

# 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 5 9 5 3 9 2 0

Company name in full Pk Realisations Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Liquidator's name

Full forename(s) Joanne Louise

Surname Hammond

### 3 Liquidator's address

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

### 4 Liquidator's name ①

Full forename(s) Kris Anthony

Surname Wigfield

#### ① Other liquidator

Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

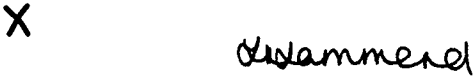

Country

#### 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> 0	<sup>d</sup> 1	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1				
To date	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 6	<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	Signature 											
Signature date	<sup>d</sup> 3	<sup>d</sup> 0	<sup>m</sup> 0	<sup>m</sup> 8	<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 **Olivia Oates**

Company name **Begbies Traynor (SY) LLP**

Address  
**3rd Floor, Westfield House**  
**60 Charter Row**

Post town **Sheffield**

County/Region

Postcode 

S	1		3	F	Z		
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Country

DX

Telephone  
**0114 2755033**

**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)

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## Pk Realisations Limited (**In Creditors'** Voluntary Liquidation)

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Progress report

Period: 1 July 2021 to 30 June 2022

### Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Pk Realisations Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Kris Anthony Wigfield of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England & Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

# 2. COMPANY INFORMATION

Trading name(s):	N/A
Company registered number:	05953920
Company registered office:	3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
Former trading address:	7 <sup>th</sup> Floor, St James House, Sheffield, S1 2EX

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	30 August 2019
Date of liquidators' appointment:	1 July 2021
Changes in liquidator (if any):	None

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is the Joint Liquidators' abstract of receipts and payments for the period from 1 July 2021 to 30 June 2022.

### Receipts

#### Surplus from Administration

The surplus funds from the administration in the sum of £40,665.67 have been transferred to the liquidation estate.

### Payments

#### Liquidators' Fees

The Joint Liquidators have drawn remuneration in the sum of £2,000.00 in accordance with the resolutions obtained, as detailed in section 6 of this report.

#### Expenses – Land Registry

Expenses in the sum of £114.00 have been incurred and paid in relation to Land Registry searches completed.

#### Expenses – Postage

Expenses in the sum of £58.72 have been incurred and paid in relation to postage.

#### Legal Fees

The sum of £19,026.50 has been paid to Irwin Mitchell LLP ("IM"), in respect of their legal fees incurred for assisting the Joint Liquidators, and the former Joint Administrators with legal matters throughout the course of the liquidation, and prior administration.

IM were instructed to review the reasons for the Company's failure and to progress any claims identified by the previous Joint Administrators. Their fees represent their work undertaken in this respect.

#### Legal Disbursements

The sum of £4,526.66 has been paid to IM in respect of their disbursements incurred throughout the course of the liquidation.

#### Statutory Advertising

The sum of £85.00 has been paid to EPE Reynell Advertising Limited in respect of advertising the Joint Liquidators' appointment in the London Gazette.

#### Bank Charges

Bank charges in the sum of £4.65 have been charged against the liquidation estate.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on the Joint Liquidators' firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings they have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

#### General case administration and planning

Since the Joint Liquidators' appointment, time has been spent on general case planning administration where a partner, director and different levels of administration staff have prepared and updated a case strategy document to ensure that all works to be undertaken during the liquidation were planned for efficiency.

Periodic reviews have been completed at one, three and six monthly intervals to ensure that the case is being processed as anticipated and to ensure that the case is passed to closure as soon as possible.

In addition, a case specific diary has been set up, monitored and updated regularly to ensure that all statutory deadlines have been met.

Time has also been spent transferring the relevant data from the case file of the administration to the liquidation file.

The above has not resulted in a financial benefit to the Company's creditors, however it has ensured that the case has progressed as required.

#### Compliance with the Insolvency Act, Rules and best practice

Subsequent to their appointment, the Joint Liquidators issued statutory notices of their appointment to the Registrar of Companies and to the Company's creditors. An advertisement of their appointment was also placed in the London Gazette, as required by the Insolvency Act.

This progress report has also been prepared and issued to the Company's creditors.

Required banking duties such as reconciliations, postings and payments have been carried out as necessary.

The above works have not resulted in a financial benefit to the Company's creditors however, they are required by statute therefore the costs of undertaking the same were unavoidable.

