In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03
Notice of progress report in voluntary winding up

Companies House

THURSDAY

A8IQIHCW
A14 21/11/2019 #21
COMPANIES HOUSE

1 Company details

Company number	0 8 6 4 7 8 3 3
Company name in full	Sovereign Solutions Care Services Limited

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

2 Liquidator's name

Full forename(s)	Eric
Surname	Walls

3 Liquidator's address

Building name/number	C12 Marquis Court
Street	Marquisway, TVTE
Post town	Gateshead
County/Region	
Postcode	N E 1 1 0 R U
Country	

4 Liquidator's name ❶

Full forename(s)	Wayne
Surname	Harrison

❶ Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address ❷

Building name/number	C12 Marquis Court
Street	Marquisway, Team Valley
Post town	Gateshead
County/Region	
Postcode	N E 1 1 0 R U
Country	

❷ 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	31 08 2018
To date	30 08 2019

7 Progress report

☑ The progress report is attached

8 Sign and date

Liquidator's signature	Signature X X
Signature date	23 10 2019

LIQ03

Notice of progress report in voluntary winding up

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	Eric Walls
Company name	KSA Group Ltd
Address	C12 Marquis Court
	Marquisway, Team Valley
Post town	Gateshead
County/Region	
Postcode	N E 1 1 0 R U
Country	
DX	
Telephone	0191 482 3343

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

Sovereign Solutions Care Services Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 31/08/2018 To 30/08/2019 £	From 31/08/2017 To 30/08/2019 £
	ASSET REALISATIONS		
	Bank Interest Gross	18.50	19.04
4,700.00	Book Debts	11,360.00	52,998.35
2,558.65	Cash at Bank	NIL	NIL
	Debtors Received In Error	(2,868.30)	(42,809.30)
500.00	Fixtures & Fittings	NIL	NIL
1,500.00	Motor Vehicles	NIL	NIL
100.00	Office Furniture	NIL	NIL
635.00	Petty Cash	NIL	NIL
		8,510.20	10,208.09
	COST OF REALISATIONS		
	Irrecoverable VAT	100.00	167.68
	Legal Fees (1)	780.00	780.00
	Specific Bond	90.00	232.00
	Statutory Advertising	NIL	338.40
		(970.00)	(1,518.08)
	PREFERENTIAL CREDITORS		
(2,400.00)	Employee Arrears/Hol Pay - Est	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(8,694.00)	Directors	NIL	NIL
(2,400.00)	Employee Redundancy/Pay in Lieu - e	NIL	NIL
(338,633.81)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(342,134.16)		**7,540.20**	**8,690.01**
	REPRESENTED BY		
	Bank 1 Deposit		8,690.01
			8,690.01

Note:

Eric Walls
Joint Liquidator

Sovereign Solutions Care Services Limited – in Liquidation

Joint Liquidators' Progress Report

For the period 31 August 2018 to 30 August 2019

In Accordance with section 104A of the Insolvency Act 1986 and Rule 18.7 of the Insolvency (England and Wales) Rules 2016

Contents

For the avoidance of doubt, the appendices form part of this report.

Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report.

Abbreviation or definition	Meaning
The Company	Sovereign Solutions Care Services Limited
Office Holder(s) / Liquidator(s) / we / us	Eric Walls and Wayne Harrison
Firm/KSA	KSA Group Ltd
The Act	Insolvency Act 1986 (as amended)
The Rules	Insolvency (England and Wales) Rules 2016
HMRC	HM Revenue & Customs
SoA	Company Statement of Affairs prepared by the director(s) as at 31 August 2017
Previous Reports	Progress report of the Liquidators
Prescribed Part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A of the Act
Secured Creditors	Creditors with security in respect of liabilities due to them, filed with the Registrar of Companies and in accordance with Section 248 of the Act, in this case there are no secured creditors
Preferential Creditors	Claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay accrued within the 12 months leading to the date of Liquidation and unpaid pension contributions in certain circumstances
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy & Industrial Strategy, which deals with the statutory claims of employees under the Employment Rights Act 1996
Unsecured Creditors	Creditors who are neither secured, nor preferential
ROT	Retention of Title claims over goods supplied to the Company but not paid for before the Liquidators appointment.
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006

1. Appointment Details

1.1 As creditors are aware I, Eric Walls, was appointed Joint Liquidator, along with Wayne Harrison, of the Company on 31 August 2017 by a resolution of the Company's shareholders. Our appointment being confirmed at a virtual meeting of creditors held later that day.

