

# AM22

## Notice of move from administration to creditors' voluntary liquidation



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 1 1 1 0 4 9 3 2

Company name in full RODAN PROCESS SOLUTIONS LIMITED

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice, Business & Property Courts of  
England and Wales, Insolvency and Companies Lis

Court case number C R - 2 0 2 0 - 0 0 1 3 6 0

### 3 Administrator's name

Full forename(s) Mark Grahame

Surname Tailby

### 4 Administrator's address

Building name/number 8 Warren Park Way

Street Enderby

Post town Leicester

County/Region

Postcode L E 1 9 4 S A


Country

### Notice of move from administration to creditors' voluntary liquidation

9 Proposed liquidator's address	
Building name/number	8 Warren Park Way
Street	Enderby
Post town	Leicester
County/Region	
Postcode	L E 1 9     4 S A
Country	

AM22

Notice of move from administration to creditors' voluntary liquidation

<b>10</b>	<b>Proposed liquidator's name<sup>①</sup></b>	
Full forename(s)	Graham Stuart	<b>① Other liquidator</b> Use this section to tell us about another liquidator.
Surname	Wolloff	
Insolvency practitioner number	8 8 7 9	
<b>11</b>	<b>Proposed liquidator's address<sup>②</sup></b>	
Building name/number	8 Warren Park Way	<b>② Other liquidator</b> Use this section to tell us about another liquidator.
Street	Enderby	
Post town	Leicester	
County/Region		
Postcode	L E 1 9 4 S A	
Country		
<b>12</b>	<b>Period of progress report</b>	
From date	<div> <div>d</div> <div>2</div> <div>d</div> <div>5</div> <div>m</div> <div>0</div> <div>m</div> <div>8</div> <div>y</div> <div>2</div> <div>y</div> <div>0</div> <div>y</div> <div>2</div> <div>y</div> <div>0</div> </div>	
To date	<div> <div>d</div> <div>2</div> <div>d</div> <div>3</div> <div>m</div> <div>0</div> <div>m</div> <div>2</div> <div>y</div> <div>2</div> <div>y</div> <div>0</div> <div>y</div> <div>2</div> <div>y</div> <div>2</div> </div>	
<b>13</b>	<b>Final progress report</b>	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report.		
<b>14</b>	<b>Sign and date</b>	
Administrator's signature	Signature <div> <div>X</div> <div>  </div> <div>X</div> </div>	
Signature date	<div> <div>d</div> <div>2</div> <div>d</div> <div>3</div> <div>m</div> <div>0</div> <div>m</div> <div>2</div> <div>y</div> <div>2</div> <div>y</div> <div>0</div> <div>y</div> <div>2</div> <div>y</div> <div>2</div> </div>	

# AM22

Notice of move from administration to creditors' voluntary liquidation



## 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 **Mark Grahame Tailby**

Company name **Elwell Watchorn & Saxton LLP**

Address **8 Warren Park Way**

**Enderby**

Post town **Leicester**

County/Region

Postcode **L E 1 9 4 S A**

Country

DX

Telephone **03300 889038**



## 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 and dated the form.



## Important information

**All information on this form will appear on the public record.**



## Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



## Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

## **ELWELLWATCHHORN SAXTON**

**RODAN PROCESS SOLUTIONS LIMITED**

**(IN ADMINISTRATION)**

**JOINT ADMINISTRATORS' FINAL PROGRESS REPORT TO CREDITORS**

**FOR THE PERIOD ENDED 20 February 2022**

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**RODAN PROCESS SOLUTIONS LIMITED**  
**(IN ADMINISTRATION)**  
**JOINT ADMINISTRATORS' FINAL PROGRESS REPORT TO CREDITORS**  
**FOR THE PERIOD ENDED 20 February 2022**

**1 Statutory and general information**

**Company number:** 11104932

**Joint Administrators:** Mark Grahame Tailby and Graham Stuart Wolloff of Elwell Watchorn & Saxton LLP, 8 Warren Park Way, Enderby, Leicester, LE19 4SA.

