

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 0 5 7 4 5 4 3 7

Company name in full Graham Jones Cranes Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice, Business and Property Courts
in Leeds, Insolvency and Companies List (chd)

Court number C R - L D S - 0 0 0 2 3 0 2 0 2

3 Administrator's name

Full forename(s) Kelly

Surname Burton

4 Administrator's address

Building name/number The Manor House

Street 260 Ecclesall Road South

Post town Sheffield


County/Region

Postcode S 1 1 9 P S

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	Joe		① Other administrator Use this section to tell us about another administrator.
Surname	Fox		
6	Administrator's address ②		
Building name/number	The Manor House		② Other administrator Use this section to tell us about another administrator.
Street	260 Ecclesall Road South		
Post town	Sheffield		
County/Region			
Postcode	S 1 1 9 P S		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature X  X		
Signature date	d 2 7 m 0 2 y 2 0 y 2 4		

**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 **Matt Thompson**

Company name **Wilson Field Limited**

Address
The Manor House
260 Ecclesall Road South

Post town **Sheffield**

County/Region

Postcode **S 1 1 9 P S**

Country

DX

Telephone **01142356780**

**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

Graham Jones Cranes Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/10/2023 To 27/02/2024 £	From 11/04/2022 To 27/02/2024 £
	SECURED ASSETS		
110,000.00	Goodwill	NIL	110,000.00
6,000.00	Intellectual Property	NIL	6,000.00
51,188.00	Factored Debtor Ledger	NIL	NIL
		NIL	116,000.00
	SECURED CREDITORS		
(51,188.00)	Regency Factors Limited (inc term fee	NIL	NIL
		NIL	NIL
	HIRE PURCHASE		
50,000.00	Hire Purchase Crane - DC12 KOU	NIL	50,000.00
(43,610.00)	Praetura Asset Finance	NIL	(43,610.00)
24,000.00	Hire Purchase Crane - CX20 YRJ	NIL	24,000.00
(17,910.00)	Praetura Asset Finance	NIL	(17,910.00)
32,000.00	Hire Purchase Agreement - CX20 GYE	NIL	32,000.00
(20,510.00)	Kingsley Asset Finance	NIL	(20,510.00)
200,000.00	HP Agreements - YK07 CNV & YJ58 X	NIL	200,000.00
(191,510.00)	Haydock Finance	NIL	(191,510.00)
7,000.00	Hire Purchase Agreement - CX67 ZHV	NIL	7,000.00
(4,410.00)	BNP Paribas	NIL	(4,410.00)
		NIL	35,050.00
	GENERAL SECURED GROUP		
15,000.00	HP Agreement - Nooteboom Ballast Tr	NIL	15,000.00
(10,410.00)	BNP Paribas	NIL	(10,410.00)
12,000.00	Lease Purchase Agreement - CX18 S	NIL	12,000.00
(7,710.00)	Paragon Finance	NIL	(7,710.00)
9,250.00	Lease Purchase Agreement - CX68 L	NIL	9,250.00
(7,610.00)	Paragon Finance	NIL	(7,610.00)
18,000.00	Hire Purchase Agreement - CY70 FEH	NIL	18,000.00
(16,410.00)	United Trust Bank	NIL	(16,410.00)
12,850.00	Hire Purchase Agreement - CX19 GZZ	NIL	12,850.00
(10,010.00)	United Trust Bank	NIL	(10,010.00)
		NIL	14,950.00
	ASSET REALISATIONS		
	Bank Interest Gross	231.12	436.68
	Cash at Bank - Lloyds Bank plc	NIL	1,424.30
10,501.00	Cash at Bank - Santander	NIL	2.67
	Deferred Consideration Overpayment	NIL	0.90
8,207.00	Director's Loan Account	NIL	5,000.00
23,112.00	Inter-Company Debt - Lifting	NIL	15,000.00
2,000.00	Order Book	NIL	2,000.00
	Solicitors Interest	NIL	26.82
5,000.00	Stock	NIL	5,000.00
	VAT Recoverable on Factoring Fees	NIL	5,156.39
2,000.00	Work In Progress	NIL	2,000.00
		231.12	36,047.76
	COST OF REALISATIONS		
	Administrators Fees	NIL	70,381.00
	Legal Fees	NIL	17,380.00
	Petitioners Costs	NIL	1,860.60
	Postage, stationery, photocopying	NIL	51.89
	Pre Administrators Fee	NIL	67,567.00
	Specific Bond	NIL	340.00

Graham Jones Cranes Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/10/2023 To 27/02/2024 £	From 11/04/2022 To 27/02/2024 £
	Statement of Affairs Fee - R3.34(1)	NIL	2,000.00
	Statutory Advertising	NIL	89.80
	Valuers Fees	NIL	21,545.50
		NIL	(181,215.79)
	PREFERENTIAL CREDITORS		
(1,383.00)	HMRC - CIS Tax	NIL	NIL
(238,036.00)	HMRC - PAYE	7,928.56	7,928.56
(246,164.00)	HMRC - VAT	12,903.41	12,903.41
		(20,831.97)	(20,831.97)
	UNSECURED CREDITORS		
(87,972.00)	Aries Market Loan	NIL	NIL
(33,594.00)	Arkle Finance - CBILS Loan	NIL	NIL
(87,301.00)	Ask If	NIL	NIL
(706,141.00)	Clywd Properties Limited	NIL	NIL
(152,572.00)	Credit 4 loan	NIL	NIL
(200.00)	HMRC Corporation Tax	NIL	NIL
(29,708.00)	Intercompany Loan - G J Holdings Lim	NIL	NIL
(155,327.00)	LDF Finance (White Oak)	NIL	NIL
(115,673.00)	Lloyds Bank plc	NIL	NIL
(75,979.24)	Petitioning Creditor	NIL	NIL
(267,388.28)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,980,619.52)		(20,600.85)	NIL
	REPRESENTED BY		
			NIL



Kelly Burton
Joint Administrator

Joint Administrators' final progress report

Graham Jones Cranes Limited (**“the Company”**) –
In Administration

Covering the period from 11 October 2023 to 27 February
2024 (**“the Period”**)

27 February 2024

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

CONTENTS

- 1** Introduction
- 2** Receipts and payments
- 3** Work undertaken by the Joint Administrators
- 4** Unrealised assets
- 5** Outcome for creditors
- 6** Joint Administrators' remuneration
- 7** Creditors' rights
- 8** Ending the Administration

APPENDICES

- A** Receipts and payments account ("R&P") for the period from 11 October 2023 to 27 February 2024 ("the Period"), together with a cumulative R&P for the period from 11 April 2022 to 27 February 2024 ("the Administration Term")
- B** Time analysis for the Period
- C** Cumulative time analysis for the Administration Term
- D** Additional information in relation to Joint Administrators' fees, expenses & the use of subcontractors

1 Introduction

- 1.1 Kelly Burton, together with her former colleague, Robert Neil Dymond of Wilson Field Limited ("Wilson Field") were appointed Administrators of the Company on 11 April 2022. The appointment was made by Regency Factors Limited ("Regency") as holder of a qualifying floating charge ("QFCH") pursuant to the provisions to Paragraph 14 of Schedule B1 to the Insolvency Act 1986 ("the Act").
- 1.2 By Order of the High Court dated 31 July 2023, Robert Neil Dymond, by consent, was removed as Administrator and Joseph Fox was appointed Administrator in his place with effect from the same date.
- 1.3 Prior to the Order, consideration was given as to whether this change in appointment would give rise to a threat to the fundamental principles of the Insolvency Code of Ethics ("the Code"). It was concluded that, as was the case at the outset of the Administration, no such threat arose and therefore the transfer proceeded.
- 1.4 The Administrators are licenced to act as Insolvency Practitioners ("IPs") in the United Kingdom by the Institute to Chartered Accountants in England and Wales ("ICAEW"). If you have any queries relating to this case, please contact Matt Thompson of this office on 0114 235 6780 or by email to m.thompson@wilsonfield.co.uk.
- 1.5 This Administration has been handled by Wilson Field of The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS ("the Manor House"). The Administrators' contact details are by phone on 0114 235 6780 or via e-mail at m.thompson@wilsonfield.co.uk. The Administration is registered in the High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD), under reference number CR-LDS-000230 of 2022.
- 1.6 As the Administration has now completed, the Joint Administrators are required to provide a progress report covering the period since their previous progress report which ended on 10 October 2023. This is the Joint Administrators' final report in the Administration and covers the Period and should be read in conjunction with the Joint Administrators' proposals for achieving the purpose of Administration ("the Proposals") together with their subsequent progress reports. This report covers the final steps taken in the Administration and the outcome to creditors.
- 1.7 Information about the way Wilson Field will use, and store personal data on insolvency appointments can be found at <https://www.wilsonfield.co.uk/privacy-policy/>. If you are unable to download this, please contact Matt Thompson of this office and a hard copy will be provided to you.
- 1.8 The trading address of the Company was Rhosddu Industrial Estate, Wrexham, LL11 4YL.
- 1.9 The registered office of the Company was changed from 25 Grosvenor Road, Wrexham, LL11 1BT to The Manor House following the Administrators' appointment.
- 1.10 The Company's registered number is 05745437.
- 1.11 As licensed IPs, the Administrators are bound by the Code issued by ICAEW when undertaking insolvency assignments. The Code establishes the fundamental principles of professional ethics for IPs and provides a framework for IPs to identify threats to compliance with the fundamental principles of the Code, evaluate the significance of any threats identified and apply safeguards, where available and capable of being applied, to reduce any threats to a level at which the IP considers he or she can comply with the fundamental principles of the Code.
- 1.12 The five fundamental principles of the Code are set out below:-
 - Integrity – To be straightforward and honest in all professional and business relationships

