Hours	-	0.20	-	-	-	2.30	14.20	-	0.20	-	-	0.90	17.80	3,261.50	183.23	
Current Chargeout Rates	350.00	250.00	275.00	250.00	225.00	180.00	175.00	150.00	100.00	150.00	120.00					

Joint Liquidators’ Cumulative Time Analysis for the Period 23 January 2018 to 22 January 2022

	Partner - from		Director - from		Manager - from		Assistant Manager - from	Senior Administrator - from	Senior /Assistant Manager	Administrator - from		Junior		Cashier - from	Total	Total Cost	Average Cost
	Partner	01/06/2021	Director	01/06/2021	Manager	01/06/2021	01/06/2021	01/06/2021	Manager	01/06/2021	Administrator	Administrator	01/06/2021	Cashier	hours	£	£
Administration (including Stat	7.70	-	5.30	-	4.10	-	-	1.60	86.40	-	0.20	1.00	-	19.00	125.30	23,854.50	190.38
Creditors (Claims and Distributions)	-	-	0.60	-	-	-	-	-	0.40	-	-	-	-	-	1.00	252.00	252.00
Investigations	18.00	-	26.20	-	4.40	-	-	0.30	24.15	-	-	-	-	-	73.05	20,124.50	275.49
Asset Realisation/Management	8.80	-	17.60	-	6.10	-	-	0.40	7.20	-	-	-	-	-	40.10	11,491.00	286.56
Total Hours	34.50	-	49.70	-	14.60	-	-	2.30	118.15	-	0.20	1.00	-	19.00	239.45	55,722.00	232.71
Current Chargeout Rates	375.00	395.00	300.00	350.00	250.00	275.00	250.00	225.00	180.00	175.00	150.00	130.00	150.00	120.00			

## Additional Information in Relation to the Joint Liquidators' Fees, Expenses & The use of Subcontractors

### 1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 On this case we have utilised the services of the following subcontractors. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the liquidation.

Services	Provider	Work to be done	Basis of fee arrangement	Cost to date £ (plus VAT where appropriate)	Anticipated total cost £ (plus VAT where appropriate)
IT Services (following the sale of Company website and domain names)	Brindley Data Services Ltd	Assisting with the practical steps following the sale of Company's website and domain names	Hourly rate and expenses	143.20	143.20

### 2 Professional Advisors

- 2.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Robson Kay Associates Ltd (valuation and disposal advice)	Hourly rate and expenses plus VAT
Ward Hadaway LLP (Legal Advice relating to antecedent transactions)	Hourly rate and expenses plus VAT
Knights LLP (Legal Advice relating to antecedent transactions)	Hourly rate and expenses plus VAT

- 2.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.



### **3 Joint Liquidators' Expenses**

- 3.1 The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

#### **Category 1 Expenses**

- 3.2 These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate:

<b>Expense</b>	<b>Estimated overall cost £ (plus VAT where appropriate)</b>	<b>Paid in Prior Period £ (plus VAT where appropriate)</b>	<b>Paid in the period covered by this report £ (plus VAT where appropriate)</b>	<b>Incurred but not paid to date £ (plus VAT where appropriate)</b>
Agent's fees & expenses	7,697.00	7,697.00	-	-
Legal fees & expenses (Knights LLP)	12,429.50	12,429.50	-	-
Legal fees & expenses (Ward Hadaway LLP)	20,000.00	-	-	10,359.50
IT Services	143.20	143.20	-	-
Specific Penalty Bond	510.00	510.00	-	-
Statutory Advertising	169.20	169.20	-	-
External storage of company's books and records	100.00	-	-	-

#### **Category 2 Expenses**

- 3.3 These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Please note that our firm do not intend to charge Category 2 disbursements in this case.

#### **Charge-Out Rates**

- 3.4 Cowgill Holloway Business Recovery LLP's current charge-out rates effective from 1 June 2021 are detailed below:

## BASEMENT AND DRAINAGE SYSTEMS LIMITED - IN LIQUIDATION

<b>Staff Grade</b>	<b>Rate Per Hour (£)</b>
Partner	395
Consultant	350
Director	350
Senior Manager	300
Manager	275
Assistant Manager	250
Senior Administrator	225
Administrator	175
Cashier / Support Staff	150
Junior Administrator	120

- 3.5 Cowgill Holloway Business Recovery LLP's charge-out rates from 1 March 2012 to 31 May 2021 are detailed below:

<b>Staff Grade</b>	<b>Rate per Hour (£)</b>
Partner	375
Consultant	300
Director	300
Manager	250
Senior Administrator	180
Administrator	150
Cashier/Support	120
Junior Administrator	100

- 3.6 Please note this firm records its time in minimum units of 6 minutes.