**Court reference:** In the High Court of Justice, Business & Property Courts of England and Wales, Insolvency and Companies Lis, CR-2020-001360 of

**Date of appointment:** 25 February, 2020

- 1.1 Creditors wishing to contact the Joint Administrators, should contact Mark Tailby on telephone number 03300 889038 in the first instance.
- 1.2 The Administration was extended until 25 February 2022 with the consent of the Company's creditors on 10 February 2021.

**2 Joint Administrators' conduct of the administration**

- 2.1 The Joint Administrators have formally instructed solicitors on a conditional fee basis in order that enforcement action can be commenced in relation to a loan made by the Company to a third party. Further information is contained below.
- 2.2 As part of the Joint Administrators' duties creditors will recall the Joint Administrators were awarded an adverse cost order totalling £29,000 in the previous reporting period which was deposited with their legal advisors. This has now been received into the insolvent estate. Further details are below.
- 2.3 The Joint Administrators have formed the opinion that the proceeds of the litigation discussed above are likely to enable a distribution to be paid to the Company's unsecured creditors. They will be filing their final report to creditors at Companies House and filing the requisite forms to convert the administration to a creditors' voluntary liquidation.
- 2.4 This report should be read in conjunction with the Joint Administrators' proposals, my previous progress report and my receipts and payments account which is attached as appendix 1; please note that figures are shown net of VAT
- 2.5 Intellectual Property  
The Company's intellectual property was realised previously, no further realisations are anticipated from this source.
- 2.6 Adverse Cost Award  
As discussed above the Joint Administrators have received an adverse cost award relating to

litigation action against the Company's former directors for breach of duty. The sum of £29,000 was awarded, after litigation costs of £9,000, £20,000 was paid across to the Company's insolvent estate.

2.7 Bank Interest

No bank interest has been received during the period of this report.

2.8 Prepayments

No further prepayments have been received during the period of this report.

2.9 The Engineering of Sweden Filial ("ESF")

As discussed previously, the Company's financial records indicated that the Company loaned money totalling £938,600 to ESF which ESF have acknowledged. ESF have ignored all subsequent requests for repayment and the Joint Administrators have therefore instigated enforcement actions using both English solicitors and Swedish legal advisors to ensure the correct processes are followed.

2.10 Work In Progress

No realisations have been achieved from this source.

Other matters

- 2.11 In addition to dealing with the realisation of assets, I must meet various legislative and best practice requirements and deadlines. These matters include filing of documents with the Registrar of Companies, ensuring that all receipts and payments are dealt with in a timely basis and proper accounting records are maintained, undertaking periodic case progression reviews, advising creditors of the Administration, and recording all claims received, together with other day to day matters that arise.

**3 Investigation into the affairs of the Company**

- 3.1 One of the responsibilities the Joint Administrators' have 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.
- 3.2 The Joint Administrators initial review of the Company's financial records indicated that the Company had advanced funds to ESF, however the Company's records contained no supporting agreements detailing the terms of the loan or indicating what consideration or benefit the Company received from the loan. As discussed above the Joint Administrators have contacted ESF to request they repay the amount advanced.
- 3.3 Given the value of the loan and the absence of any evidence demonstrating a benefit to the Company's estate the Joint Administrators instigated proceedings against the Company's directors for breach of duty. The Company's directors attempted to challenge the Joint Administrators' actions by challenging their wider proposals. This resulted in the Court making an adverse costs order against the directors in the Joint Administrators' favour. A payment of £20,000 has been received by the estate.
- 3.4 The wider action is ongoing and at this time the Joint Administrators are unable to provide further detail in respect of its likely outcome.
- 3.5 A further responsibility of the Joint Administrators' is to report to the Secretary of State on any

matters that come to their attention that could lead them 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.

#### **4 Creditors and dividends**

##### Secured creditor

- 4.1 As disclosed in the proposals, the realisations achieved in respect of the intellectual property are subject to the fixed charge security granted to Orthios Otech5 Limited. It was agreed with the fixed charge creditor that those costs that were directly attributable to the realisation of the fixed charge assets could be paid from the realisations achieved.