#### Investigations

The Joint Liquidators continued with their investigations, which commenced in the administration, into the failure of the Company. Following their initial investigations, the Joint Administrators identified a number of transactions which required further investigation, additionally investigations have been carried out in relation to the operation of an Employer-Financed Retirement Benefit Scheme ("EFRBS"). The Joint Liquidators have continued this work which has involved further correspondence with the Company's bank, as well as the directors of the Company.



The Joint Liquidators have also incurred time liaising with HM Revenue and Customs ("HMRC") with regard to their concerns surrounding the Company's failure and the level of their indebtedness.

Due to the nature and complexity of these claims, considerable time has been spent assisting IM with the preparation of voluminous documentation relating to the same. Further detail of the legal documents prepared by IM are detailed at section 6 of this report however, the Joint Liquidators have spent a substantial amount of time reviewing these documents in detail and providing supporting documentation to substantiate these claims to enable IM to issue proceedings, following the Joint Liquidators' prior approval. The Joint Liquidators have spent additional time engaging in regular conference calls with IM and counsel to discuss and agree the proposed strategy in respect of ongoing claims and entering into negotiations with the former directors and their professional representatives in respect of settlement proposals.

Time has been spent liaising with their solicitors, IM with regard to the same. Additionally, time has been spent trying to trace a former director of the Company in relation to the claims.

Advanced investigation work has been carried out and a considerable amount of time has been spent liaising with the relevant parties and their legal representatives, which has included protracted negotiations regarding settling the claims. Since the end date of this report, the Joint Liquidators and IM have reached a settlement with three of the Company's directors in respect of the antecedent transactions uncovered during the previous administration.

The Joint Liquidators' investigations are at an advanced stage and it is anticipated that they will be concluded forthwith. As the investigations are ongoing, it would be prejudicial to their investigations for the Joint Liquidators to comment in any further detail at this stage. If any creditor wishes to discuss the investigations carried out by the Joint Liquidators to date or has information that they feel may assist the Joint Liquidators' investigations, they are invited to contact the Joint Liquidators' office and provide their contact details using the following email address [sheffield.north@btguk.com](mailto:sheffield.north@btguk.com) following which a member of the case team will call the creditor to discuss.

As mentioned above, this work has provided a financial benefit to creditors as it has resulted in further realisations into the estate. Once these investigations have concluded, the Joint Liquidators will provide a further to creditors, in order not to prejudice their investigations at this stage.

#### Realisation of assets

As there are still outstanding book debts due to the Company, time has been spent liaising with BTG Corporate Solutions Limited ("BTG Advisory") in respect of the same.

All work carried out in respect of asset realisations is for the purpose of realising property and assets for the benefit of the creditors generally. However, it is uncertain whether this work will provide any further realisations into the estate, and a financial benefit to creditors, however, this work is required in order to progress the liquidation.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

Creditor queries have been answered as and when they have been raised, and the Joint Liquidators have spent time updating their internal systems with creditor claims.

This work has not resulted in a financial benefit to the Company's creditors however, they have assisted creditors with keeping up to date with the liquidation proceedings.

#### Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or via Decision Procedures), tax, litigation, pensions and travel

The VAT and tax obligations of the company have been completed as they have fallen due, as is a requirement by law.

The Joint Liquidators incurred time seeking the decisions of the Company's creditors in respect of the basis of their remuneration in the liquidation, via a decision procedure and whether a creditors committee is formed.

The above work does not provide an obvious financial benefit to creditors however, all work carried out in this area is considered necessary for progression of the liquidation. Should there be a successful claim in respect of terminal loss relief, HMRC's claim should be reduced which would provide a financial benefit to the Company's creditors as a whole.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the estimated statement of affairs included in the statement of proposals of the former administrators.

On the basis of realisations to date and estimated future realisations the Joint Liquidators estimate an outcome for each class of the Company's creditors as follows:

### Secured creditors

HSBC Invoice Finance Limited ("HSBCIF") were repaid in full in the former administration via the collection of the book debts and the surplus funds were transferred to the estate as well as the debts being reassigned to the Company.

In addition, HSBC Bank Plc ("HSBC") have also been repaid in full in the administration under their contract monies charge from the surplus which was available from HSBCIF.

### Preferential creditors

As a result of the sale of the business and assets and the employees of the Company transferring to the purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006, there are no known preferential claims.

### Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

As the secured creditors have been repaid under their fixed charge, Section 176A will not apply and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

#### Unsecured creditors

Unsecured creditors were estimated at £1,009,784.35. To date, unsecured creditor claims in the sum of £1,049,229.04 have been received.

It is estimated that there will be sufficient realisations for a dividend to be paid to the unsecured creditors.

## 6. REMUNERATION & EXPENSES

The Joint Liquidators' remuneration is treated as having been fixed on the same basis as the former administrators namely, by reference to the time properly given by them (as liquidators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters arising in the winding up as set out in their fees estimate dated 22 July 2021 in the sum of £85,818.50.

Pursuant to Statement of Insolvency Practice 9, the Joint Liquidators are also authorised to draw expenses for services provided by their firm and/or entities within the Begbies Traynor group, on the same basis as the former administrators, namely, in accordance with their firm's policy, a copy of which is attached at Appendix 2 of this report.

The Joint Liquidators' time costs for the period from 1 July 2021 to 30 June 2022 amount to £32,839.50 which represents 103.8 hours at an average rate of £316.37 per hour.

The following further information in relation to their time costs and expenses is set out at Appendix 2:

- ❑ Time Costs Analysis for the period 1 July 2021 to 30 June 2022; and
- ❑ Begbies Traynor (SY) LLP's charging policy.

To 30 June 2022, the Joint Liquidators have drawn the total sum of £2,000.00 on account of their remuneration, against total time costs of £32,839.50 incurred since the date of their appointment as liquidators.

#### Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by the Joint Liquidators and their staff following their appointment only.

As can be seen from the information above, the level of the Joint Liquidators approved remuneration has been sufficient to cover the costs of the liquidation and they are pleased to report that they do not anticipate seeking any increase or amendment to their approved remuneration basis if matters progress to conclusion as envisaged. However, the Joint Liquidators do reserve their position generally in this regard.

#### Expenses

To 30 June 2022, the Joint Liquidators have also discharged expenses in the sum of £23,815.53.

## Why have subcontractors been used?

IM were instructed to advise the Joint Administrators in respect of ongoing investigatory matters throughout the course of the administration. IM were instructed based on their knowledge of insolvency procedures and their fees were agreed to be charged on a time cost basis. During the period covered by this report, IM have incurred time costs in the sum of £98,058.50 plus VAT. A summary of work undertaken by IM is detailed below however, please note that the Joint Liquidators have redacted specific information in order not to prejudice the estate as these investigations are still ongoing:

- IM, together with the Joint Liquidators, have continued their investigations into the various misfeasance claims against the former directors, relating to an EFRBS;
- Given the nature and complexity of these claims, IM have had to review and prepare voluminous documentation incorporating technical areas of law, which fell outside the scope of work which would usually be undertaken in a normal misfeasance claim;
- IM prepared a 25 page Letter Before Action ("LBA") as this had to be considered amongst 5 former directors of the Company as each of their positions were nuanced;
- IM also obtained input from specialist counsel with experience of EFRBS, prior to issuing the LBA in December 2021;
- Proceedings had to be issued on a protected basis in order to preserve limitation;
- Proceedings were subsequently served, which were lengthy given the nature of the claims;
- Since December 2021, IM have been in correspondence with most respondents and/or their respective solicitors, which involved engaging in the substance and merits of the claim and exploring settlement opportunities;
- The proceedings also involved IM engaging with the Court on a fortnightly basis to facilitate the claims and discuss future correspondence with respondents;
- Conducting regular conference calls with counsel and the Joint Liquidators to explore and discuss settlements; and
- Ongoing efforts to trace one director which involved several attendances by a specialist tracing agent at various potential addresses to serve court documents.

In addition, IM have incurred disbursements in the sum of £28,621.00 plus VAT were applicable. The disbursements incurred relate to the following:

- ATE insurance has been put in place to cover legal costs and expenses involved in litigation in the event that a claim is unsuccessful. The costs of this are 10% of realisations;
- Court fees have been incurred and paid in respect of the Joint Liquidators issuing proceedings against the directors; and
- Counsels' fees have been incurred and paid in respect of obtaining counsels opinion on the respective claims. The Joint Liquidators, together with IM, have spent time reviewing counsels' opinion in depth.

BTG Advisory, specialist debt collection agents and part of the Begbies Traynor Group, have been used to assist with the collection of the book debt ledger. BTG Advisory were chosen based on their ability to progress collections in a timely manner and their commission rates are favourable in relation to other debt collection agencies.