- Objectivity – Not to compromise professional or business judgments because of bias, conflict of interest or undue influence of others.
- Professional Competence and Due Care – To:
 - i. Attain and maintain professional knowledge and skill at the level required to ensure that a client or employing organisation receives competent professional service, based on current technical and professional standards and relevant legislations and
 - ii. Act diligently and in accordance with applicable technical and professional and business standards.
- Confidentiality – To respect the confidentiality of information acquired as a result of professional and business relationships.
- Professional Behaviour – To comply with relevant laws and regulations and avoid any conduct that the IP knows or should know might discredit the profession.

1.13 Prior to accepting the appointment, the Administrators undertook a full-scale conflict and ethical assessment to assess any threats to the five fundamental principles of the Code, any significant prior professional relationships with the Company, its director and shareholders and any factors which may prejudice the Administrators' objectivity to act as Administrators of the Company. This assessment did not identify any unmanageable conflicts of interest or significant threats to the fundamental principles of the Code.

1.14 The Administrators have evaluated their obligations under the Code throughout the Administration Term, specifically following the change of office holder on 31 July 2023, and have not identified any threats to the fundamental principles of the code or any factors which may prejudice the Administrators' objectivity in this matter.

2 Receipts and payments

2.1 At Appendix A is the Joint Administrators' R&P covering the Period together with a cumulative R&P for the Administration Term, presented in a format compliant with Statement of Insolvency Practice ("SIP") 7 – Presentation of financial information in insolvency proceedings.

2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs

3 Work undertaken by the Administrators

3.1 The statutory objective being pursued in the Administration was the third statutory purpose as set out in Paragraph 3(1)(c) of Schedule B1 to the Act, namely, realising property in order to make a distribution to one or more secured or preferential creditors.

3.2 As detailed within the Proposals and the Joint Administrators' previous progress reports, it was envisaged that the third statutory purpose would be achieved via the pre-packaged sales of the Company's business and assets and the collection of the Company's debtor ledger which was subject to a factoring agreement ("the Agreement"), under the terms of Regency's fixed charge.

3.3 The Company granted a debenture to Regency incorporating both a fixed and floating charge over all property and undertakings of the Company, which was created and registered at Companies House on 6 September 2021 and 7 September 2021 respectively.

3.4 In practice, the Administration and the pre-packaged sales of the Company's business and assets (which have been reported extensively in the Proposals and the Administrators' previous

progress reports) had permitted full payment of the indebtedness to the Company's secured creditor, Regency, via the collection of the factored debtor ledger, realisations of which were maximised by the continuity of service to customers permitted by the pre-packaged sales. This has had the effect of reducing Regency's indebtedness as secured creditor of the Company to nil under the fixed charge contained within its debenture over the Company's assets.

- 3.5 During the Administration Term, the third objective of Administration has therefore been achieved as Regency have successfully recovered their principal indebtedness in full, under the terms of its fixed charge, via the collection of the Company's factored debtor ledger.
- 3.6 During the Period, the third objective of Administration has further been achieved via a first and final distribution of 5.08p in the £ to HM Revenue & Customs ("HMRC") as the Company's secondary preferential creditor.
- 3.7 Creditors will also recall that the Administration had been extended for 12 months until 10 April 2024 with the consent of Regency, as the Company's QFCH and its secured creditor, and the deemed consent of HMRC, as the Company's sole secondary preferential creditor. This extension was filed at Companies House and the Court and made available for creditors to download from the Wilson Field Document Download Centre ("WFDDC").
- 3.8 In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors. The additional work undertaken during the Period is outlined under each subheading throughout this report.
- 3.9 This section of the report provides creditors with an overview of the work undertaken in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.

Administration (including statutory compliance & reporting)

- 3.10 As Administrators, an office holder must comply with certain statutory obligations under the Act and other related legislation. Details about the work the Joint Administrators anticipated would need to be done in this area was outlined to creditors within their initial fees information, which formed part of the Proposals.
- 3.11 During the Period, the Joint Administrators and their staff have undertaken the following Administrative work: -
- Preparation and issue of the Joint Administrators' previous progress report to members and creditors and filing the same at Companies House and the WFDDC.
 - Ensured files are maintained of all Company related transactions and correspondence.
 - Dealt with all correspondence received from stakeholders.
 - Cashiering, which has included: payments, receipts, VAT accounting, quarterly VAT returns and bank reconciliations.
 - Reviewing and maintenance of the Joint Administrators' performance bond.
 - General compliance and maintenance of case checklists.
 - Strategic overview of the case and strategy related considerations.
 - Maintaining the statutory case diary
 - Completion of a periodic case review to monitor the progression of the case and a subsequent exit review to assess the most appropriate exit strategy from Administration.
 - Preparation and issue of this final report together with Companies House Form AM23 – Notice of move from Administration to Dissolution.

- 3.12 Where the costs of statutory compliance work or reporting to creditors exceeds an 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 Administrators.
- 3.13 It was initially estimated that the costs associated with Administration (including statutory compliance & reporting) would total £44,686, however creditors will note from Appendix C that £118,122.03 has been incurred in this respect within the Administration Term. Therefore, the Administrators have exceeded their initial fees estimate within this category for by £73,436.03.
- 3.14 The reason why this initial estimate has been exceeded is primarily due to the Administration lasting longer than was initially anticipated, due to the deferred consideration terms being revised and the pursuit of the inter-company debt and overdrawn director's loan account due to the Company from Graham Jones Contract Lifting Limited ("Lifting") and Graham Alan Jones ("GAJ") respectively not being resolved within the initial 12-month Administration term. The extension was therefore necessary in order to maximise realisations for the benefit of creditors. Due to the extension of the Administration, a requirement has arisen for additional internal case reviews and statutory reporting to all stakeholders as and when required, which in turn has increased the Administrators' administrative time costs.
- 3.15 For the avoidance of doubt, due to the fees estimate currently implemented, no amount incurred in excess within the Administration Term will be borne by creditors and therefore this has not proven detrimental to the outcome to any class of creditor.
- 3.16 As noted within the Joint Administrators' initial fees information, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.

Realisation of assets

- 3.17 This section of the report provides creditors with an update on any realisations achieved during the Period and overview of all asset realisations achieved during the Administration Term.
- 3.18 Creditors seeking full details of all asset realisations achieved should refer to the Proposals and the Joint Administrators' previous progress reports.