1.2 Further to my appointment I hereby report upon the progress of the liquidation pursuant to Rule 18.7 of the Rules. Statutory information regarding the Company and the appointment of the Liquidator(s) is attached at Appendix 1.

1.3 All reports and notices that have been issued by the Liquidator(s) can be viewed and downloaded at http://www.ksagroup.co.uk/gateshead-notices/sovereign-soluitions-care-services-limited

1.4 Details for accessing these documents, including the necessary password, were provided to all known creditors on 8 September 2017. Hard copies of any report or notice will be sent to any person entitled to the documents should they submit a written request to out Gateshead office or to insolvency@ksagroup.co.uk.

2. Progress of the Liquidation to Date

Chattel Assets (Fixtures & Fittings, Office Furniture & Motor Vehicles)

2.1 Details concerning the Company's chattel assets were provided in the previous report of the Liquidators.

Book Debts

2.2 It was detailed on the Company's statement of affairs that the Company had outstanding book debts with a book value of £23,534.00 which was estimated to realise £4,700. As can be seen from the attached receipts and payments account £1,697.35 has been received as at the anniversary of the liquidation. The Liquidators are continuing to pursue the sums due to the Company and it is anticipated that further sums will be received in due course.

Cash at Bank

3.5 It was detailed on the Company's statement of affairs that the Company held cash at bank totalling £2,558.65 as at the date of liquidation. I have written to the Company's bankers asking that this amount be remitted, but to date it has not yet been received. However, it is anticipated that this sum will be received shortly.

3. Proposed Future Conduct of the Liquidation

3.1 All assets have now been or shortly will be realised.

3.2 The costs and expenses of the Liquidation will be settled and it is anticipated that our administration of this case will be brought to a close in the next 2 – 3 months.

4. Secured Creditors

4.1 The Company had not granted any security to any party prior to liquidation.

5 Prescribed Part

5.1 Section 176A of the Act, provides that, in certain circumstances, the Liquidators are required to make a Prescribed Part of the Company's net property available to the unsecured creditors.

5.2 As noted in section 4 the Company has not granted any qualifying floating charge.

5.3 In this case, the Prescribed Part does not apply as there was no qualifying floating charge holder.

6. Preferential Creditors

6.1 There are no known claims which would rank as preferential in this case.

7. Unsecured Creditors

7.1 The SoA was reviewed by creditors at the meeting held on 31 August 2017. The SoA listed the names and addresses of all known creditors and the amounts due to them as listed in the Company's books and records.

7.2 Claims have been received from 1 creditors totalling £338,633.81.

7.3 In accordance with rules 14.36 and 14.37 of the Insolvency (England and Wales) Rules 2016, we have previously given notice on 22 October 2018 that no dividend will become payable to the unsecured creditors in this liquidation.

8. Receipts and Payments Account

8.1 Attached to this report at appendix 2 is a receipts and payments account for the period 31 August 2018 to 30 August 2019.

9. Investigations into the Affairs of the Company and the Directors Conduct.

9.1 I am able to confirm that we have complied with our obligations under the Company Directors Disqualification Act 1986. The Department for Business, Energy and Industrial Strategy requests that the contents of our report submitted under the above Act remain confidential.

9.2 At the date of liquidation, creditors were afforded an opportunity to highlight any specific areas of concern. A creditors' questionnaire was sent to all known creditors, along with our initial appointment documents on 8 September 2017.

9.3 Creditors should note that a further copy of the creditors' questionnaire is available to view and download at the web address previously provided.

9.4 No issues have been raised by creditors and nothing further has come to light during the period covered by this report to suggest that there is anything further to be reviewed under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice 2.

10. Costs and Expenses of the Liquidation & the Liquidators' Remuneration

10.1 Further details on the Liquidators' remuneration and other costs and expenses of the Liquidation can be found at appendices 3 & 4 of this report.

11. Other Matters

11.1 The E C Regulation 1346/2000 applies as the Company's registered office being the centre of its main interests is situated in a Member State of the EC and Liquidation is within the definition of insolvency proceedings under Article 2 of the Regulation. For the reasons stated herein it is considered that EC Regulation 1346/2000 on insolvency proceedings will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulations.