##### Preferential creditors

- 4.2 The statement of affairs anticipated £9,990.00 in preferential creditors which represented the directors estimate of the wages and holiday pay due to the Company's sole employee. We have subsequently calculated the employee's claim based on the information we have been provided and estimate that the preferential claims will likely be in the region of £3,592.00. We can confirm that a preferential claim has been received from the Redundancy Payments Office in the sum of £193.13, but we are yet to determine the value of any preferential balancing claim due to the employee and only propose to do so should realisations allow a dividend to be paid to the preferential creditors.

##### Floating charge creditor and the prescribed part

- 4.3 As previously advised, the Company gave a floating charge to Orthios Otech5 Limited on 18 December 2019 and the prescribed part provisions will apply. Based on information currently available, whilst we are yet to formally adjudicate on the claim of Orthios Otech5 Limited for distribution purposes, it appears unlikely that floating charge realisations will be sufficient to allow the payment of their claim in full. It therefore appears likely that there will be insufficient realisations to allow a dividend to be paid to the non-preferential creditors save for under the Prescribed Part Provisions. As the value of the floating charge assets that will be realised is currently uncertain, it is not possible to provide an accurate estimate of the net property of the company or therefore the likely value of the Prescribed Part. On the basis of current information relating to the ongoing legal claims referred to above, it appears likely that funds will be made available to unsecured creditors by virtue of the payment to them under the prescribed part, and hence the Joint Administrator's consider that a conversion to liquidation is now appropriate.

##### Unsecured creditors

- 4.4 Whilst I have received a number of claims from unsecured creditors, I have not incurred the costs of adjudicating on these claims as, at this time it is not clear what funds will be available for the company's unsecured creditors. Select the appropriate options from those above and add further details, particularly if there have been problems agreeing creditors' claims.

#### **5 Pre-appointment costs**

- 5.1 On 05 June 2020 the following pre-administration costs of Elwell Watchorn & Saxton LLP in the sum of £10,000 were approved by the Creditors' Committee. As agreed in the initial engagement letter with the secured creditor, this sum was paid from the realisations achieved in respect of the fixed charge asset.
- 5.2 The pre appointment costs of our agents, as detailed in the proposals, have also been paid from the fixed charge realisations.

## 6 Joint Administrators' remuneration

- 6.1 My remuneration was approved by creditors on 5 June 2020 following the passing of a resolution at the creditors' decision procedure convened for the purpose of considering the joint administrators' remuneration
- 6.2 The joint administrators' remuneration is to be paid on a time costs basis and is capped at £76,780.80 plus expenses and VAT, in accordance with the fee estimate circulated to creditors.
- 6.3 My total time costs amount to £87,135, which represents 474.80 hours at an average charge out rate of £183.50; this includes £5,186.50 which represents 29.10 hours at an average charge out rate of £178.23 per hour incurred during the period since my last report.
- 6.4 Since the date of my last report I have drawn fees amounting to £118.82.
- 6.5 A schedule of my time costs incurred during the course of the administration is attached as Appendix 2.
- 6.6 Changes to charge out rates during the period of this report are detailed in Appendix 3.
- 6.7 The estimate of fees provided at the time I requested approval to the basis of my remuneration has/has not been exceeded.
- 6.8 For the benefit of creditors, the Association of Business and Recovery Professionals publish 'A Creditors' Guide to Administrators' 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 Joint Administrators' expenses

- 7.1 We have incurred total expenses, excluding the agent's costs referred to below, of £1,182.80 since our appointment as Joint Administrators, of which the sum of £178.10 has been incurred in the period since our previous progress report.