Pre-packaged sale of certain assets to G J Holdings Limited ("Holdings")

- 3.19 As detailed within the Joint Administrators previous progress reports, the Company held a fleet of all terrain cranes, truck mounted cranes, tractor units, trailers and vans, all of which were subject to hire or lease purchase agreements with a variety of financiers. There were 15 separate hire or lease purchase agreements in total, 10 of which had positive equity and 5 of which had negative equity based upon professional valuation advice received from RICS qualified and registered quantity surveyors, Charterfields Limited ("Charterfields").
- 3.20 As reported in the Proposals and SIP 16 disclosure, the equity present in the various hire and lease purchase agreements were sold to Holdings in a pre-packaged sale which completed immediately following the Administrators' appointment, for a consideration of £50,000 plus VAT.
- 3.21 The pre-packaged sale to Holdings allowed the equity in the finance agreements to be realised on an individual basis, maximising the positive equity in the agreements for the benefit of creditors. Any cessation of trade would have resulted in the financiers consolidating their lending across a number of agreements, which would have reduced the equity levels available to creditors. The pre-packaged sale has resulted in all finance agreements, including both those with positive and negative equity, being transferred to Holdings, along with the indebtedness to the financiers.
- 3.22 A summary of the finance agreements with positive equity which were transferred to Holdings can be found below:-

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

1	Hire Purchase Crane - DC12 KOU	50,000
	Less: Praetura Asset Finance	<u>(43,610)</u>
	Surplus	<u>6,390</u>
2	Hire Purchase Crane - CX20 YRJ	24,000
	Less: Praetura Asset Finance	<u>(17,910)</u>
	Surplus	<u>6,090</u>
3	Hire Purchase Agreement - CX20 GYE	32,000
	Less: Kingsley Asset Finance	<u>(20,510)</u>
	Surplus	<u>11,490</u>
4	Hire Purchase Agreements - YK07 CNV & YJ58 XNZ	200,000
	Less: Haydock Finance	<u>(191,510)</u>
	Surplus	<u>8,490</u>
5	Hire Purchase Agreement - CX67 ZHV	7,000
	Less: BNP Paribas	<u>(4,410)</u>
	Surplus	<u>2,590</u>
6	Hire Purchase Agreement - Nooteboom Ballast Trailer	15,000
	Less: BNP Paribas	<u>(10,410)</u>
	Surplus	<u>4,590</u>
7	Lease Purchase Agreement - CX18 SYF	12,000
	Less: Paragon Finance	<u>(7,710)</u>
	Surplus	<u>4,290</u>
8	Lease Purchase Agreement - CX68 LNN	9,250
	Less: Paragon Finance	<u>(7,610)</u>
	Surplus	<u>1,640</u>
9	Hire Purchase Agreement - CY70 FEH	18,000
	Less: United Trust Bank	<u>(16,410)</u>
	Surplus	<u>1,590</u>
10	Hire Purchase Agreement - CX19 GZZ	12,850
	Less: United Trust Bank	<u>(10,010)</u>
	Surplus	<u>2,840</u>
	TOTAL EQUITY	<u><u>50,000</u></u>

- 3.23 In addition to receiving a transfer of the finance agreements with positive equity, Holdings also were transferred the 5 hire/lease purchase agreements with negative equity. As part of this agreement, Holdings inherited hire/lease purchase agreements with negative equity amounting to £81,000 across the 5 agreements, meaning that the financiers have not participated as creditors in the Administration.

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

- 3.24 The consideration in respect of the sale to Holdings was received in full upon completion of the transaction on 11 April 2022 and the sale proceeds are shown on the R&P at Appendix A. There will be no further realisations from this source.

Pre-packaged sale of the Company's business and certain assets to Lifting

- 3.25 The second pre-packaged sale was a sale of the Company's business and certain assets to Lifting, for the sum of £125,000 subject to deferred payment terms.
- 3.26 A summary of the assets included in the sale and their individual values is as follows:-

Asset	Consideration (£)
Goodwill *	110,000
Intellectual Property *	6,000
Stock **	5,000
Work in Progress **	2,000
Order Book **	2,000
TOTAL	125,000

* Denotes fixed charge assets

** Denotes floating charge assets

- 3.27 The sale was subject to deferred payment terms, payable as follows:-

Date	Amount (£)
29/04/2022	4,000.00
31/05/2022	4,000.00
30/06/2022	4,000.00
29/07/2022	4,000.00
31/08/2022	4,000.00
30/09/2022	4,000.00
31/10/2022	4,000.00
30/11/2022	97,000.00
	125,000.00

- 3.28 Payment of the deferred consideration was secured by way of a personal guarantee from GAJ, the director of the Company, Holdings and Lifting.
- 3.29 On 26 October 2022, the Administrators wrote to Lifting and GAJ with a payment reminder in respect of outstanding deferred consideration of £92,500 at this time, which was due to be paid by 30 November 2022.
- 3.30 This payment reminder prompted correspondence from Lifting and GAJ, who sought to amend the agreed repayment terms under the SPA. Lifting and GAJ advised that it was necessary for them to seek to vary the payment terms due to the following factors:-
- December is traditionally a very bad month in the sector, mainly because of a 2-week Christmas break during which Lifting did not trade but wages, salaries and overheads still needed to be paid.
 - Equally, because there were no customer contracts and Lifting's hire services were supplied under one-off purchase orders on a project-by-project basis, there was a

significant downturn in orders generally at this time of year, in line with the wind down in the construction sector ahead of the Christmas period.

- Finally, January is traditionally quiet as well in the sector and GAJ was expecting cashflow to be tight in the New Year as well.

- 3.31 Negotiations ensued between the Administrators, Lifting and GAJ in an effort to agree mutually acceptable, revised payment terms. Following extensive negotiations, a revised payment schedule was agreed as follows:-

Date	Amount (£)
30 November 2022	65,000
31 January 2023	12,500
28 February 2023	15,000
Total	92,500

- 3.32 The Administrators received the first payment on 17 November 2022 and Lifting again overpaid, with £66,000 paid against the £65,000 agreed repayment, resulting in a £1,000 overpayment.

- 3.33 The Administrators issued further correspondence on 25 January 2023 as a reminder to Lifting and GAJ of the upcoming payments. Within the correspondence, the Administrators highlighted the remaining balance given the previous overpayment and the dates the payments were required to be made by.

- 3.34 There was a slight delay in receiving the instalment which fell due on 31 January 2023 but following a payment reminder, payments totalling £12,500 was received from Lifting on 2 February 2023, reducing the outstanding deferred consideration to £14,000.

- 3.35 The final deferred consideration payment was not received when it fell due on 28 February 2023. This prompted the Administrators to again liaise with Lifting and GAJ to request payment of the outstanding balance.

- 3.36 Lifting and GAJ requested an extension of the payment terms, explaining that Lifting's VAT quarter was due for payment and the associated outlay meant that Lifting's cashflow could not, at that time, make the final payment. Given this issue, the Administrators agreed to an extension of the deadline, on the basis that payment in full be made by close of business on 10 March 2023.

- 3.37 As agreed, on 10 March 2023 the Administrators received the sum of £14,000 from Lifting, satisfying its deferred consideration liability in full. Following receipt of this payment, the Administrators released GAJ from the deferred consideration personal guarantee obligation contained within the SPA.

- 3.38 There will be no further realisations from this source.

Asset sale consideration overpayment

- 3.39 When Holdings made payment of the consideration relating to its acquisition of certain of the Company's assets, they paid a total sum of £60,000.90 against the consideration which should have been paid of £50,000 plus VAT, or £60,000.

- 3.40 Given the amount in question, the slight overpayment was not refunded to Holdings and was retained in the Administration estate, as the costs of returning the monies to Holdings would far exceed the overpayment and it is an inconsequential amount.

Cash at bank

- 3.41 Prior to the Administrators' appointment, it was estimated that £10,501 was held by the Company within a Business Reward Saver account operated by Santander UK plc ("Santander"). The balance was taken from the Company's online accounting software, Xero, which purported to be linked to the account to ensure balance accuracy.
- 3.42 Bank statements were received from Santander which revealed that the balance from Xero was correct as at 16 February 2022 but the funds had been transferred to the Company's current account with Lloyds TSB Bank plc ("Lloyds") by 24 February 2022, with only a small balance of £3 remaining at the date of the Administrators' appointment.
- 3.43 The small credit balance held was subsequently requested from Santander and received into the Administration estate on 8 August 2022.
- 3.44 On 30 August 2022, an unanticipated realisation in the sum of £1,424.30 had been achieved in respect of cash at bank remaining in one of the Company's bank accounts with Lloyds when the Company entered Administration.
- 3.45 The Company's various bank accounts with Lloyds have now been closed and there will therefore be no further realisations from this source.

VAT recoverable on factoring fees

- 3.46 The Administrators are entitled to recover the VAT element of any post-Administration fees or charges applied to the factoring facility by Regency, as input VAT for the benefit of the Administration estate. The Administrators reviewed Regency's monthly client statements at each month end to identify any VAT receivable which may have been available to be reclaimed for the benefit for the Administration estate.
- 3.47 Following the Administrators' appointment and as a consequence of the Company breaching the factoring agreement by entering Administration, Regency applied an early termination fee in the sum of £25,770 plus VAT to the factoring facility.
- 3.48 The Administrators accounted for the VAT element of this termination fee on their first post-appointment VAT return and recovered the sum of £5,156 from HMRC, for the benefit of the Administration estate.
- 3.49 The Regency factoring facility has now been closed and there will be no further realisations in this respect.