11.2 The Liquidators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is available at: http://www.insolvency-practitioners.org.uk/regulation-and-guidance/ethics-code.

11.3 Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 of the Rules. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees available at http://www.ksagroup.co.uk/downloads/fees-liquidation.pdf.

12. Conclusion

12.1 In summary therefore:

- All assets have now been or shortly will be realised.
- The costs and expenses of the Liquidation will be settled and it is anticipated that our administration of this case will be brought to a close in the next 2 – 3 months.

E Walls
Joint Liquidator

23 October 2019

Detailed below is information extracted either from the statutory books of the company or from records held by the Registrar of Companies.

Previous Names (within last 12 months):	Optimum Care Services		
Company Number:	08647833		
Date of Incorporation:	13 August 2013		
Registered Office	Was Leofric House 18b, Binley, Coventry, CV3 1JN but changed to C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU		
Share Capital	No Share Capital. Company limited by Guarantee		
Guarantors	<u>Name</u>	<u>Guarantee Amount</u>	
	Euta Clinch	£1	
Directors (in last 3 years)	<u>Name</u>	<u>Date of Appointment</u>	<u>Date of Resignation</u>
	Euta Clinch	13 August 2013	-
Nature of Business	Provision of care and support to adults with learning disabilities and complex needs within 24 hours residential support		
Trading Address	26 Green Road, Hall Green, Birmingham, B28 8DD 339 Pershore Road, Edgbaston, Birmingham, B5 7RY 44 Manorford Avenue, West Bromwich, B71 3QH 2 Compton Road, Erdington, Birmingham, B24 8QA		
Liquidators' Names	Eric Walls (IP No 9113) and Wayne Harrison (IP No 9703)		
Liquidators' Correspondence Address	KSA Group Ltd, C12 Marquis Court, Marquisway, Team Valley, Gateshead, NE11 0RU		
Date of Appointment	31 August 2017		
Appointed by	Resolution of members, appointed confirmed by creditors at a virtual meeting held on 31 August 2017.		

Sovereign Solutions Care Services Ltd

(In Liquidation)

Receipts and Payments Account

Statement of Affairs £		From: 31 August 2018 To: 30 August 2019 £	From: 31 August 2017 To: 30 August 2019 £
	RECEIPTS		
-	Chattel Assets	-	-
-	Book Debts	8,491.70	10,189.05
-	Cash at Bank	-	-
-	Bank Interest Received	18.50	19.04
-		8,510.20	10,208.09
	PAYMENTS		
	Liquidators' Specific Bond	90.00	232.00
	Legal Fees	780.00	780.00
	Statutory Advertising	-	338.40
	Irrecoverable VAT	*100.00*	*167.68*
		970.00	1,518.08
	BALANCE		8,690.01
	REPRESENTED BY		
	Cash at Bank - Current Account		8,690.01
			8,690.01

NOTE:
The above amounts are stated net of VAT, which has either been paid over to, or reclaimed from HM Revenue and Customs.

1. Introduction

1.1 "A Creditors' Guide to Liquidator's Remuneration" is available for download at: http://www.ksagroup.co.uk/downloads/fees-liquidation.pdf. Should you require a paper copy, please send your request in writing to us and this will be provided to you at no cost.

1.2 The guide contains details as to how the basis of Liquidators' remuneration may be calculated, and confirms that, should creditors fail to agree a suitable basis for remuneration, then an application may need to be made to the Court to set the basis.

2. Basis of Liquidators' remuneration

2.1 Rule 18.16 of the Insolvency (England and Wales) Rules 2016, the basis of the Liquidator's remuneration may be fixed:

- by reference to time properly given by the insolvency practitioners and their staff in attending to matters as set out in the Fee Estimates, set out in this appendix;
- as a percentage of the value of the property with which the Liquidator has to deal;
- as a set amount; or
- a combination of the above.

2.2 As creditors are aware, the basis of the remuneration of the Liquidators was not fixed at the meetings held on 31 August 2017.

2.3 In accordance with Rule 18.16, creditors were invited to fix the basis of the Liquidator's' remuneration by way of a postal resolution. No resolution was passed and therefore, in accordance with Rule 18.23 the Liquidators applied to the courts to fix the basis of their remuneration on a time costs basis.

