

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 7 8 9 9 8 8 3

Company name in full HILLJET CONSTRUCTION LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Philip

Surname Ballard

3 Liquidator's address

Building name/number 2nd Floor, 39 Bore Street

Street

Post town Lichfield

County/Region Staffordshire

Postcode W S 1 3 6 L Z

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode


Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

| | | | | | | | | | | | | | | | | |
|------------------------|---|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|--------------|---|
| 6 | Period of progress report | | | | | | | | | | | | | | | |
| From date | ^d | 2 | ^d | 7 | ^m | 1 | ^m | 0 | ^y | 2 | ^y | 0 | ^y | 2 | ^y | 2 |
| To date | ^d | 2 | ^d | 6 | ^m | 1 | ^m | 0 | ^y | 2 | ^y | 0 | ^y | 2 | ^y | 3 |
| 7 | Progress report | | | | | | | | | | | | | | | |
| | <input checked="" type="checkbox"/> The progress report is attached | | | | | | | | | | | | | | | |
| 8 | Sign and date | | | | | | | | | | | | | | | |
| Liquidator's signature | <div>Signature</div> <div> <div>X</div>  <div>X</div> </div> | | | | | | | | | | | | | | | |
| Signature date | ^d | 2 | ^d | 2 | ^m | 1 | ^m | 2 | ^y | 2 | ^y | 0 | ^y | 2 | ^y | 3 |

**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 Haydon Watson-Kirk

Company name Ballard Business Recovery
Limited

Address 2nd Floor, 39 Bore Street

Post town Lichfield

County/Region Staffordshire

Postcode W S 1 3 6 L Z

Country

DX

Telephone 01543 399 520

**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

HILLJET CONSTRUCTION LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
LIQUIDATOR'S ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 26TH OCTOBER 2023

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**HILLJET CONSTRUCTION LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)
LIQUIDATOR'S ANNUAL REPORT TO MEMBERS AND CREDITORS
FOR THE YEAR ENDING 26TH OCTOBER 2023**

1 Statutory and general information

Company number: 07899883

Liquidator:

Graham Stuart Wolloff was appointed as liquidator from 27 October 2021 until 18 December 2023. Please note that, with effect from 18 December 2023, Graham Wolloff ceased to be the office-holder on this case as he is not intending to renew his licence to act as an Insolvency Practitioner for 2024. However, Graham remains active on the case but he is now engaged under my firm, Ballard Business Recovery Limited, and is contactable via graham@ballardbusinessrecovery.co.uk.

An application to Court was made to appoint a replacement office-holder and by an order of the Court, dated 6 December 2023, I replaced Graham as the office-holder also with effect from 18 December 2023.

Details of the transfer pursuant to the Court Order were advertised in the London Gazette on 15 December 2023. Every creditor of each Company Voluntary Arrangement, Members Voluntary Liquidation, Creditors Voluntary Liquidation and Bankruptcy may apply to vary or discharge this Order within 28 days of receipt of the notice appearing in the London Gazette. If no such application is made, Graham will receive his release from office following the 28 day period. For the sake of completeness, when Graham receives his release he shall be discharged from all liability, both in respect of acts or omissions in the insolvency proceedings and otherwise in relation to his conduct.

Date of appointment: 27 October 2021

2 Liquidator's actions since appointment

2.1 This report should be read in conjunction with the receipts and payments account, which is attached as Appendix 1, together with the initial report issued following the liquidation and any further progress reports. Please note that the figures are shown net of VAT.

2.2 The estimated statement of affairs shows assets estimated to realise £12,271. The receipts and payments account shows realisations to date of £11,000.

Assets

2.3 The estimated statement of affairs shows book debts with a book value of £40,040, estimated to realise £6,000 on 4 accounts. The director considered that three of the accounts, for a total of £34,040, would be irrecoverable and that is the case. A debt due from a connected company, Ashbury Thurcroft Limited, was estimated to realise the full amount of £6,000 and that remains the case.

2.4 The estimated statement of affairs shows cash held on a client's account with Elwell Watchorn & Saxton LLP of £6,000, being an amount recovered from Ashbury Thurcroft Limited prior to the liquidation. The account balance was duly realised following my appointment.