## Category 2 Expenses

No Category 2 expenses have been charged to the case since the date of the Joint Liquidators' appointment.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact the Joint Liquidators' office and they will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3, together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that the Joint Liquidators estimated that the expenses of the liquidation would total £30,364.00 + VAT, plus 5% of realisations in respect of the debtor ledger. Unfortunately, the expenses that the Joint Liquidators have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reason why the estimate has been exceeded is as follows:

- The Joint Liquidators originally estimated that legal fees and disbursements would be in the region of £30,000.00 plus VAT. Given that the Joint Liquidators claims against the former directors have substantially progressed since they issued this estimate, a substantial amount of work has been required in obtaining counsels opinion and entering into settlement negotiations, together with the Joint Liquidators, the former directors and/or their representatives, which has incurred further legal costs. Further detail of the level of work undertaken by IM is detailed in section 6 of this report. On the basis that this work has resulted in realisations into the estate, it has provided a financial benefit to the Company's creditors.

## 8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

As detailed in the estimated statement of affairs contained within the previous Joint Administrators' Proposals, the assets of the Company consisted of Goodwill, Intellectual Property, Leasehold Property, Furniture & Equipment, contracts, Data Assets, Name, Software, Book Debts, Cash at Bank and a Section 455 tax refund. At this stage, the Joint Liquidators have the following assets left to realise:

### Book Debts

There are still outstanding book debts due to the Company, therefore, time will be spent liaising with BTG Advisory in respect of the same. Although, the Joint Liquidators do not anticipate there will be any further realisations and therefore, they will not spent a substantial amount of time on this particular matter.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

### General case administration and planning

The electronic case diary will continue to be updated to ensure that all statutory requirements are met. The case will also continue to be periodically reviewed to highlight any outstanding matters and ensure the case is progressing toward closure as anticipated.

There will be no financial benefit to the Company creditors however this work is required to progress the liquidation and cannot be avoided.

### Compliance with the Insolvency Act, Rules and best practice

The Joint Liquidators will spend time preparing and issuing annual progress reports to the Company's creditors and to the Registrar of Companies with the receipts and payments account and the necessary notes as required by the Insolvency Act.

A final review will be compiled to ensure that all matters have been finalised prior to the commencement of the closure process. A final report will then be prepared and issued to all relevant parties with the Company receipts and payments account and necessary notes.

The Joint Liquidator's statutory bond will continue to be regularly reviewed to ensure that the level of the bond remains adequate throughout the liquidation.

The estate bank account will also be regularly monitored and reconciled against the Joint Liquidators' internal systems to ensure that all receipts and payments are being accounted for.

This work will not result in financial benefit to creditors however they represent duties that the Joint Liquidators must undertake therefore the associated costs cannot be avoided.

#### Investigations

As explained above, the previously appointed administrators undertook an initial assessment of the manner in which the business was conducted prior to the administration of the Company. The Joint Liquidators will continue their work in this regard, which will involve liaising with IM in respect of the same.

As the Joint Liquidators' investigations are at an advanced stage it would be prejudicial to the investigations for them to comment in any further detail at this stage. If any creditor wishes to discuss the investigations, they are invited to contact the Joint Liquidators' office and provide their contact details using the following email address [sheffield.north@btguk.com](mailto:sheffield.north@btguk.com) following which a member of the case team will call the creditor to discuss.

The above work may lead to a financial benefit to creditors, if a claim is established and realised, which will increase the net property of the estate.

#### Realisation of assets

As mentioned above, time will be spent liaising with BTG Advisory in respect of the outstanding debtor ledger.

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

#### Dealing with all creditors' claims (including employees), correspondence and distributions

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in our initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

Time will be spent dealing with all creditor queries as and when required.

Should adjudication work be required in order to facilitate a dividend to be made to unsecured creditors, then this work will be of a financial benefit to the Company's creditors.

#### Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or via Decision Procedures), tax, litigation, pensions and travel

The Joint Liquidators are required to submit VAT and Tax returns when appropriate in order to reclaim monies for the estate and pay over any taxes due to HMRC. In addition, the Joint Liquidators are also duty bound to provide notifications and further assistance to pensions departments where applicable.

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of their actions in the progress and/or final reports issued.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that the Joint Liquidators may complete the liquidation as envisaged. The cost of completing this work will not exceed any amounts approved by creditors previously.