2.4 Accordingly an order was granted in the Newcastle upon Tyne County Court on 2 April 2019 that the basis of the Liquidator's remuneration be fixed on a time cost basis by reference to the time properly given by the Liquidator and his staff in attending to matters arising in the winding up, that the Liquidator is entitled to draw remuneration as and when he sees fit and that the costs of the application be an expense of the liquidation.

Fees Incurred as at 30 August 2019 and those estimated to closure.

3.1 The following tables show the time incurred in respect of the Liquidator's' and their staff in dealing with matters arising during their administration of this case.

Category of Work	Time costs incurred in the period	Time costs incurred brought forward	Total time costs incurred to date	Estimated Future Costs	Estimated Total Costs
A. Administration etc.	574.61	2,678.41	3,253.02	1,176.01	4,429.03
B. Investigations	NIL	1,714.00	1,714.00	NIL	1,714.00
C. Realisations of Assets	340.83	252.14	592.97	90.00	682.97
D. Trading	NIL	NIL	NIL	NIL	NIL
E. Creditors	36.00	617.83	653.83	NIL	653.83
F. Case Specific Matters	NIL	128.91	128.91	90.00	218.91
TOTAL	**951.44**	**5,391.29**	**6,342.73**	**1,266.01**	**7,608.74**

SOVEREIGN SOLUTIONS CARE SERVICES LIMITED

(IN LIQUIDATION)

TIME AND CHARGE OUT SUMMARY

	Hours Spent	Charge Out Rate £	Total Time Costs £	Average Hourly Rate £
Administration, Planning and Statutory Matters				
Directors and Insolvency Practicioners	0.00	200 - 350	0.00	0.00
Senior Administrators/Managers	2.87	120 - 200	574.61	200.21
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
Investigations				
Directors and Insolvency Practicioners	0.00	200 - 350	0.00	0.00
Senior Administrators/Managers	0.00	120 - 200	0.00	0.00
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
Realisation of Assets				
Directors and Insolvency Practicioners	0.42	200 - 350	145.83	347.21
Senior Administrators/Managers	1.09	120 - 200	195.00	178.90
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
Trading				
Directors and Insolvency Practicioners	0.00	200 - 350	0.00	0.00
Senior Administrators/Managers	0.00	120 - 200	0.00	0.00
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
Creditors				
Directors and Insolvency Practicioners	0.00	200 - 350	0.00	0.00
Senior Administrators/Managers	0.20	120 - 200	36.00	180.00
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
Case Specific Matters				
Directors and Insolvency Practicioners	0.00	200 - 350	0.00	0.00
Senior Administrators/Managers	0.00	120 - 200	0.00	0.00
Support Staff/Administrators	0.00	50 - 120	0.00	0.00
TOTAL FOR THE PERIOD	**4.58**		**951.44**	**207.74**
Brought Forward as at 22 October 2018	26.96		5,391.29	199.97
TOTAL	**31.54**		**6,342.73**	**201.10**

3.2 We and our team charge our time for the work we need to in the liquidation. Tasks are delegated to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we supervise them properly to maximise the costs effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by senior staff or the Liquidators directly.

3.3 All of our staff who work on the liquidation charge time directly to the case and are included in any analysis of time charge. Each grade of staff has an hourly charge out rate which is reviewed from time to time. The charge out rates currently levied by KSA Group Ltd in respect of staff likely to deal with this matter can be summarised as follows:

	Hourly Charge Out Rate £
Directors and Insolvency Practitioners	200 – 350
Senior Administrators/Managers	120 – 200
Support Staff/Administrators	50 – 120

Our work in the period

Earlier in this report we provided an analysis of the time spent by the various grades of staff. Whilst this is not an exhaustive list, in the following section we provide more detail on the key areas of work.

3.4 The time taken/estimated time that the Liquidators and their staff have/are likely to spend in respect this Liquidation have been analysed into a number of different areas of work. A summary of the primary work that has/will be undertaken by the Liquidators and their staff is summarised below.