Other matters

- 2.5 In addition to my responsibility to realise the Company's assets, I am required to comply with various legislative and best practice obligations and deadlines. These obligations include filing of documents with the Registrar of Companies, ensuring that all receipts and payments are promptly dealt with and proper accounting records are maintained. In addition, I am required to undertake periodic case reviews to monitor progress, advise creditors of the liquidation and record all claims received. Furthermore, I am obliged to deal with any other day to day matters that may arise during the liquidation.

3 Unrealised assets

- 3.1 The only unrealised asset is the amount due from Ashbury Thurcroft Limited of £6,000.

4 Investigation into the affairs of the Company

- 4.1 One of the responsibilities the liquidator has is to review the Company's books and records together with any information provided by creditors to establish if there are any areas which may warrant further investigations. The purpose of these investigations is to establish whether there is the possibility of making further recoveries for the benefit of creditors.
- 4.2 The former liquidator's initial review included considering the various related company dealings but he did not identify any matters which he believed required further investigation.
- 4.3 A further responsibility of the liquidator is to report to the Secretary of State on any matters that come to his attention that could lead him to conclude that any past or present director may be unfit to be involved with managing the affairs of a company in the future. This report is confidential and it is a legal requirement that I do not disclose the content of this report.

5 Creditors and dividend prospects

Preferential creditors - ordinary

- 5.1 There are no known claims in this category of creditor.

Preferential creditors - secondary

- 5.2 The estimated statement of affairs shows claims in this category of preferential creditor amounting to £95,951, being claims from HM Revenue & Customs in respect of deductions from employees' wages and outstanding VAT. The claims have not been agreed or otherwise determined at this stage.

Floating charge creditor and the prescribed part

- 5.3 The Company has not given any floating charges over its assets and therefore the prescribed part provisions do not apply.

Unsecured creditors

- 5.4 The estimated statement of affairs shows unsecured non-preferential creditors amounting to £1,255,879. Claims received have been recorded, however, I have not incurred the costs of adjudicating on claims at this stage.

Dividend prospects

- 5.5 It remains the case that there is no likelihood of funds being available to pay a dividend to non-preferential creditors.

6 Pre-appointment remuneration

- 6.1 The costs and expenses incurred by Elwell Watchor & Saxton LLP in respect of assisting with the preparation of the statement of affairs and convening the creditors' decision procedure, were approved by the creditors on 27 October 2021, as follows:

| | |
|------|-----------------------------------|
| Fees | £5,000 plus disbursements and VAT |
|------|-----------------------------------|

7 Liquidator's remuneration

- 7.1 The basis of remuneration was approved by creditors on 26 October 2021, following the passing of a resolution at the creditors' decision procedure convened for the purpose of considering the liquidators' remuneration.
- 7.2 Remuneration is to be paid on a time costs basis and is capped at £9,335 plus expenses and VAT, in accordance with the fee estimate circulated to creditors under that procedure.
- 7.1 The total time costs to 26 October 2023 amount to £7,725.00, which represents 58.60 hours at an average charge out rate of £131.83.
- 7.2 The total time costs incurred by Elwell Watchorn & Saxton LLP amount to £6,984.50, which represents 53.70 hours at an average charge out rate of £130.07 per hour. No time costs have been incurred by Elwell Watchorn & Saxton LLP during the period under review.
- 7.3 The total time costs incurred by Voscap Limited during the period amount to £415.50, which represents 3.20 hours at an average charge out rate of £129.84 per hour.
- 7.4 The total time costs incurred by Mercian Advisory Limited during the period amount to £325.00, which represents 1.70 hours at an average charge out rate of £191.18 per hour.
- 7.5 Schedules of the time costs incurred are attached as Appendix 2.
- 7.6 No remuneration has been paid.
- 7.7 In the event that the estimate of fees provided to creditors will be exceeded, then I shall revert to creditors with a revised fee estimate for their approval.
- 7.8 Changes to charge out rates during the period of this report are detailed in Appendices 3 and 4.
- 7.9 For the benefit of creditors, the Association of Business and Recovery Professionals publish 'A Creditors' Guide to Liquidators' Fees'. This document is available at the following website address, <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/>. A hard copy of this document can be obtained on request from our office.
- 7.10 As the administration of this case will now be dealt with by Ballard Business Recovery Limited, my firm will incur additional time costs from 18 December 2023 but this does not affect the fees position outlined above. I am obliged to provide creditors with my firm's charge out rate and disbursements policy which may be found at Appendix 5

8 Liquidator's expenses


- 8.1 Details of the expenses that I have paid are shown on the attached receipts and payments account.
- 8.2 There are no category 2 expenses incurred in the liquidation.
- 8.3 No substantive expenses have been incurred which have not yet been paid.
- 8.4 No professionals have been engaged in relation to the liquidation.