Type of expense	Amount incurred/ accrued in the reporting period	Amount incurred/ accrued in total
Insolvency Bond	-	£220.00
Statutory Advertising	-	£171.70
Postal Re-Direction	-	£422.00
Document Hosting	-	£28.00
Software Costs	-	£442.50
Storage & Destruction of Records	-	£59.00
Mileage at 45p / Mile	-	£75.60

- 7.2 I have used the following agents or professional advisors during the course of the administration with only Howes Percival incurring further costs during the reporting period:

Professional Advisor	Nature of Work	Basis of Fees
Hilco	Valuer/Auctioneer	Time Costs

Howes Percival	Solicitors – Advice in relation to sale of company assets, enforcement of debt against Swedish debtor and making claims against the former directors.	Time Costs + Disbursements
Harrison Salmon	Accountancy Fees	Fixed Fee
Engelska Jurist Companiet	Legal Fees – Issuing of Proceedings in Sweden	Fixed Fee + Disbursements

7.3 The choice of professionals used was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. I have reviewed the fees charged and am satisfied that they are reasonable in the circumstances of this case.

*Howes Percival*

7.4 During the reporting period they have been engaged to provide further advice in relation to the realisation of the remaining company assets in particular the loan to The Engineering of Sweden Filial. They were also engaged to provide advice in relation to the applications to challenge the decision to admit claims for voting purposes. It was agreed that they would be paid on a time costs basis for this work + disbursements.

7.5 To the end of the reporting period, their post appointment time costs amounted to £38,481.60 with the sum of £5,160.50. The costs incurred during the period relate primarily to seeking to progress the claims identified against the former directors. Whilst none of these costs have been paid during the reporting period, we have since received an invoice of £20,000.00 relating to their costs of dealing with the appeal which have been drawn from the deposit for costs. They have also incurred disbursements of £8,247.24 principally relating to the Counsel's costs in relation to the hearing to challenge the decision to admit claims for voting purposes.

7.6 As referred to the initial hearing found against the claimants and they were ordered to pay the costs of the application. The total sum of £29,500.00 has been deposited with Howes Percival in relation to the adverse costs order, but these funds can't be utilised until the suggested appeal against the judge's decision is dealt with. The quantum of any further time costs is dependent on the work that becomes necessary in respect of the matters relating to the enforcement of the Swedish debt, the appeal on the judge's decision and the claims instigated against the directors.

*Engelska Jurist Companiet*

7.7 Were engaged to assist in the issuing of legal proceedings against the debtor in Sweden. It was agreed that they would be paid a fixed fee of £500 for this service. During the period they have incurred

additional disbursements in relation to seeking to serve the legal documents which amount to circa £200.00 but we are yet to receive confirmation of the exact sums.

- 7.8 As at the date of this report we do not anticipate that the expenses we will incur in this matter will significantly exceed the total expenses. We do not anticipate that estimated remuneration which was authorised by the Creditors Committee save for the anticipated legal costs due to the additional legal work required as a result of the application to Court to challenge the decision in relation to the voting on the Joint Administrators' proposals and the enforcement action in relation to the Swedish loan will exceed the current remuneration budget. We reserve the right to seek further remuneration should this prove appropriate and will seek authorisation from the Creditors Committee initially.

## **8 Further information**

- 8.1 Within 21 days of receipt of a progress report a creditor may request that the joint administrators 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.
- 8.2 Any secured or unsecured creditor, if they consider that the Joint Administrators' 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.

## **9 Conclusion**

- 9.1 The Joint Administrators will convert the Administration to liquidation, and we will continue to progress the aforementioned matters referred to in this report.

Should you have any queries regarding this matter please contact Mark Tailby on 03300 889038.