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors
A. Administration, Planning and Statutory Matters	Reviewing appointment and all statutory documents. Assessing the work needed for this particular case and ensuring that adequate resources are available and ensuring that the appropriate assistance from other professionals, as noted above, is obtained. Preparing and issuing the first progress report, including receipts and payments accounts, and providing creditors with a suitable analysis of time costs accrued. Managing general administrative matters.	This work is necessary to ensure the orderly conduct of the liquidation and to ensure that all statutory and regulatory requirements are met. Although this work may not directly benefit creditors, it is necessary and helps to ensure that the work undertaken in dealing with this case is carried out by staff with the appropriate level of experience, thereby ensuring value for money for creditors.
B. Investigations	**See section 6 of the report for further comments on the investigations undertaken by the Liquidators and their staff.** *Undertaking a review of the conduct* of the director and reporting thereon. Reviewing the affairs, trading and transactions of the company, in order to comply with the requirements laid on the Liquidator by statute and by the appropriate Statement of Insolvency Practice issued by the Association of Business Recovery professionals.	Office holders and their staff have statutory responsibilities to review and, where appropriate, comment on the trading of a company and the conduct of its directors. Any review of the trading of the company will include reviewing the company's records and correspondence received from creditors to ensure that all of the company's assets are identified and where possible, realised for the benefit of creditors. This might well include identifying transactions with any party which might breach certain provisions of the current insolvency

	An examination of the company's records and transactions, particularly over the two-year period preceding liquidation. Raising enquiries with the director in relation to transactions from the Company's bank account and seeking responses to those enquiries.	legislation, which might then lead to recovery action being taken by the office holders against those parties. Work carried out will also include complying with the reporting provisions of the CDDA, which, will not provide any benefit for creditors, but which is a statutory requirement.
C. Realisation of Assets	**See section 2 of the report for details on the asset realisations in this case.** Reviewing the position in respect of the Company's debtors. Including contacting debtors and requesting proposals for payment, scheduling and reviewing payments received and outstanding. Generally doing all things to dispose of the company's assets in order to maximise the position as regards creditors.	In all liquidations every effort is made to identify and, where possible realise, all of the company's assets. This may include liaising with suitably qualified agents, or seeking assistance from other professionals such as lawyers or surveyors. Realising the assets of a company may allow the liquidator to deal with the claims of certain classes of creditors by way of payment of a dividend or distribution. Maximising realisations from assets in an appropriate commercial manner will provide a benefit for the creditors. It is essential therefore that suitably qualified and suitably experienced staff undertake the work noted.
D. Trading	No post appointment trading was undertaken on this case.	It is extremely unlikely that liquidators will continue trading a company following liquidation, although, if deemed appropriate, certain elements of work in progress may be completed.
E. Creditors	Attending the meeting of creditors. Receiving and recording all creditor claims. Reviewing realisations to date in comparison to creditor claims and the costs and expenses of the liquidation and issuing notice of no dividend to creditors. Dealing with all creditor correspondence via letter, fax, email and telephone.	This work includes dealing with all creditor correspondence including receiving, reconciling and, where appropriate, agreeing the claims of all creditors. This includes dealing with any concerns raised by creditors and providing creditors with reasonable assistance. Although this work does not necessarily provide a direct benefit to creditors, it is a regulatory requirement that the liquidators deal with any creditor concerns where appropriate.
F. Case Specific Matters	Dealing with statutory and regulatory matters. *Reviewing matters specific to this* company which were identified post liquidation and dealing with those matters in an appropriate manner.	This relates either to matters which are particular to this specific case, or are not covered by any of the *sections/tasks detailed above.* Any matters dealt with here, and whether any benefit has accrued to

		creditors will be dealt with in future reports.

Our future work

We still need to do the following work to comply with our obligations as Liquidator and for the orderly wind-down of the Company's affairs

Area of Work	Work to be undertaken	Why the work is necessary and what, if any financial benefit, the work will provide to creditors	Estimated Cost (£)
A. Administration, Planning and Statutory Matters	Preparing and issuing the 2nd annual progress report to creditors. Preparing and issuing the final progress report to creditors. General cashiering to include paying the outstanding costs and expenses of the Liquidation.	This work is necessary to ensure the orderly conduct of the liquidation and to ensure that all statutory and regulatory requirements are met. Although this work may not directly benefit creditors, it is necessary and helps to ensure that the work undertaken in dealing with this case is carried out by staff with the appropriate level of experience, thereby ensuring value for money for creditors.	**£1,176.01**
B. Investigations	No matters have been raised which require any further investigation by the Liquidators. Therefore, it is anticipated there will be no further work charged under this heading.		**£NIL**
C. Realisation of Assets	Reconciling amounts received from the bank.	Realising the assets of a company may allow the liquidator to deal with the claims of certain classes of creditors by way of payment of a dividend or distribution.	**£90.00**
D. Trading	None		**£NIL**
E. Creditors	All creditor claims have been dealt with. Therefore, it is anticipated there will be no further work charged under this heading.		**£NIL**
F. Case Specific Matters	Preparing the final return and reporting to the Registrar. Ensuring the orderly closedown and dissolution of the Company after the distribution to creditors.	Whilst it has not specific benefit to creditors it is required by statute.	**£90.00**

1. Disbursements Estimate

1.1 In addition to the remuneration of the Liquidators, certain expenses have/will, by necessity, be incurred in dealing with this liquidation. These are known as disbursements. The majority of the disbursements in this case will be re-charged at direct cost to the case.