#### Expenses

Details of the expenses that the Joint Liquidators expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 22 July 2021 which included all of the expenses that they anticipate that they will incur throughout the liquidation.

What is the anticipated payment for administering the case in full?

The Joint Liquidators estimated that the cost of administering the liquidation would be in the region of £85,818.50, and approval has been received by the creditors to draw their remuneration up to that level.

However, the remuneration that the Joint Administrators can draw in the liquidation is limited to the amount that has been transferred from the Administrators, together with any amounts realised during the liquidation, (less any costs incurred). At this stage in the liquidation, they can estimate that total remuneration to be drawn by the liquidators will be in the region of £50,000.00. All additional costs incurred over and above that level will be written off.

However, please note that should there be additional or unexpected asset realisations, they will look to draw their remuneration from those too, capped at the level that the creditors approve.

## 9. OTHER RELEVANT INFORMATION

#### Connected party transactions

In accordance with Statement of Insolvency Practice 13, the Joint Liquidators are obliged to inform creditors of any sale of the Company's business or assets which involves a party connected to the Company. The Joint Liquidators confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
30 August 2019	Equipment, Goodwill Intellectual Property, Contracts, Data, Name and Software	£150,000 (on a deferred basis)	Einstein Recruitment Ltd	Directors and Shareholders in common

## Use of personal information

Please note that in the course of discharging their statutory duties as liquidators, they may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, they are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact the Joint Liquidators.

## 10. CREDITORS' RIGHTS

### Right to request further information

Pursuant to Rule 18.9 of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that they provide further information about their remuneration or expenses which have been incurred during the period of this progress report.

### Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may, within 8 weeks of receipt of this progress report, make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, the basis fixed for their remuneration is inappropriate.

## 11. CONCLUSION

The Joint Liquidators will report again in approximately twelve months' time or at the conclusion of the liquidation, whichever is the sooner.



Joanne Louise Hammond  
Joint Liquidator

Dated: 30 August 2022



# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 1 July 2021 to 30 June 2022

**Pk Realisations Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**  
**To 30/06/2022**

<b>S of A £</b>	<b>£</b>	<b>£</b>
ASSET REALISATIONS		
Surplus from Administration	40,665.67	40,665.67
COST OF REALISATIONS		
Liquidators' Fees	2,000.00	
Disbursements		
Land Registry	114.00	
Postage	58.72	
Legal Fees (1)	19,026.50	
Legal Disbursements	4,526.66	
Statutory Advertising		
Advertising	85.00	
Bank Charges	4.65	
		(25,815.53)
		<b>14,850.14</b>
REPRESENTED BY		
Bank 1 Current - hold £7.2k lic, £3.5k B		14,850.14
		<b>14,850.14</b>

## COSTS AND EXPENSES

- a. Begbies Traynor (SY) LLP's charging policy; and
- b. Time Costs Analysis for the period from 1 July 2021 to 30 June 2022.

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance\* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance\* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6-minute units at the individual's hourly rate in force at that time which is detailed below.

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
  - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
  - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by an entity within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of BTG Corporate Solutions Limited to provide assistance with the collection of the Company's debtor ledger. Their charges will be equivalent to 5% of realisations.

General Office Overheads.

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 disbursement:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

**BEGBIES TRAYNOR CHARGE-OUT RATES**

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Sheffield office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 January 2022 until further notice
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Prior to 31 December 2021, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
	1 December 2018 until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

SIP9 Pk Realisations Limited - Creditors Voluntary Liquidation - 91PK014.CVL : Time Costs Analysis From 01/07/2021 To 30/06/2022

[illegible]

## STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Land Registry Searches	Land Registry	114.00	114.00	Nil
Postage	Postworks	58.72	58.72	Nil
Legal Fees	Irwin Mitchell LLP	98,058.50	19,026.50	79,032.00
Legal Disbursements	Irwin Mitchell LLP (including ATE insurance and Counsels' fees as detailed at section 6 of this report)	28,621.00	4,526.66	24,094.34
Statutory Advertising	EPE Reynell Advertising Limited	85.00	85.00	Nil
Bank Charges	Santander Plc	4.65	4.65	Nil
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				

## ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Legal Fees	Irwin Mitchell LLP	50,000.00
Legal Disbursements	Irwin Mitchell LLP	10,000.00