Mark Tailby

Joint Administrator

**RODAN PROCESS SOLUTIONS LIMITED**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 25/02/2020 To 23/02/2022 £	From 25/02/2020 To 23/02/2022 £
	SECURED ASSETS	
	Intangible Assets	
	30,000.00	30,000.00
	30,000.00	30,000.00
	COSTS OF REALISATION	
	Office Holders Fees	17,081.18
	Legal Fees / Disbs	9,154.90
	Agents/Valuers Fees Disbs	3,500.00
	Insurance	263.92
	(30,000.00)	(30,000.00)
	SECURED CREDITORS	
(250,000.00)	Orthios OTECH5 Limited	NIL
	NIL	NIL
	ASSET REALISATIONS	
350,151.48	Accounts Receivable	NIL
	Adverse Costs Award	20,000.00
	Bank Interest	6.34
529.32	Cash at Bank	533.59
35,573.27	Prepayments	10,000.00
1,004,419.93	The Engineering of Sweden Filial Loan	NIL
606,605.00	Work in Progress	NIL
	30,539.93	30,539.93
	COST OF REALISATIONS	
	Advertising	171.70
	Bordereau Premium	220.00
	Document Hosting	84.00
	Legal Fees	26,333.33
	Office Holders Fees	118.82
	Professional Fees	1,600.00
	Re-Direction of Mail	422.00
	Software Costs	442.50
	Storage and destruction of records	59.00
	(29,451.35)	(29,451.35)
	PREFERENTIAL CREDITORS	
(9,987.52)	Employee Arrears/Hol Pay	NIL
	NIL	NIL
	UNSECURED CREDITORS	
(331,851.14)	HMRC	NIL
(264,902.72)	Loans	NIL
(1,442,938.45)	Trade & Expense Creditors	NIL
	NIL	NIL
<b>(302,400.83)</b>	<b>1,088.58</b>	<b>1,088.58</b>
	REPRESENTED BY	
	Bank 1 Current	1,296.18
	Vat Receivable	(207.60)
		<b>1,088.58</b>

## Appendix 2

### **Approved fees estimate and current time costs**

#### **Fees estimate approved by creditors**

The table below is the estimate previously provided (and approved) of the total time and associated time costs anticipated for the work for which we sought to be remunerated on a time costs basis.

<b>Work category</b>	<b>Estimated total hours</b>	<b>Estimated time cost £</b>	<b>Blended rate</b>
Administration	144.90	27,820.80	
Investigations	57.40	11,020.80	
Realisation of assets	135.90	26,092.80	
Creditors	61.70	11,846.40	
<b>Totals</b>	<b>399.90</b>	<b>76,780.80</b>	<b>192.00</b>

This estimate was based on the information available at the time to the office holder. Whilst every care was taken to ensure the accuracy of the data presented, it was based on the information presented to the office holder and the experience of the office holder in dealing with cases of a similar level of complexity.

#### **Time costs**

The time costs during the course of our administration for the period covered by this report are summarised below:-.

<b>Work category</b>	<b>Licensed Insolvency Practitioner</b>	<b>Director/S enior Manager</b>	<b>Manager hours</b>	<b>Professional staff hours</b>	<b>Admin staff hours</b>	<b>Total hours</b>	<b>Time cost £</b>	<b>Average hourly rate</b>
<b>Administration (inc statutory reporting)</b>	<b>5.10</b>	<b>3.70</b>	<b>-</b>	<b>9.10</b>	<b>-</b>	<b>17.90</b>	<b>2,671.50</b>	<b>149.25</b>
Appointment formalities	-	-	-	-	-	-	-	-
Administrative set-up	-	-	-	-	-	-	-	-
Cashiering function	-	0.40	-	6.10	-	6.50	649.50	99.92
Committee matters	-	-	-	-	-	-	-	-

Case review	-	-	-	-	-	-	-	-
General administration	1.40	0.10	-	0.30	-	1.80	373.00	207.22
Planning and monitoring	-	-	-	-	-	-	-	-
Pension matters	-	-	-	-	-	-	-	-
Non insolvency statutory returns	-	0.10	-	2.70	-	2.80	274.00	97.86
Statutory compliance – returns / reports / meetings	3.70	3.10	-	-	-	6.80	1,375.00	205.38
<b>Creditors</b>	-	<b>0.10</b>	-	-	-	<b>0.10</b>	<b>17.50</b>	<b>175.00</b>
Employee claims	-	-	-	-	-	-	-	-
Non preferential creditors	-	0.10	-	-	-	0.10	17.50	175.00
Secured creditors	-	-	-	-	-	-	-	-
<b>Investigations</b>	<b>11.10</b>	-	-	-	-	<b>11.10</b>	<b>2,497.50</b>	<b>225.00</b>
Review books & records	-	-	-	-	-	-	-	-
CDDA reports	-	-	-	-	-	-	-	-
Post-CDDA Report work	-	-	-	-	-	-	-	-
Investigating antecedent	2.40	-	-	-	-	2.40	540.00	225.00
Legal correspondence / Litigation	8.70	-	-	-	-	8.70	1,947.00	225.00
SIP 2 post Initial Assessment	-	-	-	-	-	-	-	-
SIP 2 Initial Assessment	-	-	-	-	-	-	-	-
<b>Realisation of assets</b>	-	-	-	-	-	-	-	-
Book debt realisations	-	-	-	-	-	-	-	-
Fixed asset realisations	-	-	-	-	-	-	-	-
Identifying, securing insuring assets	-	-	-	-	-	-	-	-
Liaising with professional advisors	-	-	-	-	-	-	-	-
Other asset realisations	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-
Sale of business	-	-	-	-	-	-	-	-
<b>Totals</b>	<b>16.20</b>	<b>3.80</b>	-	<b>9.10</b>	-	<b>29.10</b>	<b>5,186.50</b>	<b>178.23</b>