9 Further information

- 9.1 Within 21 days of receipt of a progress report a creditor may request that the liquidator provide further information about the fees and expenses set out in this report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors, or the permission of the court.
- 9.2 Any secured or unsecured creditor, if they consider that the liquidator's fees are excessive, or that the basis of those fees is inappropriate or that the expenses incurred are excessive, may make an application to the court if at least 10% in value of the unsecured creditors agree. An application must be made within 8 weeks of receipt of this report.

10 Conclusion

- 10.1 The principal matter to deal with is the recovery of the connected party debt in order that I can conclude the liquidation.



Philip Ballard

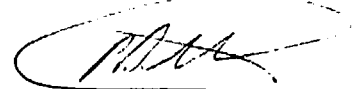
Liquidator

Insolvency Practitioner licensed in the United Kingdom by the Institute of Chartered Accountants in England and Wales

Dated: 22 December 2023

HILLJET CONSTRUCTION LIMITED
(In Liquidation)
Liquidator's Summary of Receipts & Payments

| Statement of Affairs £ | | From 27/10/2022 To 26/10/2023 £ | From 27/10/2021 To 26/10/2023 £ |
|------------------------------|---|---------------------------------------|---------------------------------------|
| | ASSET REALISATIONS | | |
| 6,000.00 | Book Debts | NIL | NIL |
| 271.34 | Cash at Bank | NIL | NIL |
| 6,000.00 | Funds in Client Account | NIL | 6,000.00 |
| | Security Deposit | NIL | 5,000.00 |
| | | NIL | 11,000.00 |
| | COST OF REALISATIONS | | |
| | Advertising | NIL | 270.00 |
| | Bordereau Premium | NIL | 70.00 |
| | Document Hosting | NIL | 10.00 |
| | | NIL | (350.00) |
| | SECONDARY PREFERENTIAL CREDITORS | | |
| (95,951.20) | HMRC | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (73,676.65) | Banks/Institutions | NIL | NIL |
| (5,000.00) | HMRC | NIL | NIL |
| (643,869.17) | Inter-Company Accounts | NIL | NIL |
| (111,558.44) | Loans | NIL | NIL |
| (421,775.13) | Trade & Expense Creditors | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (100.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,339,659.25) | | NIL | 10,650.00 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 10,580.00 |
| | Vat Receivable | | 70.00 |
| | | | 10,650.00 |



Philip Ballard
Liquidator

Elwell Watchorn & Saxton LLP: Time & Cost Summaries

HIL05 - HILLJET CONSTRUCTION LIMITED
All Post Appointment Project Codes
From: 27/10/2021 To: 26/10/2022

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Director / Senior Manager | Total Hours | Time Cost (£) | Average Hourly Rate (£) |
|---------------------------------|-------------|-------------|----------------------------|----------------------------|---------------------------|--------------|-----------------|-------------------------|
| Admin & Planning | 0.00 | 0.00 | 28.20 | 0.20 | 0.00 | 28.40 | 3,336.00 | 129.71 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.00 | 0.00 | 13.50 | 1.10 | 0.00 | 14.60 | 1,872.00 | 129.22 |
| Investigations | 0.00 | 0.00 | 12.30 | 0.00 | 0.00 | 12.30 | 1,660.50 | 135.00 |
| Pre Appointment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 | 0.00 | 0.40 | 0.00 | 0.00 | 0.40 | 54.00 | 135.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours | 0.00 | 0.00 | 52.40 | 1.30 | 0.00 | 53.70 | 6,584.50 | 139.07 |

Voscap Limited: Time & Cost Summaries

31/12/23

Time Entry - SIP9 Time & Cost Summary + Cumulative

HIL05EW - HILLJET CONSTRUCTION LIMITED
All Post Appointment Project Codes
From: 27/10/2022 To: 26/10/2023