Category 1 Disbursements

1.2 Our estimate in respect of this heading covers expenses where the officeholders firm has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents, storage of original records of the insolvent estate. In each case the recharge will be reimbursement of a specific expense incurred.

1.3 In all liquidations, it may prove necessary to engage other professional and specialists to assist in the liquidation process. For example, suitably qualified surveyors may need to be instructed to assist in marketing and realising the assets of the company. Lawyers are also likely to be utilised to protect the legal interests of the company and the Liquidator, and possibly to assist in the recovery of assets. The costs of anyone assisting with the Liquidation will be an expense of the Liquidation. Such expenses are not subject to creditor approval but nevertheless have an effect on the funds available to deal with the claims of creditors.

Costs incurred by the Administrators

1.4 Post liquidation legal fees and disbursements of £780 plus VAT have been paid to Clarke Mairs LLP in respect of the costs of the Liquidators applying to the court to agree the basis of the Liquidators' remuneration.

Category 2 Disbursements

1.5 Costs in respect of Category 2 disbursements will be subject to creditor approval because it concerns expenses where there will not always be an invoice for the cost. Insolvency practices additionally provide for the recharge of expenses such as postage, stationery, photocopying charges, telephone, fax and other electronic communications, which cannot be economically recorded in respect of each specific case. Such expenses, which are apportioned to cases, must be approved by the creditors in accordance with the Insolvency Rules 1986, before they can be drawn, and these are known as category 2 disbursements. The current policy of is to recharge this expense on the basis of a figure based upon the number of creditors with whom we have to communicate and report during the insolvency.

1.6 All disbursements incurred by the Liquidator's firm are reimbursed at direct cost to the case, save in the case of postage, stationery and telephone for which a charge of £7.50 per creditor will be levied, and motor travel where a charge of 45p per mile is made. To date, disbursements have been paid in respect of statutory advertising fees and the Liquidator's specific performance bond. These payments are shown on the attached receipts and payments account.

1.8 Detailed below is an estimate of the disbursements likely to be incurred in dealing with this case, the following table provides details of our expenses. Expenses are amounts properly payable by the Liquidators from the estate and includes Liquidators' remuneration and disbursements but excludes distributions to creditors.

The table should be read in conjunction with the receipts and payments account at Appendix 2, which shows expenses actually paid during the period and the total paid to date.

	Notes	Expenses incurred in the period	Expenses incurred brought forward	Total Expenses incurred	Estimated Future expenses	Anticipated total expenses
		£	£	£	£	£
Liquidators' Remuneration		Nil	Nil	Nil	6,041.68	6,041.68
Statement of Affairs Fee	3	Nil	Nil	Nil	4,000.00	4,000.00
Legal Fees		780.00	Nil	780.00	Nil	780.00
Statutory Advertising	1	Nil	338.40	338.40	Nil	338.40
Liquidators' Specific Bond	2	90.00	142.00	232.00	Nil	232.00
Total		**870.00**	**480.40**	**1,350.40**	**10,041.68**	**11,392.08**

Notes

1. Statutory Advertising – the Liquidator is required by the Insolvency Act and Rules to give notice by advert in the London Gazette of his appointment. The cost in this regard is £338.40 plus VAT.

2. Liquidator's Specific Bond – the Liquidator is required by the Insolvency Act and Rules to obtain specific penalty cover in respect of his administration of the case. The cost in this regard is £232.00.

3. It was agreed at the meeting of creditors held on 31 August 2017 that a charge of £4,000 plus VAT plus disbursements would be levied by KSA Group Ltd in respect of the costs of calling the meeting of creditors, along with assisting the director with the preparation of the Company's statement of affairs. It is not intended that this fee be drawn from the funds held by the Liquidator.