No further time costs have been incurred in relation to the realisation of fixed charge assets.

The time costs during the course of our administration as a whole are summarised below:-.

<i>Work category</i>	<i>Licensed Insolvency Practitioner</i>	<i>Director/S enior Manager</i>	<i>Manager  hours</i>	<i>Professional  staff  hours</i>	<i>Admin  staff  hours</i>	<i>Total  Hours</i>	<i>Time  cost</i>	<i>Average  hourly  rate</i>
<b>Administration (inc statutory reporting)</b>	<b>56.60</b>	<b>127.70</b>	<b>0.40</b>	<b>38.90</b>	<b>12.20</b>	<b>235.80</b>	<b>39,591.00</b>	<b>167.90</b>
Appointment formalities	4.20	16.40	-	0.80	2.70	24.10	4,044.50	167.82
Administrative set-up	1.80	-	-	-	-	1.80	405.00	225.00
Cashiering function	0.60	2.70	-	26.10	-	29.40	3,087.00	105.00
Committee matters	12.60	8.40	-	-	0.30	21.30	4,318.50	202.75
Case review	4.20	4.20	-	-	-	8.40	1,680.00	200.00
General administration	18.60	30.40	0.40	2.00	4.50	55.90	9,993.50	178.77
Planning and monitoring	2.10	7.10	-	0.30	0.60	10.10	1,794.50	177.67
Pension matters	-	-	-	-	0.70	0.70	31.50	45.00
Non insolvency statutory returns	2.00	2.50	-	3.70	-	8.20	1,279.00	155.98
Statutory compliance – returns / reports / meetings	10.50	56.00	-	6.00	3.40	75.90	12,957.50	170.72
<b>Creditors</b>	<b>11.20</b>	<b>31.10</b>	<b>-</b>	<b>7.10</b>	<b>1.00</b>	<b>50.40</b>	<b>9,038.00</b>	<b>179.33</b>
Employee claims	-	4.00	-	7.10	-	11.10	1,658.50	149.51
Non preferential creditors	11.20	12.00	-	-	1.00	24.20	4,737.00	195.74
Secured creditors	-	15.10	-	-	-	15.10	2,642.50	175.00
<b>Investigations</b>	<b>40.40</b>	<b>29.40</b>	<b>-</b>	<b>2.90</b>	<b>-</b>	<b>72.70</b>	<b>14,606.50</b>	<b>72.70</b>
Review books & records	-	11.30	-	-	-	11.30	1,977.50	175.00
CDDA reports	-	0.90	-	1.00	-	1.90	292.50	153.95
Post-CDDA Report work	-	2.50	-	1.40	-	3.90	626.50	160.64
Investigating antecedent	7.40	4.30	-	-	-	11.70	2,417.50	206.62
Legal correspondence / Litigation	33.00	-	-	-	-	33.00	7,425.00	225.00
SIP 2 post Initial Assessment	-	4.70	-	-	-	4.70	822.50	175.00
SIP 2 Initial Assessment	-	5.70	-	0.50	-	6.20	1,045.00	168.55
<b>Realisation of assets</b>	<b>71.00</b>	<b>44.70</b>	<b>0.20</b>	<b>-</b>	<b>-</b>	<b>115.90</b>	<b>23,889.50</b>	<b>206.21</b>
Book debt realisations	7.50	5.70	-	-	-	13.20	2,685.00	203.41
Fixed asset realisations	5.90	4.80	-	-	-	10.70	2,167.50	202.57
Identifying, securing insuring assets	-	6.60	-	-	-	6.60	1,155.00	175.00
Liaising with professional advisors	21.80	8.20	-	-	-	30.00	6,340.00	211.33
Other asset realisations	2.00	10.20	0.20	-	-	12.40	2,337.00	188.47