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Director / Senior Manager | Total Hours | Time Cost (£) | Average Hourly Rate (£) | Total Hours Cum (POST Only) | Total Time Costs Cum (POST Only) |
|---------------------------------|---------|---------|----------------------------|----------------------------|---------------------------|-------------|---------------|-------------------------|-----------------------------|----------------------------------|
| Admin & Planning | 0.00 | 0.00 | 0.00 | 2.90 | 0.00 | 2.90 | 379.50 | 130.86 | 3.20 | 415.50 |
| Creditors | 0.00 | 0.00 | 0.00 | 0.30 | 0.00 | 0.30 | 36.00 | 120.00 | 0.30 | 36.00 |
| Investigations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Pre Appointment | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Statutory Compliance | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours / Costs | 0.00 | 0.00 | 0.00 | 3.20 | 0.00 | 3.20 | 415.50 | 129.84 | 3.60 | 451.50 |
| Total Fees Claimed | | | | | | | 0.00 | | | |
| Total Disbursements Claimed | | | | | | | 0.00 | | | |

Time Entry - SIP9 Time & Cost Summary + Cumulative

HIL05EW - HILLJET CONSTRUCTION LIMITED
All Post Appointment Project Codes
From: 27/10/2022 To: 26/10/2023

| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Director / Senior Manager | Total Hours | Time Cost (£) | Average Hourly Rate (£) | Total Hours Cum (POST Only) | Total Time Costs Cum (POST Only) |
|---------------------------------|---------|---------|----------------------------|----------------------------|---------------------------|-------------|---------------|-------------------------|-----------------------------|----------------------------------|
| Admin & Planning | 0.00 | 0.70 | 0.80 | 0.00 | 0.00 | 1.50 | 295.00 | 196.67 | 1.50 | 295.00 |
| Case Specific Matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Creditors | 0.00 | 0.00 | 0.20 | 0.00 | 0.00 | 0.20 | 30.00 | 150.00 | 0.20 | 30.00 |
| Investigations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Realisation of Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Total Hours / Costs | 0.00 | 0.70 | 1.00 | 0.00 | 0.00 | 1.70 | 325.00 | 191.18 | 1.70 | 325.00 |
| Total Fees Claimed | | | | | | | 0.00 | | | |
| Total Disbursements Claimed | | | | | | | 0.00 | | | |

VOSCAP LIMITED FEES AND EXPENSES INFORMATION

The current legislation allows fees to be charged in an insolvency matter in several ways. Either by charging for time properly spent, a percentage of realisations, a fixed fee, or a combination.

The basis of any fee approval in an insolvency matter is to be agreed by either a creditors committee, the general body of creditors, or where the creditors reject the office holders' fees, by the Court.

Time cost basis

When charging fees on a time cost basis we use staff with the appropriate skill level for the work to be performed.

Charge-out rates

| Grade | Charge-out rate up to 31 May 2022 (up to £ per hour) | Charge-out rate from 1 June 2022 (up to £ per hour) |
|----------------------------------|--|---|
| Licensed Insolvency Practitioner | 550 | 625 |
| Director / Senior Manager | 400 | 475 |
| Manager | 360 | 395-425 |
| Other Professional Staff | 240 | 225-295 |
| Administrative Staff | 78 | 120 |

The Firm's charge-out rates are reviewed periodically. With the exception of IVAs and CVAs which are VAT exempt, the office holder's remuneration and disbursements will be subject to VAT at the prevailing rate.

Percentage basis

Where an office holder is expecting to realise specific assets, the fee charged may be a percentage of a specific asset or the assets as a whole

Once agreed, the percentage basis can only be increased where there has been a material and substantial change in the circumstances in the case. If this is not the case, any request for an increase can only be approved by the Court

Fixed fee

An office holder may charge a fixed fee on either the case as a whole or for specific tasks to be undertaken. Once agreed, the fixed fee can only be increased where there has been a material and substantial change in the circumstances in the case. If this is not the case, any request for an increase can only be approved by the Court.

Agents' and professional advisors' remuneration

These are charged at cost based upon the charge(s) made by the agent instructed. The term 'agent' includes:

- Solicitors/legal fees
- Auctioneers/valuers
- Accountants
- Quantity surveyors
- Estate agents
- Other specialist advisors

Expenses

Expenses are any payments from the estate which are neither office holder's remuneration nor a distribution to a creditor or member. Expenses also includes disbursements.

Disbursements are payments which are first paid by the office holder and then reimbursed to the office holder from the estate.

Category 1 expenses:

These are payments to those providing the service to which the expense relates who are not an associate of the office holder.

Examples of category 1 expenses include agents costs as detailed above as well as items such as insurance, statutory advertising, external meeting room hire, external storage and specific bond

Category 2 expenses:

These are payments to associates* or payments which have an element of shared costs.