Bank interest gross

- 3.50 During the Period, bank interest has been received totalling £231.12 which has accrued on funds held within the Administration estate.
- 3.51 During the Administration Term, bank interest has been received totalling £436.68 which has accrued on funds held within the Administration estate.

Factored debtor ledger

- 3.52 The Company's book debts were subject to a factoring agreement with the Company's secured creditor and QFCH, Regency.
- 3.53 Upon the Administrators' appointment, the ledger had a balance of £83,736, of which £32,548 had been disapproved for factoring purposes. The approved ledger therefore had a balance of £51,188.

- 3.54 Regency's indebtedness under the facility upon the Administrators' appointment amounted to £29,905, albeit this was prior to the termination fees and charges Regency were entitled to apply to the facility as a consequence of the Company's insolvency. As a consequence of the Company breaching the factoring agreement by entering Administration, Regency applied an early termination fee in the sum of £25,770 plus VAT which had the effect of increasing their indebtedness under the facility to £55,675.
- 3.55 During the Administrators Term and with the Administrators' assistance, Regency were successful in collecting the remaining factored debtor ledger and collected out their outstanding indebtedness under the factoring facility in full, with no surplus funds available to the Administration estate.
- 3.56 The collection of the factored debtor ledger has had the effect of reducing Regency's indebtedness under its fixed charge to nil and therefore has achieved the third statutory purpose of Administration, that is realising property in order to make a distribution to one or more secured or preferential creditors. There have been no cash realisations into the Administration estate from the factored debtor ledger.

Director's loan account ("DLA") – GAJ

- 3.57 As creditors will recall from the Administrators' previous progress reports, the Company's Xero accounts package recorded that the director of the Company, GAJ, had an overdrawn director's loan account balance of £8,027.
- 3.58 The Administrators completed a full reconciliation of the Company's Xero accounting records to the Company's bank statements, in order to verify the transactions between GAJ and the Company which were recorded on Xero. Similarly, the Company's bank statements were reviewed to identify any additional transactions between GAJ and the Company which should have been accounted for in GAJ's DLA. These exercises were necessary to ascertain the full extent of the DLA due to the Company. The outcome of these reconciliations was that the overwhelming majority of the transactions between GAJ and the Company recorded in his DLA on Xero were broadly correct and could be verified by the Company's bank statements.
- 3.59 Whilst reviewing the Company's bank statements for other transactions between the GAJ and the Company, this identified a number of other transactions which potentially could be subject to query with GAJ and, following further review by the Administrators, it was determined that the items in question were not personal expenditure and were correctly not accounted for in GAJ's DLA.
- 3.60 One transaction which was queried was a payment of £12,852 made to Liverpool Football Club ("LFC"). Whilst the Company's bank statements record other payments to LFC, these transactions had been accounted for in GAJ's DLA whereas the £12,852 payment had not.
- 3.61 This payment was queried with GAJ who explained that the payment was for use of corporate match tickets over the course of a season, which were used for corporate entertainment to entertain clients, which was important to ensure continuity of the one off purchase orders for crane hire which formed the Company's business model. This explanation was accepted and the transaction in question was determined to have properly not been allocated to the DLA in the Company's accounts.
- 3.62 With these comments in mind, the DLA balance as per Xero was verified as correct at £8,027 and payment of this sum was demanded from GAJ. This led to discussions surrounding a settlement of the DLA which was ultimately accepted by the Administrators, full details of which are provided later in this report.

Inter-company debt - Lifting

- 3.63 The Company's Xero accounting records recorded both debtor and creditor balances with the Company, relating to sums due from and to associated company, Lifting.

- 3.64 The Company's records upon the Administrators' appointment suggested that there was a debtor balance due from Lifting to the Company of £54,012, along with a creditor balance due from the Company to Lifting in the sum of £30,900. On this basis, the Company's Xero records suggest that Lifting was a net debtor of the Company in the sum of £23,112.
- 3.65 The Administrators noted that this position was also reported in the director's statement of affairs pursuant to Paragraph 47 of Schedule B1 to the Act ("the SOA"), which was submitted by GAJ in June 2022 and is filed at Companies House. The SOA received from GAJ shows an inter-company debt due to the Company from Lifting in the sum of £23,112, which is consistent with the balances taken from Xero. The SOA was supported by a statement of truth from GAJ that he believed the facts stated in his SOA to be true.
- 3.66 As with the DLA balance reported previously and as part of the Administrators' statutory duties to investigate the assets, liabilities and financial position of the Company, the Administrators compared and reconciled the various transactions between Lifting and the Company to the Company's bank statements, in order to verify the transactions and determine the net sum which remained payable to the Company. As part of this exercise, the Company's bank statements were also reviewed for other transactions between the Company and Lifting which had not been accounted for in the Lifting creditor or debtor accounts on Xero. The Administrators' findings are outlined below.

Amounts owed from Lifting

- 3.67 The Xero records show that the debtor balance due to the Company from Lifting accrued as a result of transactions between the Company and Lifting during the period 6 August 2020 to 7 March 2022 ("the Debtor Period"). It appeared that Lifting advanced various sums of money to the Company during the Debtor Period in the cumulative sum of £121,300, made up of eighteen separate payments of varying amounts.
- 3.68 The Administrators reviewed the Company's bank statements in order to identify and verify the various payments which were made to the Company by Lifting during the Debtor Period, all eighteen payments were verified. The Administrators were therefore satisfied that Lifting advanced £121,300 to the Company during the Debtor Period and that these transactions would make Lifting a creditor of the Company.
- 3.69 During the Debtor Period, the Company only made two cash repayments to Lifting to reduce the sums it had advanced and its position as a creditor. These were small repayments of £50 and £500 made on 26 November 2020 and 1 December 2021 respectively and these repayments were verified via reviews of the Company's bank statements for these dates.
- 3.70 However, the transactions which materially reduced Lifting's position as a creditor of the Company and made them a net debtor were three apparent sales/transfers of assets from the Company to Lifting, one of which was on 31 December 2020, followed by two transactions on 1 December 2021.
- 3.71 On 31 December 2020, the Company raised an invoice to Lifting relating to a 'sale of assets' in the sum of £129,571 plus VAT, i.e. £155,485. On even date, the Company also raised a credit note to Lifting of an equal amount and accounted for this transaction by debiting the inter-company loan account with Lifting, converting Lifting from a creditor of £48,750 prior to the transaction to a debtor of £106,735 following it.
- 3.72 The Administrators were aware of this sale of assets to Lifting, on the basis that it was disclosed to their valuation agents, Charterfields, in March 2022, when they valued the Company's assets for the purposes of the pre-packaged sales to Lifting and Holdings. The assets sold at that time comprised various items of office furniture and equipment, plant and equipment, a motor vehicle and a trailer
- 3.73 Consideration was given to the value ascribed to these assets via the transaction with Lifting, to determine whether or not the consideration of £129,571 plus VAT was reflective of the market value of the assets, at the point of sale on 31 December 2020. In this respect, the

Administrators sought the advice of Charterfields who confirmed that in their professional opinion, the sale price of £129,571 plus VAT was a fair and reasonable consideration for the assets in question at the point of sale.