Retention of title	-	6.10	-	-	-	6.10	1,067.50	175.00
Sale of business	-	1.10	-	-	-	1.10	192.50	175.00
<b>Totals</b>	<b>179.20</b>	<b>232.90</b>	<b>0.60</b>	<b>48.90</b>	<b>13.20</b>	<b>474.80</b>	<b>87,135.00</b>	<b>183.52</b>

In addition to the above, I have also incurred the following time costs in relation to realising the fixed charge assets

<i><b>Work category</b></i>	<b>Licensed Insolvency Practitioner</b>	<b>Director/S enior Manager</b>	Manager  <i>hours</i>	<i>Professional staff hours</i>	<i>Admin staff hours</i>	<i>Total hours</i>	<i>Time cost</i>	<i>Average hourly cost</i>
Fixed Charge Realisations	33.80	2.00	-	-	-	35.80	7,955.00	222.21

***Statement of creditors' rights to receive further information and statement of creditors' rights to challenge remuneration and/or expenses***

*Relevant extracts of Rules 18.9 and 18.34 of the Insolvency (England and Wales) Rules 2016*

**Rule 18.9**

- (1) The following may make a written request to the office holder for further information about remuneration or expenses set out in a progress report under Rule 18.4:
- a secured creditor;
  - an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question); or
  - any unsecured creditor with the permission of the court.
- (2) A request or an application to the court for permission by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one creditor.

**Rule 18.34**

- (1) This rule applies to an application in a winding-up made by a person mentioned in paragraph (2) on the grounds that:
- the remuneration charged by the office holder is in all the circumstances excessive;
  - the basis fixed for the office-holder's remuneration under Rules 18.16 and 18.20 is inappropriate; or
  - the expenses incurred by the office holder are in all the circumstances excessive.
- (2) The following may make such an application for one or more of the orders set out in Rule 18.36 or 18.37 as applicable:
- a secured creditor; or
  - an unsecured creditor with either
    - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court.

- (3) The application by a creditor must be made no later than eight weeks after receipt by the applicant of the progress report or account under Rule 18.3 which first reports the charging of the remuneration or the incurring of the expenses in question.

A copy of our Standard Terms of Business may be downloaded from:-

<http://www.ewslip.co.uk/downloads>

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

**RODAN PROCESS SOLUTIONS LIMITED**  
**IN CREDITORS VOLUNTARY LIQUIDATION**

**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 holders 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:-

	<b>LONDON</b>  <b>Charge-out rate at commencement  (up to £ per hour)</b>	<b>OTHER OFFICES</b>  <b>Charge-out rate at commencement  (up to £ per hour)</b>
Licensed Insolvency Practitioner	395.00	295.00
Director / Senior Manager	295.00	200.00
Manager	225.00	150.00
Other Professionals	150.00	135.00
Administrative Staff	100.00	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 - disbursements requiring approval, represent a charge to the estate for the costs incurred by the firm specifically in relation to the estate. The basis of payment of category 2 disbursements must be approved by creditors prior to any payment being drawn. It is proposed that payment shall be made in respect of Category 2 disbursements as follows:-

- External disbursements will be recharged at cost.
- The in house storage of books and records will be charged at the rate of £1 per archive box per month for the duration of the liquidation period plus fifteen months in addition to the cost of boxes and ultimate confidential destruction.
- Mileage will be charged at 45p per mile.

- Other disbursements where the firm makes payment to an external party for an expense incurred wholly, exclusively and necessarily in relation to the insolvent estate, will be recharged at cost.

***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.