*Associates are defined as an entity with which the firm, office holder or staff member has a business or personal relationships with, perceived or actual.

The only category 2 expense that is routinely charged by Voscap Limited is mileage which is recharged to the estate at a rate of 45p / mile.

Subcontractors

Subcontractors are considered to undertake work that can be completed by the office holder or their staff.

Payments to subcontractors do not require specific approval and are treated as an expense of the estate, however I am required to provide the information relating to the subcontractors engaged.

It is not currently known if any Subcontractors will be used, but they will only be required where a matter requires specialist knowledge or where it is more cost effective to the estate for this to be completed by a third party.

Last updated 1 June 2022

ELWELL WATCHORN & SAXTON LLP**SCHEDULE OF REMUNERATION AND CASE EXPENSES WITH FURTHER INFORMATION**

It is the firm's policy that all staff involved on an assignment will record all time spent on dealing with matters arising on that client and that the time will be categorised to show the type of activity carried out. The charge out rates of licensed insolvency practitioners, directors and managers do not therefore include provisions for time spent by secretaries, cashiers and support staff. From 1 October 2015, additional categories of staff activity have been introduced to facilitate more detailed reporting where it is appropriate to do so.

Irrespective of any basis of remuneration agreed, the legislation requires that time spent by all staff on a case is recorded. The recorded time cost is calculated by multiplying the time spent by the individual by their charge-out rate. Time is recorded in units of 6 minutes, with 10 units making up each hour of time spent. Charge-out rates are reviewed annually and are subject to change without prior notice. Full details of the rates applied to a specific case are available on application.

Although for most appointments, the legislation allows the office holder to seek to be remunerated on a combination of any or all of the following bases;

- a) A time cost basis
- b) A percentage of the value of the property dealt with by the office holder (realisations and / or distributions)
- c) A fixed fee

it is the Firm's current policy to seek remuneration on (a) a time cost basis for insolvent appointments. The arrangements regarding office holder remuneration do not however apply to Members Voluntary Liquidations (MVL's), Company Voluntary Arrangements (CVA's) or Individual Voluntary Arrangements (IVA's). In MVL's, the company members agree the fee basis, usually as a fixed fee. In VA's, the fee basis is incorporated in the arrangement proposal which creditors agree when they approve the arrangement. Office holder remuneration is subject to VAT with the exception of VA's which are VAT exempt.

The Firm has five grades of staff (including the office holder) as detailed below. The office holder ensures that case assignments have been carried out by appropriate grades of staff. The charge-out rates of the persons involved in this case from commencement to the current time are as follows:

| | <i>Charge-out rate at commencement (up to £ per hour)</i> |
|----------------------------------|--|
| Licensed Insolvency Practitioner | 225.00 |
| Director / Senior Manager | 175.00 |
| Manager | 150.00 |
| Other professionals | 135.00 |
| Administrative staff | 65.00 |

Each staff member involved in the case records actual time spent in a computerised time recording system together with a narrative describing the actual work undertaken. Work is analysed by prescribed task descriptors which are recorded under the following standardised categories;

- Administration (including statutory reporting)
- Investigations
- Realisation of assets
- Trading
- Creditors (claims and distribution)

In seeking approval to be remunerated on a time costs basis, the office holder must provide a fee estimate to the creditors which then acts as a cap to ensure that the fees subsequently drawn cannot exceed the fee estimate without the office holder seeking further approval. The office holder must also provide details of the work intended to be undertaken together with details of the hourly rates proposed to be charged and an estimate of the time envisaged being taken to complete the required work. The office holder will also state whether it is envisaged at this stage whether there may be a future need to seek approval to exceed the original estimate and any reasons for which this could become necessary. To simplify matters, the estimated charges may be presented using a 'blended' (an average time cost) rate for the work carried out detailed in the fee estimate.

Should the office holder subsequently need to seek authority to draw fees in excess of the original fees estimate, details will be provided which include reasons why the original estimate has been or is likely to be exceeded, details of any additional work required to be undertaken, the hourly rates proposed and an estimate of the additional time envisaged being taken to complete the identified work. The office holder will again state whether it is envisaged at this stage whether there may be a future need to seek approval to exceed the estimate and any reasons for which this could become necessary.