- 3.74 With these comments in mind, in addition to the fact that the transaction occurred in a period in excess of two years prior to the onset of the Company's insolvency and that the Company did not appear to be insolvent at the time of the transaction (or became insolvent as a result of it), the transaction with Lifting could not be considered a transaction at an undervalue as defined in Sections 238 and 240 of the Act and was not voidable under these sections of the Act.
- 3.75 Given that the effect of the transaction was to reduce Lifting's position as a creditor of the Company, consideration has also been given to whether or not the transaction could constitute a preference, contrary to Sections 239 and 240 of the Act. However, as the transaction did not occur within the period of six months ending with the onset of the Company's insolvency, any allegations that this transaction could be considered an unlawful preference could not be sustained in accordance with the provisions of the Act.
- 3.76 Given the position outlined above, the Administrators were satisfied that the 31 December 2020 sale/transfer of assets from the Company to Lifting was appropriate, for fair market value and could not be challenged under the Act as a preference or transaction at an undervalue.
- 3.77 However, concerns were initially identified in relation to the two asset sales from the Company to Lifting on 1 December 2021. On this date, two motor vehicles previously held by the Company were sold to Holdings. The first was a Ford Transit Connect and the second was a VW Amarok, which it appeared were sold to Lifting for considerations of £4,411 and £14,867 respectively, based upon the entries posted to the Lifting inter-company trading account on Xero.
- 3.78 Unlike the 31 December 2020 sale of assets to Lifting, these transactions occurred within the period of two years ending with the onset of the Company's insolvency and therefore could be challenged as a transaction at an undervalue contrary to Section 238 of the Act, if it could be established that the consideration for the sale was for a value less than the value of the vehicle at the time of the transaction. Furthermore, in order to establish a transaction at an undervalue, the Administrators must have been satisfied that the Company was insolvent at the time of the transactions, or became insolvent as a result of them.
- 3.79 In terms of the consideration for the two sales, the Administrators obtained valuations of the vehicles in order to assess whether the value ascribed to them in the sales was fair market value for the vehicles in question. This exercise revealed that the Ford Transit Connect was valued £3,167 more than the value ascribed to it in the sale to Lifting and that the VW Amarok was worth £10,939 more than the value ascribed to it in the sale to Lifting, creating the possibility of two transaction at an undervalue claims against Lifting totalling £14,106.
- 3.80 In terms of proving the Company's insolvency at the time of the transactions, the initial claim from HMRC in the proceedings detailed overdue VAT liabilities dating back as far as the quarter ended 30 April 2020, PAYE liabilities dating back to the month ended 5 February 2020 and Corporation Tax liabilities dating back to the year ended 31 July 2020. Given the age of the Company's Crown debts, the Administrators believed that the Company was insolvent within the definitions contained in Section 123 of the Act at the time of these sales to Lifting.
- 3.81 In light of the two transactions being defined as transactions at undervalues pursuant under the Act, the Administrators considered that Lifting's indebtedness under the inter-company loan account should increase by £14,106.
- 3.82 Having fully reconciled the amounts owed from Lifting to the Company and identified the two potential transactions at undervalues as part of this process, the Administrators believed that the debtor balance due from Lifting to the Company was now £68,118, being the £54,012 shown on Xero plus the transactions at undervalues relating to the Ford Transit Connect and VW Amarok in the sum of £14,106.

Amounts owed to Lifting

- 3.83 The Xero records disclosed that the creditor balance due from the Company to Lifting of £30,990 accrued as a result of funds advanced to the Company by Lifting during the period 11 March 2022 to 28 March 2022 ("the Creditor Period"). There were nine payments from Lifting to the Company during the Creditor Period and the Administrators took steps to verify these payments by reviewing the Company's bank statements for the corresponding period.
- 3.84 All nine payments were verified as having been received by the Company and therefore the Administrators were able to verify Lifting's creditor claim as shown on the Xero transaction list and accept that Lifting is a creditor of the Company in this respect, in the sum of £30,900.

Summary of the Administrators verification work and subsequent correspondence

- 3.85 In summary, the Administrators reconciled both Lifting's debtor and creditor position and verified the same, confirming that the sums due to the Company were largely as reported on Xero, subject to the potential transactions at undervalues reported above.
- 3.86 On 4 April 2023, the Administrators wrote to Lifting setting out the findings of their investigations into the inter-company trading with Lifting. This letter set out the Company and its Administrators' claim and ultimately demanded payment of the following:-

	£
Transactions in the Debtor Period	54,012
Transactions at undervalues	14,106
Transactions in the Creditor Period	(30,900)
Net debtor balance due to the Company	37,218

- 3.87 Payment or proposals for repayment were requested by return.
- 3.88 Lifting responded on even date and requested a call with the Administrators to discuss the contents of the letter and in particular, the potential transactions at undervalues in relation to the aforementioned motor vehicles which occurred in December 2021.
- 3.89 Lifting explained that similar to the other assets held by the Company, the motor vehicles in question were held by the Company subject to finance agreements and that the values attributed to the vehicles in the Lifting account from Xero represented the equity in the vehicles, after settlement of the outstanding finance. This explanation seemed reasonable and plausible on face value and mirrored the position with the Company's remaining asset base.
- 3.90 This led to further interrogation of Xero by the Administrators and specifically, the journal entries in respect of the two transactions in question. It was noted from these journal entries that there were other postings on Xero associated to these transactions, namely the Hire Purchase chart of account in which the profit or loss on the asset sales were accounted for.
- 3.91 Once the outstanding finance on the vehicles was accounted for, it could be seen that the values ascribed to the two vehicles in the sales to Lifting were not in fact transactions at an undervalue and that the values ascribed to the vehicles in fact exceeded the Administrators' valuation of the vehicles globally. The position, taking account of outstanding finance, is summarised below:-

Ford Transit Connect	£4,411
Outstanding finance	£1,498
Total sale value	£5,908
VW Amarok	£14,867

Outstanding finance £21,567

Total sale value £36,434

3.92 This was compared to the Administrators' valuation of the vehicles, which was £7,578 for the Ford Transit Connect and £25,806 for the VW Amarok, a total of £33,384. Whilst the Ford Transit Connect had been sold for slightly less than valuation (£1,670), the value ascribed to the VW Amorak exceeded the valuation significantly by £10,627 and therefore globally, the consideration paid by Lifting exceeded the Administrators' valuation by £8,957. It was therefore resolved that the potential transactions at undervalue aspect of the Company's claim against Lifting was inappropriate to pursue.

3.93 This being the case, the extent of the Administrators' claim against Lifting was narrowed to the verified debtor and creditor balances extracted from Xero which meant that the Lifting was indebted to the Company in the sum of £23,112.

3.94 This led to discussions between the Administrators, Lifting and GAJ concerning a proposed settlement of both the inter-company debt due from Lifting and the DLA due from GAJ.

Settlement agreement relating to the inter-company debt due from Lifting and the DLA

3.95 Having reconciled the balances due under the inter-company debt and the DLA, there were various discussions held between the Administrators and GAJ in the period 14 April 2023 to 24 April 2023.

3.96 Lifting is the successor business to the Company and acquired its business and certain assets from the Administrators in the aforementioned pre-packaged sale. The consideration in respect of the pre-packaged sale to Lifting was subject to deferred payment terms which, as previously reported, Lifting was unable to fully adhere to, citing cashflow pressure following reduced turnover following the pre-packaged sale, the disruptions to the business as a consequence of the Administration and credit limits imposed on major customers by Lifting's invoice finance provider, Regency.

3.97 Therefore, there had been indications of cashflow pressure in the successor business following the Administration and GAJ explained that whilst he did not dispute the balance of the inter-company debt, the reality of Lifting's cashflow position and the cashflow pressure facing it was such that it was not in a position to discharge the debt in full upon demand, and that any settlement would need to be significantly deferred and be dictated by availability from Lifting's cashflow.

3.98 The prospects of a long tailed payment arrangement in respect of the inter-company debt was not palatable to the Administrators, for a number of reasons. Such an arrangement may have prolonged concluding the Administration by several months and potentially even necessitated a further extension of the Administration term, which would have to be achieved by Court application as the term had already been extended once with consent of creditors. This would have exposed the estate to substantial additional costs, including legal and Counsel's fees, which would have diluted the anticipated return to the secondary preferential creditor in this matter, HMRC.

3.99 Given the position outlined above and at the conclusion of the Administrators' investigations into both assets, Lifting was indebted to the Company and its Administrators in the sum of £23,112 and Mr Jones was indebted to the Company and its Administrators in the sum of £8,027. In total, therefore, Lifting and Mr Jones were indebted to the Company in the combined sum of £31,139.

3.100 As referred to previously, Lifting was suffering cashflow pressure which was such that it would be unable to repay the inter-company debt upon demand. The reasons for the cashflow pressure have been referred to previously and were a recurring theme throughout the Administration term.

