

WU07

Notice of progress report in a winding-up by the court



Companies House

THURSDAY



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27/07/2017

#124

COMPANIES HOUSE

1 Company details

Company number 0 2 5 2 6 0 2 8

Company name in full Changtel Solutions UK Limited

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

2 Liquidator's name

Full forename(s) Nicholas Edward

Surname Reed

3 Liquidator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

4 Liquidator's name ①

Full forename(s) Julie Anne

Surname Palmer

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 65 St. Edmund's Church Street

Street Salisbury

Post town Wiltshire

County/Region

Postcode S P 1 1 E F

Country

② Other liquidator
Use this section to tell us about
another liquidator.

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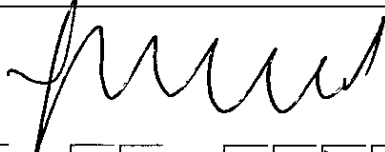
6 Period of progress report

From date	^d 0	^d 5	^m 0	^m 6	^y 2	^y 0	^y 1	^y 6	
To date	^d 0	^d 4	^m 0	^m 6	^y 2	^y 0	^y 1	^y 7	

7 Progress report

The progress report is attached

8 Sign and date

Liquidator's signature	Signature								
	X		X						
Signature date	^d 2	^d 0	^m 0	^m 7	^y 2	^y 0	^y 1	^y 7	

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 **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	Jonathan Bird
Company name	Begbies Traynor (Central) LLP
Address	Fourth Floor Toronto Square
Post town	Toronto Street
County/Region	Leeds
Postcode	L S 1 2 H J
Country	
DX	
Telephone	0113 244 0044

 **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

**Changtel Solutions UK Limited (In
Compulsory Liquidation)**

High Court of Justice No. 4093 of 2013

Progress report

Period: 5 June 2016 to 4 June 2017

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Changtel Solutions UK Limited (In Compulsory Liquidation)
"the liquidation"	The appointment of liquidators by the Secretary of State pursuant to Section 137 of the Act on 5 June 2015.
"the liquidators", "we", "our" and "us"	Nicholas Edward Reed of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Julie Anne Palmer of Begbies Traynor (Central) LLP, 65 St. Edmund's Church Street, Salisbury, Wiltshire, SP1 1EF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Former trading name:	Formerly traded as ENTA Technologies Limited, as part of the ENTA group of companies
Company registered number:	02526028
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address:	Stafford Park 6, Telford, Shropshire, TF3 3AT

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	7 June 2013
Date of liquidators' appointment:	5 June 2015

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

General

Winding-up and Summary of Appointment of Liquidators

As noted in our previous report, the Company was wound-up on 29 January 2015 by the Court of Appeal, following the presentation of a petition by HM Revenue & Customs ("HMRC") on 7 June 2013 ("the Petition Date") in respect of the Company's VAT liabilities. The liquidation followed a protracted period of assessments in relation to the Company's trade in electronic and computer components.

Julie Palmer and I subsequently were appointed Joint Liquidators on 5 June 2015 by the Secretary of State.

This is our second progress report and should be read in conjunction with our previous progress report.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 5 June 2016 to 4 June 2017. Further information in respect of the receipts and payments account is incorporated under the below work categories.

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

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

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous report contains details of the work undertaken since our appointment.

General case administration and planning

The complexity of the Liquidation and the significant number of matters which we are required to consider on an ongoing basis means that a sizeable proportion of costs have been charged to case planning and strategy. The Liquidation involves, amongst other things, litigation against the Company's director, Jason Tsai, and the Liquidators seeking the recovery of a substantial number of payments that are void as a result of S.127 of the Act.

Our strategy and approach to addressing such matters has remained proportionate and is subject to ongoing consideration as the Liquidation progresses. This strategy has resulted in the completion of a number of settlements, which are further discussed below, and has enabled us to ensure all matters continue to be progressed in a timely manner.

Due to the size of the case and the number of ongoing matters, a significant volume of case files have been produced. As a result, considerable costs have been incurred, both in producing and also maintaining these files.

Costs have also been incurred in producing copy records which are relevant to ongoing proceedings in the Liquidation.

It is also necessary for the duly appointed liquidators and their staff to carry out case compliance reviews, six monthly reviews and reviews of the assets realised in the case and those still to be realised and the costs and expenses being incurred. This is to ensure the case is cost effective and is being administered both properly and efficiently.