Sufficient information will be provided about the appointment to demonstrate how the fee estimate reflects the requirements of the case. This will include any responsibility of an exceptional nature on the office holder, the effectiveness with which functions are carried out and the value and nature of the property dealt with by the office holder.

A guide to help creditors understand the law and their rights in relation to an insolvency process can be found at: <http://www.creditorinsolvencyguide.co.uk>

Additional information regarding how the Insolvency Practitioner will be paid can be downloaded under 'Fees' at: <https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees/more/29114/page/1/guide-to-liquidators-fees/>

Alternatively, a creditor may obtain a printed copy by contacting this office directly.

Disbursements

Disbursements incurred by the office holder in connection with the case must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 - disbursements not requiring approval represent a re-charge to the estate for direct costs, payable to independent third parties, specifically incurred in the administration of the estate. In certain instances these costs were initially met from the firm's resources due to the lack of funds available at the time that payment was due.

Category 2 - These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. The term associate is defined in the insolvency legislation. Additionally SIP 9 directs that where a reasonable and informed third party might consider there would be an association, payments should be treated as if they are being made to an associate, notwithstanding the nature of the association may not meet the definition in the legislation. It is not anticipated that any disbursements that fall into this category will be incurred or charged in connection with this matter.

Declaration regarding treatment of VAT and accruals

In accordance with Statement of Insolvency Practice 7, all entries are shown net of VAT, with VAT recorded on a separate line. The receipts and payments account discloses all receipts and payments in the reporting period. However, there may be additional accrued expenditure due in respect of storage of company records and postage, stationery, telephone, mileage and external disbursements. These charges will be drawn upon case closure in accordance with the resolution already approved by creditors.

OFFICE HOLDERS' FEES AND DISBURSEMENTS

FEES

Pursuant to Statement of Insolvency Practice 9, shown below are details of the charge out rates of all grades of staff, including principals, which are likely to be involved with this case. The time spent by staff dealing with the case is recorded in units of six minutes.

| Grade | Charge Out Rate £ per hour (01/04/2020 – 15/01/2023) | Charge Out Rate £ per hour (from 16/01/2023) |
|-------------------------|--|--|
| Office Holder | 275 - 325 | 375 - 425 |
| Director | 250 - 275 | 325 - 375 |
| Senior Manager | 200 - 250 | 250 - 325 |
| Manager | 150 - 200 | 200 - 250 |
| Senior Administrator | 105 - 150 | 150 - 200 |
| Administrator | 70 - 115 | 115 - 150 |
| Secretary/Support Staff | 70 | 100 |

Information on fees charged in connection with an insolvency process, and the rights of members and creditors under insolvency legislation may be found at <https://www.ballardbusinessrecovery.co.uk/creditor-area>

DISBURSEMENTS

It is the policy of Ballard Business Recovery Limited, to seek to recover costs, which whilst being in the nature of expenses or disbursements, may include elements of shared or allocated costs. Category 2 disbursements comprise the following and are **recharged to the case at the actual cost incurred** by Ballard Business Recovery Limited. We will never attempt to recharge any general business overhead to an estate.

| Type of Disbursement | Basis of Charge |
|----------------------|--|
| Paper | White Paper - 0.6p per sheet Coloured Paper - 2p per sheet Headed Paper - 7p per sheet |
| Postage | Recharged at the actual cost incurred. |
| Printing | Photocopying is charged at 0.5p per sheet of black and white A4 copy and 5p per sheet of A4 colour copy. |

| | |
|----------------------|--|
| | Photocopying is occasionally completed by external companies and is recharged at the actual cost incurred. |
| Room Hire (external) | Charged at the actual cost incurred. |
| Stationery | <p>Envelopes - 2p/5p/10p (dependent on size and type of envelope used)</p> <p>Working Files - £2.22 each</p> <p>Case A – N Dividers - £2.79 per set</p> <p>A – Z Dividers - £0.89 per set</p> <p>10 part dividers - 39p per set</p> |
| Storage | <p>Books and records and working papers are stored in an external facility. The various types of charges incurred are:</p> <p>Collection - £2.45 per box per journey</p> <p>Delivery - £2.55 per box per journey</p> <p>Storage - £3.96 per box per year</p> <p>Confidential destruction - £3.30 per box</p> |
| Travel | <p>Motor vehicle at 45p per mile</p> <p>All other forms of travel are recharged at the actual cost incurred.</p> |

All costs and charges shown are exclusive of value added tax.