- 3.101 To elaborate, one of the major issues facing Lifting was credit limits imposed by Regency and as an example, despite CreditSafe recommending a credit limit of circa £4,400,000 for Lifting's major customer, Regency would only fund invoicing to this customer up to a credit limit of £400,000. This had a knock-on effect of creating cashflow pressure for Lifting and as the major customer accounts for a significant proportion of Lifting's turnover, this was a significant issue.
- 3.102 As a result, any repayment terms agreed in respect of the inter-company debt would need to be deferred, potentially for several months, and would need to be based upon Lifting's cashflow availability which was significantly stretched. Such an arrangement would have increased the costs of the Administration and significantly delay its conclusion, potentially necessitating a further extension of the Administration term and interaction with the Court. This position was explained to GAJ and he was advised that such a deferred payment arrangement was not desirable and would not be viewed favourably by the Administrators.
- 3.103 GAJ explained that there was little he could do in terms of expediting the repayment of Lifting's debt, given the cashflow pressure it was facing and a lack of available funds to discharge the debt upon demand. However, GAJ advised that he would theoretically be willing to release some personal investments and make a lump sum, full and final settlement offer to compromise the two debts. However, as the bulk of the sums due relate to the inter-company debt due from Lifting, but he was raising the settlement funds personally, he sought a discount for paying this lump sum quicker than Lifting's cashflow would permit.
- 3.104 In summary, Mr Jones offered a lump sum, full and final settlement offer of £20,000 against the £31,139 debts. As he would need to release some personal funds/investments to facilitate a settlement of this level, GAJ proposed full payment by close of business on 12 May 2023.
- 3.105 The Administrators considered Mr Jones' settlement offer and deemed it acceptable. Whilst the settlement offer resulted in a concession of £11,139 compared to the value of the debts in question, the settlement offer was expedient to realising the remaining assets in the Administration and concluding the Administrators' realisation of asset work, therefore minimising costs.
- 3.106 Equally, the settlement mitigated any enforcement costs that may have been incurred in pursuing the debts via solicitors in the event that the settlement offer was rejected and the Administrators were required to issue demand on Lifting/GAJ and pursue claims via the Courts. Acceptance of the settlement compromised both debts in a timely manner, finalised the level of realisations available to creditors and allowed the Administrators to process the anticipated distribution to the secondary preferential creditor in this matter, HMRC.
- 3.107 This being the case, the acceptance of the settlement offer was confirmed and formalised in a letter between the parties. The settlement was apportioned against the two debts as follows:-

Inter-company loan account due from Lifting	£15,000
DLA	£5,000
Total	£20,000

- 3.108 Ultimately, the settlement funds were received from GAJ earlier than expected on 4 May 2023.

Solicitors interest

During the Administration Term, solicitors' interest has been received totalling £27, which had accrued on funds held by the Administrators' solicitors received from Lifting and GAJ as per the terms of the SPA.

- 3.109 The work the Administrators and their staff have undertaken has brought a financial benefit to creditors. The Company's assets have been realised in full and the work undertaken by the

Administrators in this case has permitted full repayment of the secured creditor, Regency, and enabled a distribution to the secondary preferential creditor, HMRC.

Creditors (claims and distributions)

- 3.110 The Joint Administrators 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.
- 3.111 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 ("RPS") 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.
- 3.112 Work undertaken by Administrators in dealing with a company's creditors may only bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however an Administrator is 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 Administrators in dealing with those claims.
- 3.113 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 5 below.
- 3.114 In this case, the Joint Administrators consider the following matters worth bringing to the attention of creditors:
- There is one secured creditor, Regency, who were owed £29,905 upon the Administrators' appointment, prior to a termination fee being applied in the sum of £25,770 which had the effect of increasing their indebtedness to £55,675. As previously reported, Regency have collected out their outstanding indebtedness in full via collections of the factored debtor ledger.
 - The Company has no ordinary preferential creditors as the Company's employees transferred to Lifting under the Transfer of Undertakings (Protection of Employment) Regulations 2006 ("TUPE") upon completion of the pre-packaged sale. Similarly, no claims have been received from any other party with an ordinary preferential creditor claim.
 - The Administrators anticipated claims from HMRC as the secondary preferential creditor totalling £238,036, £246,164 and £1,383 respectively in relation to PAYE/NIC, VAT and CIS tax as indicated in the SOA. Claims have been received from HMRC as a secondary preferential creditor totalling £156,005.26 and £253,891.99 in respect of the Company's PAYE and VAT liabilities respectively. A first and final dividend of 5.08p in the £ was consequently declared to secondary preferential creditors within the Period.
 - There are approximately 34 unsecured creditor claims in this case with an estimated value of £1,711,855 as per the director's SOA. During the Administration Term, the Administrators have received claims from 15 unsecured creditors totalling £793,628.80.

Investigations

- 3.115 Creditors may recall from the Joint Administrators' previous progress report that some of the work the Joint Administrators were required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and SIP 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 3.116 The Joint Administrators' report on the conduct of the director of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 3.117 The Administrators' investigations into the affairs of the Company and the conduct of its director have been finalised and no transactions are being pursued for the benefit of creditors arising from this investigation work.

4 Unrealised assets

- 4.1 The Joint Administrators can confirm that all assets have now been realised as and where available and the cumulative R&P at Appendix A reflects the final position on both realisations achieved and payments made during the course of the Administration Term. This includes details of all expenses paid by the Joint Administrators.

5 Outcome for creditors

Secured creditors

Regency Factors Limited

- 5.1 The Company granted a debenture to Regency incorporating and fixed and floating charges which was created and registered at Companies House on 6 September 2021 and 7 September 2021 respectively. The debenture was registered to secure Regency's lending to the Company under the aforementioned factoring agreement.
- 5.2 As per Paragraphs 3.55 to 3.56 of this report, Regency's indebtedness has been repaid in full via the collection of the factored debtor ledger.

Preferential creditors

Ordinary preferential creditors

- 5.3 The Company employed 35 members of staff, including its director, all of whom transferred to Lifting under the TUPE Regulations as part of the pre-packaged sale of the Company's business and certain assets.
- 5.4 As a result, no ordinary preferential creditor claims were received in this matter and the pre-packaged sale mitigated ordinary preferential claims estimated to total £13,888.
- 5.5 Furthermore, no claims have been received from any other party claiming to hold ordinary preferential creditor status.

Secondary preferential creditors

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

Secondary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
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PAYE, Employee NIC & CIS deductions (HMRC)	156,005.26	239,419.00	5.08p in the £	18 January 2024
VAT (HMRC)	253,891.99	246,164.00	5.08p in the £	18 January 2024

- 5.7 As detailed within the director's SOA, it was estimated that HM Revenue & Customs ("HMRC") were a creditor in the proceedings in respect of PAYE/NIC, VAT and CIS tax in the sums of £238,036, £246,164 and £1,383 respectively.
- 5.8 During the Administration Term, HMRC have submitted their claim within the Administration totalling £156,005.26 and £253,891.99 in respect of the Company's PAYE/NIC & CIS deductions and VAT liabilities respectively in their position as the secondary preferential creditor within the proceedings.
- 5.9 As detailed within the Joint Administrators' previous progress report, it was anticipated that there would be sufficient funds within the Administration estate to undertake a first and final dividend to HMRC, as the Company's secondary preferential creditor.
- 5.10 Within the Period, the Joint Administrators issued a Notice of Intended Dividend and provided a final date for proving of 13 December 2023 for all applicable creditors pursuant to Rule 14.29 of the Insolvency (England and Wales) Rules 2016 to prove their debts against the Company.
- 5.11 Following the expiration of this final date for proving, the Joint Administrators adjudicated upon the veracity of all applicable claims received before admitting the same for dividend purposes.
- 5.12 Accordingly, from the available funds within the Administration estate, a first and final distribution of 5.08p in the £ has been distributed to HMRC, as the Company's secondary preferential creditor.
- 5.13 No further distribution will be made to secondary preferential creditors, given the paucity of funds available within the Administration estate.

Unsecured creditors

- 5.14 Claims have been received totalling £793,628.80 from 15 unsecured creditors. The Administrators have not received claims from 30 creditors whose debts approximately totalling £1,657,774 as per the directors' SOA.
- 5.15 Within the Act, there are provisions for a fund, known as the Prescribed Part, to be set aside for distribution to unsecured creditors in accordance with Section 176A of the Act. The Prescribed Part is calculated on the net realisation of assets subject to a floating charge contained within a debenture created on or after 15 September 2003. The Prescribed Part is calculated as being 50% of the first £10,000 of net property, and 20% thereafter, subject to a maximum of £600,000.
- 5.16 The Company granted a floating charge to Regency on 6 September 2021. Accordingly, the Administrators would have been required to create the Prescribed Part for unsecured creditors. However, Regency has been repaid in full under its fixed charge over the Company's assets and therefore none of the realisations in the Administration estate are subject to a floating charge and the Prescribed Part provisions will not apply.
- 5.17 As creditors may recall from the Proposals, the Administrators gave notice that the Company had insufficient property to enable a distribution to unsecured creditors, in compliance with Paragraph 52(1)(b) of Schedule B1 to the Act. No funds have become available to enable a distribution to the unsecured creditors of the Company, due to the paucity of funds available within the Administration estate and after taking into account the costs and expenses of the Administration and the extent of the Company's preferential creditors.

6 Joint Administrators' remuneration

6.1 Creditors will recall that the basis of the Administrators fees has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. The fees estimate/information was originally provided to creditors within the Proposals, when the basis of the Administrators' remuneration was approved, and was based on information available at that time.