Compliance with the Insolvency Act, Rules and best practice

All monies received in the liquidation have been paid into the Insolvency Services Account ("ISA"), in line with statutory requirements.

In order to comply with our statutory duties, time has been spent preparing and sending to creditors and members the previous annual progress report and in ensuring the statutory bordereau is sufficient.

Payments recorded in the Receipts and Payments account that are relevant to this area of costs are as follows:

Cost Narrative	Amount	Notes
DBIS Audit Fees	£88	Quarterly banking fees for the ISA
Bond	£420	Statutory insurance for appointment holders

Investigations and Asset Realisations

As noted in our previous report, considerable investigative work has been required in order to better understand the Company's ownership, trading history and to assess the actions available to us as Liquidators. Our investigations and consideration of any claims which may arise as a result of the same are presently ongoing.

The work carried out in the period of this report under this cost category is summarised below.

Review of Company Records

During the period of this report, considerable time has been spent in examining and cross referencing substantial electronic and hard copy company records. In addition to discharging our statutory duties to carry out general investigations into the conduct of the Company's affairs, it has been necessary to analyse records pertaining to the substantial number of transactions that took place between the Petition Date and the making of the winding-up Order.

This analysis work has been important in our ongoing enquiries and the realisations made in respect of the void S.127 payments as expanded on below.

The detailed investigation work undertaken is also central to the actions that the liquidators are pursuing against the Company's director, Jason Tsai, as outlined in the "other matters" subsection below. This work has also required a full Optical Character Recognition ("OCR") analysis of the Company's bank statements, which costs are included within the investigations category.

Payments recorded in the Receipts and Payments that are relevant to this area of costs are as follows:

Cost Narrative	Amount	Notes
Data analysis and hosting costs	£13,168	Analysis and hosting of electronic data.
SAGE costs	£2,465	Costs relating to analysis of the Company's accounting records.
Stationery costs	£28	Purchase of stationery to assist with the analysis of the Company's records.
Agent's Fees	£78,323	Enquiries undertaken as part of issuing claims against Jason Tsai.

In addition to the above work, a detailed review of the Company's limited digital accounting records has been undertaken. This review indicated that the Company's financial position worsened significantly in the period between the Petition Date and the making of the winding-up Order.

As the Liquidation progresses we will be required to continue to review the records in order to progress the ongoing matters and to assist in dealing with our ongoing investigations into the transactions caught by S.127 of the Act.

Transfer of the Company's business and assets to Entatech

Creditors will be aware from our previous report that the Company's business and assets were transferred to a connected entity, Entatech UK Limited ("Entatech"), prior to our appointment and that a settlement was reached between the Liquidators and Entatech on deferred and confidential terms.

On 8 May 2017 Christopher Pole and Mark Orton of KPMG LLP were appointed Administrators of Entatech. At the time of the Administrators' appointment, the payments outstanding from Entatech totalled approximately £443,333 and interest continues to accrue on this debt. The debt owed by Entatech is secured by a debenture incorporating fixed and floating charges over Entatech's assets, including a first priority legal charge over Entatech's premises at Stafford Park 6, Telford, TF3 3AT.

We continue to liaise with KPMG LLP in respect of the repayment of the debt. The Administrators have confirmed that they anticipate the Company will be repaid in full.

Disposals of the Company's property

As creditors will be aware from our previous report, the Company continued to trade after the Petition Date. In accordance with Section 127 of the Act, any disposition of the Company's property between the Petition Date and the making of the winding-up Order is void, unless validated by the Court.

To the date of this report, a total of eight settlements have been reached in respect of void dispositions subject to Section 127, the terms of which are confidential. The entities with whom we have settled include four trade suppliers.

We can also confirm that a confidential settlement has been reached with Entanet International Limited ("Entanet"), another connected entity. Further information in relation to this settlement is referenced in Entanet's recent filings at Companies House.

While the terms of each settlement remain confidential, we can confirm the Receipts and Payments records the total receipts in the period in respect of void disposition repayments in the sum of £1,543,156. Further realisations are payable on deferred terms in respect of certain of the settlements. The Liquidators continue to pursue the recovery of void payments and correspondence is ongoing with a substantial number of the Company's former suppliers.