6.2 A copy of the approved fees estimate for the Administration is reproduced below:

Category of work	Estimated Number of Hours	Average charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	142.50	313.59	44,686.00
Case specific matters (where applicable)	0.00	0.00	0.00
Creditors (claims & distributions)	31.00	245.65	7,615.00
Investigations	32.50	274.62	8,925.00
Realisation of assets	32.50	281.59	9,155.00
Trading (where applicable)	0.00	0.00	0.00
Total	238.50	295.10	70,381.00

6.3 Attached as Appendix B is a time analysis compliant with SIP 9 detailing the Administrators' time costs for the Period, amounting to £17,227 made up of 56.50 hours at an average charge out rate of £304.90 per hour. The time analysis 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 in managing the Administration.

6.4 Attached at Appendix C is a cumulative time analysis for the Administration Term which provides details of the Administrators' time costs incurred since the date of Administration and during the Administration Term. The cumulative time costs incurred to date are £173,012.03. This represents 539.48 hours at an average rate of £320.70 per hour.

6.5 The basis of the Administrators' remuneration is subject to creditor approval. In this case, owing to the outcome of the Administration, it was appropriate for Regency and HMRC to set the basis of the Administrators' remuneration as the Company's secured and preferential creditors. During the Administration Term, the Administrators' remuneration was approved by Regency and HMRC on 4 May 2022 and 12 May 2022 respectively.

6.6 Creditors will note that the actual time incurred by the Joint Administrators and their staff during the Administration Term has exceeded the initial fee estimate by £102,631.03.

6.7 Specifically, the categories in respect of Administration (inc. statutory compliance & reporting), Creditors and Realisation of Assets have each exceeded the respective amounts anticipated within the approved fees estimate.

6.8 The reasoning for the excess incurred in respect of Administration (inc. statutory compliance & reporting) is disclosed herein at Paragraphs 3.13 to 3.14.

6.9 It was initially estimated that the costs associated with Creditors (claims & distributions) would total £7,615, however creditors will note from Appendix C that £11,640 has been incurred in this respect within the Administration Term. The reason why this initial estimate has been exceeded is primarily due to extensive correspondence with HMRC to obtain the proof of their claim in the proceedings in order to consequently undertake a first and final dividend to them as the secondary preferential creditor in the proceedings.

6.10 It was initially estimated that the costs associated with Realisation of assets would total £9,155, however creditors will note from Appendix C that £36,166 has been incurred in this respect within the Administration Term. The reason why this initial estimate has been exceeded is primarily due to the deferred terms of the pre-packaged sales and the association collection

and reconciliation of these instalments and, furthermore, the prolonged efforts concerning the agreement of the settlements concerning the overdrawn DLA and the inter-company debt due to the Company from Lifting.

- 6.11 Despite the time costs incurred during the Administration Term exceeding the initial fees estimate, due to the fees estimate currently implemented, no amount incurred in excess will be borne by the Administration estate and this has therefore not proven detrimental to the outcome to any class of creditor in this matter.
- 6.12 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.icaew.com/regulation/insolvency/understanding-business-restructuring-and-insolvency/creditors-guides>
- 6.13 Attached at Appendix D is additional information in relation to the Joint Administrators' fees, expenses and the use of subcontractors and other professional advisers.

7 Creditors' rights

- 7.1 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 Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 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 Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

8 Ending the Administration

- 8.1 The Joint Administrators would confirm that, as there is no property which might permit a distribution to unsecured creditors and as all matters pertinent to the Administration have now concluded, they have filed Companies House Form AM23 – Notice of move from Administration to dissolution – which, once filed at Companies House, will have the effect of bringing the Administration to an end and moving the Company to dissolution.
- 8.2 The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies. A copy of this notice is enclosed.
- 8.3 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act immediately upon their appointment as Joint Administrators ceasing to have effect.

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

For and on behalf of
the Company

A handwritten signature in black ink, appearing to be 'K Burton', with a long horizontal stroke extending to the right.

K Burton
Joint Administrator

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

Appendix A

R&P for the Period including a cumulative R&P for the Administration Term

Graham Jones Cranes Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/10/2023 To 27/02/2024 £	From 11/04/2022 To 27/02/2024 £
	SECURED ASSETS		
110,000.00	Goodwill	NIL	110,000.00
6,000.00	Intellectual Property	NIL	6,000.00
51,188.00	Factored Debtor Ledger	NIL	NIL
		NIL	116,000.00
	SECURED CREDITORS		
(51,188.00)	Regency Factors Limited (inc term fee	NIL	NIL
		NIL	NIL
	HIRE PURCHASE		
50,000.00	Hire Purchase Crane - DC12 KOU	NIL	50,000.00
(43,610.00)	Praetura Asset Finance	NIL	(43,610.00)
24,000.00	Hire Purchase Crane - CX20 YRJ	NIL	24,000.00
(17,910.00)	Praetura Asset Finance	NIL	(17,910.00)
32,000.00	Hire Purchase Agreement - CX20 GYE	NIL	32,000.00
(20,510.00)	Kingsley Asset Finance	NIL	(20,510.00)
200,000.00	HP Agreements - YK07 CNV & YJ58 X	NIL	200,000.00
(191,510.00)	Haydock Finance	NIL	(191,510.00)
7,000.00	Hire Purchase Agreement - CX67 ZHV	NIL	7,000.00
(4,410.00)	BNP Paribas	NIL	(4,410.00)
		NIL	35,050.00
	GENERAL SECURED GROUP		
15,000.00	HP Agreement - Nooteboom Ballast Tr	NIL	15,000.00
(10,410.00)	BNP Paribas	NIL	(10,410.00)
12,000.00	Lease Purchase Agreement - CX18 S	NIL	12,000.00
(7,710.00)	Paragon Finance	NIL	(7,710.00)
9,250.00	Lease Purchase Agreement - CX68 L	NIL	9,250.00
(7,610.00)	Paragon Finance	NIL	(7,610.00)
18,000.00	Hire Purchase Agreement - CY70 FEH	NIL	18,000.00
(16,410.00)	United Trust Bank	NIL	(16,410.00)
12,850.00	Hire Purchase Agreement - CX19 GZZ	NIL	12,850.00
(10,010.00)	United Trust Bank	NIL	(10,010.00)
		NIL	14,950.00
	ASSET REALISATIONS		
	Bank Interest Gross	231.12	436.68
	Cash at Bank - Lloyds Bank plc	NIL	1,424.30
10,501.00	Cash at Bank - Santander	NIL	2.67
	Deferred Consideration Overpayment	NIL	0.90
8,207.00	Director's Loan Account	NIL	5,000.00
23,112.00	Inter-Company Debt - Lifting	NIL	15,000.00
2,000.00	Order Book	NIL	2,000.00
	Solicitors Interest	NIL	26.82
5,000.00	Stock	NIL	5,000.00
	VAT Recoverable on Factoring Fees	NIL	5,156.39
2,000.00	Work In Progress	NIL	2,000.00
		231.12	36,047.76
	COST OF REALISATIONS		
	Administrators Fees	NIL	70,381.00
	Legal Fees	NIL	17,380.00
	Petitioners Costs	NIL	1,860.60
	Postage, stationery, photocopying	NIL	51.89
	Pre Administrators Fee	NIL	67,567.00
	Specific Bond	NIL	340.00

Graham Jones Cranes Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 11/10/2023 To 23/02/2024 £	From 11/04/2022 To 23/02/2024 £
	Statement of Affairs Fee - R3.34(1)	NIL	2,000.00
	Statutory Advertising	NIL	89.80
	Valuers Fees	NIL	21,545.50
		NIL	(181,215.79)
	PREFERENTIAL CREDITORS		
(1,383.00)	HMRC - CIS Tax	NIL	NIL
(238,036.00)	HMRC - PAYE	7,928.56	7,928.56
(246,164.00)	HMRC - VAT	12,903.41	12,903.41
		(20,831.97)	(20,831.97)
	UNSECURED CREDITORS		
(87,972.00)	Aries Market Loan	NIL	NIL
(33,594.00)	Arkle Finance - CBILS Loan	NIL	NIL
(87,301.00)	Ask If	NIL	NIL
(706,141.00)	Clywd Properties Limited	NIL	NIL
(152,572.00)	Credit 4 loan	NIL	NIL
(200.00)	HMRC Corporation Tax	NIL	NIL
(29,708.00)	Intercompany Loan - G J Holdings Lim	NIL	NIL
(155,327.00)	LDF Finance (White Oak)	NIL	NIL
(115,673.00)	Lloyds Bank plc	NIL	NIL
(75,979.24)	Petitioning Creditor	NIL	NIL
(267,388.28)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,980,619.52)		(20,600.85)	NIL
	REPRESENTED BY		
			NIL

Kelly Burton
Joint Administrator

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

Appendix B

Time analysis for the Period

Time Entry - Detailed SIP9 Time & Cost Summary

GRAH01A - Graham Jones Cranes Limited
From: 11/10/2023 To: 27/02/2024
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA : Cashiering	0.00	0.10	0.00	0.60	0.70	190.00	271.43
ADCR : Case Reviews	0.00	5.00	0.50	0.00	5.50	2,205.00	400.91
ADDI : Directors/Client	0.00	0.10	0.00	0.00	0.10	41.00	410.00
ADGA : File Maintenance	0.40	0.30	7.10	0.50	8.30	2,118.00	255.18
ADSO : Statutory and Compliance	0.20	6.80	24.50	0.10	31.60	9,075.00	287.18
ADSO : Strategic Overview	0.00	0.00	0.10	0.00	0.10	24.00	240.00
Admin and Planning	0.60	12.30	32.20	1.20	46.30	13,653.00	294.88
CCAD : Calculation & Distribution	1.10	3.00	1.80	0.00	5.90	2,338.00	396.27
CRCL : Creditors Claims	0.00	0.00	0.30	0.00	0.30	72.00	240.00
CRCO : Communications with Creditors	0.00	0.40	2.80	0.00	3.20	836.00	261.25
CRTV : Tax and VAT	0.00	0.80	0.00	0.00	0.80	328.00	410.00
Creditors	1.10	4.20	4.90	0.00	10.20	3,574.00	350.39
Total Hours	1.70	16.50	37.10	1.20	56.50	17,227.00	304.90
Total Fees Claimed						70,381.00	

Appendix C

Cumulative time analysis for the Administration Term

Time Entry - Detailed SIP9 Time & Cost Summary

GRAH01A - Graham Jones Cranes Limited
From: 11/04/2022 To: 27/02/2024
All Post Appointment Project Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA : Cashiering	0.60	4.40	8.60	19.70	33.30	8,617.00	258.77
ADCR : Case Reviews	0.00	10.30	0.50	0.00	10.80	4,378.00	405.37
ADDI : Directors/Client	4.90	0.30	1.00	0.00	6.20	2,765.00	445.97
ADGA : File Maintenance	3.30	0.90	18.50	3.70	26.40	6,416.00	243.03
ADSC : Statutory and Compliance	15.90	124.28	156.70	7.50	304.38	92,398.03	303.56
ADSO : Strategic Overview	2.80	4.20	2.00	0.00	9.00	3,548.00	394.22
Admin and Planning	27.50	144.38	187.30	30.90	390.08	118,122.03	302.81
CCAD : Calculation & Distribution	1.10	3.00	1.80	0.00	5.90	2,338.00	396.27
CRCL : Creditors Claims	0.00	0.10	3.10	0.00	3.20	617.00	192.81
CRCO : Communications with Creditors	1.10	2.70	18.70	0.00	22.50	5,455.00	242.44
CREM : Employees	0.00	0.10	0.00	0.00	0.10	41.00	410.00
CRTV : Tax and VAT	0.30	7.30	0.20	0.00	7.80	3,189.00	408.85
Creditors	2.50	13.20	23.80	0.00	39.50	11,640.00	294.68
INDR : CDDA Report	0.00	0.00	6.00	0.00	6.00	1,080.00	180.00
INRE : Investigation and Review	7.80	0.20	8.60	0.00	16.60	6,004.00	361.69
Investigations	7.80	0.20	14.60	0.00	22.60	7,084.00	313.45
REDC : Debt Collection	3.20	36.10	0.00	0.00	39.30	16,401.00	417.33
REIS : Identifying,Securing and Insuring	0.00	5.50	0.20	0.30	6.00	2,366.00	394.33
REPB : Property, Business and Asset Sales	3.50	37.30	0.80	0.00	41.60	17,235.00	414.30
SOLB : Sale of Land & Buildings	0.00	0.40	0.00	0.00	0.40	164.00	410.00
Realisation of Assets	6.70	79.30	1.00	0.30	87.30	36,166.00	414.27
Total Hours	44.50	237.08	226.70	31.20	539.48	173,012.03	320.70
Total Fees Claimed						70,381.00	

Appendix D

Additional information in relation to the Administrators' 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 an IP/Director, Assistant Manager, Senior Administrator and/or Administrator and Secretarial and/or Support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.
- 1.3 The Administrators have not utilised the services of any sub-contractors in this case.

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.

Service(s)	Provider	Basis of fee arrangement	Cost to date £
Legal advice	Ward Hadaway LLP	Hourly charge out rate and disbursements	17,380.00
Valuation, marketing and disposal advice	Charterfields Limited	Commission basis – 10% of any asset realisations achieved	21,545.50

- 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 **Administrators'** expenses & disbursements

- 3.1 The estimate of expenses (including expenses) which were anticipated at the outset of the Administration was provided to creditors when the basis of my fees were approved, is included in the table below, together with an analysis of the expenses paid prior to the end of the Period, and those incurred but not paid is provided below. Any material differences from the original estimate are commented on below.

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

	Estimated cost £	Paid in the prior period £	Paid during the Period £	Incurred but not paid to date £	Total £
Expenses & Category 1 disbursements					
Petitioners' costs	1,861.00	1,860.60	Nil	Nil	1,860.60
Valuers fees	21,846.00	21,545.50	Nil	Nil	21,545.50
Legal fees	12,000.00	17,380.00	Nil	Nil	17,380.00
Postage, stationary, photocopying	55.00	51.89	Nil	Nil	51.89
Statutory advertising	86.00	89.80	Nil	Nil	89.80
Specific bond	340.00	340.00	Nil	Nil	340.00
Travel expenses	100.00	Nil	Nil	Nil	Nil
Solicitor fees	12,807.00	Nil	Nil	Nil	Nil
Statement of affairs	2,000.00	2,000.00	Nil	Nil	2,000.00
Category 2 disbursements					
Pre Administrators fee	67,567.00	67,567.00	Nil	Nil	67,567.00
Administrators fees	70,381.00	70,381.00	Nil	Nil	70,381.00
Total	189,043.00	181,215.79	Nil	Nil	181,215.79

- 3.2 Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expenses to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses are included in the tables of expenses above.
- 3.3 Category 2 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 include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 expenses charged by this firm (where appropriate) were provided at the time the Administrators fees were approved by creditors. Any Category 2 expenses incurred are specifically highlighted in the tables of expenses above.
- 3.4 Wilson Field have reviewed their disbursement policy as a firm and from 1 September 2017 will no longer charge postage, stationery and photocopying, an insolvency software fee, a document management fee, and search fees as a Category 2 expenses and will only seek to recover the actual cost incurred.

4 Charge-out rates

- 4.1 A schedule of Wilson Field Limited's current charge-out rates is attached.

WILSON FIELD LIMITED CHARGE OUT RATES AND EXPENSES POLICY

In accordance with Statement of Insolvency Practice 9 ("SIP 9") covering fees and expenses, we are required to disclose to you our policy for recovering non-specific expenses, and the charge out rates for the various grades of staff who may be involved in this case.

Remuneration

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below.

	Hourly charge out rate (£)			
Grade	01/11/2017 to 30/06/2018	01/07/2018 to 05/03/2020	06/03/2020 to 31/03/2021	01/04/2021 onwards
Director/Insolvency Practitioner	500	500	500	500
Manager	400	400	395	410
Assistant Manager	395	N/A	N/A	N/A
Team Leader	390	390	N/A	N/A
Senior Administrator	330	395	300	310
Administrator (dependent on experience)	230-300	230 - 300	240-270	180-280
Trainee Administrator	180	180	180	N/A
Assistant & Support staff	130	130	130 - 235	140-250

All time is recorded in 6 minute units.

Expenses

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or member. Expenses also includes disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category 1 expenses

These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. These expenses can be paid without prior approval. Examples of these are advertising, insurance, legal fees etc.

Category 2 expenses

These are payments to associates or payment which have an element of shared costs. Examples of a category 2 expenses that officeholders may seek creditor approval for would be for mileage costs or for hire of external rooms for physical meetings where the room is used for more than one insolvency, Any such approval will be outlined with documentation for the relevant decision procedure.

Category 2 expenses are charged in accordance with the Administrators prevailing recovery policy at the time the expense is incurred. However, any Category 2 expenses incurred prior to the 1 April 2021 but for which payment has not been drawn, will not be charged after this date. The rates applicable from 1 April 2021 are detailed below:

GRAHAM JONES CRANES LIMITED - IN ADMINISTRATION

Expense	Charge	Period charged
Mileage	As per HMRC's approved mileage rates	On appointment (where appropriate)

In common with all professional firms, our charge out rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.