Creditors may recall from the costs forecast circulated with our previous annual progress report, estimated costs falling under this category would total £343,749 up to 4 June 2017. As a consequence of the significant progress made in settling certain of these claims, this has been exceeded and our costs to date in respect of this area of work total £445,751.

A proportion of the travel costs, legal fees, and Counsel fees are associated with our actions in this regard.

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

As set out in our previous report and as summarised above, prior to the Company being placed into liquidation HMRC had raised a number of assessments against the Company in respect of VAT, several of which had been appealed by the Company. These matters were due to be resolved at VAT tribunal hearings, which at the

time the Liquidators' were appointed, were at various stages. A significant proportion of costs under this heading has included the collation and review of documentation relevant to those tribunal proceedings in order to consider the appropriate action we should take regarding the same.

A proportion of the travel costs, legal costs and legal disbursements are associated with our work undertaken in this cost category.

In the costs forecast circulated with our previous annual progress report, costs falling under this category were forecast at £43,826, to 4 June 2017. This has been exceeded and our costs in respect of this area of work total £58,370, to date, which has also contributed to the overall costs overrun set out in section 6 of this report.

The main reason for this is due to enhanced work required in analysing the VAT tribunal position and seeking further information and documents from HMRC to assess the validity of its claim.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

As has been summarised in a number of press reports and detailed in the publically available Court judgements, the Company has been implicated in a substantial VAT fraud. HMRC has submitted an interim claim in the liquidation of approximately £42million in respect of tax losses it claims arise as a result of the Company's involvement in VAT fraud.

As a consequence of the judgment of the Court of Appeal in the winding-up proceedings, the outcome of the appeals in two First Tier Tax Tribunals and following our investigations into the Company's affairs and analysis of the records which have been made available to us, proceedings were issued against the Company's director, Jason Tsai. These proceedings are ongoing.

Prior to issuing the proceedings, the Liquidators sought and were granted a global freezing order against Mr Tsai. This remains in place. In addition, certain ancillary relief was also sought and obtained in the English Court and overseas.

Procedural directions for the timetable of the litigation were ordered by the Court and further updates will be given at an appropriate time. It is not appropriate to comment further at this time.

In the costs forecast circulated with our previous annual progress report, costs falling under this category were forecast to total £322,051 as at 4 June 2017. This has not been exceeded and our costs to date in respect of this area of work total £319,318.

Time has been spent in reviewing the Company's tax position generally and in attending meetings with our advisers, Sagars Accountants Limited, in addition to a number of other parties to obtain information relevant to ongoing matters.

Furthermore, we have attended a number of meetings with former suppliers in order to progress our claims under Section 127 of the Act. These meetings have resulted in substantial realisations being made, as noted above.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors, based upon records provided by the director and claims received were provided in our previous progress report.

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

Secured creditor

While filings at Companies House indicate the Company granted security to The Royal Bank of Scotland ("RBS") and RBS Invoice Finance ("RBSIF") in November 2006 and February 2010 respectively, both RBS and RBSIF have confirmed to us that these charges have been released.

As such, we consider there are no secured creditors.

Preferential creditors

There are no known preferential claims.

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

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

The outcome of the liquidation is wholly contingent upon both the outcome of our ongoing investigations into transactions caught by S.127 of the Act and also the ongoing litigation against Mr Tsai. Therefore, at this point in time, it is not possible to accurately predict the ultimate outcome of the liquidation.

A further update will be provided in due course in accordance with our statutory reporting obligations.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by creditors by way of a resolution by correspondence by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the winding up. For the period covered by this report, our remuneration was agreed by reference to our fees estimate dated 3 August 2016 in the sum of £519,040.

Our actual time costs for the period 5 June 2016 to 4 June 2017 amount to £607,372 which represents 2,088 hours at an average rate of £291 per hour, which means that the fees estimate has been exceeded by £88,332. The reasons for this costs overrun are explained in the detailed narrative provided at section four of this report. We are seeking creditors' approval to these additional costs via a Decision Procedure, further details of which are provided at section 11 of this report.

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

- Time Costs Analysis for the period 5 June 2016 to 4 June 2017
- Cumulative Time Costs Analysis for the period 5 June 2015 to 4 June 2017
- Begbies Traynor (Central) LLP's charging policy

Please note that details relating to work undertaken in the period covered by our previous report have not been repeated here. However, the Cumulative Time Costs Analysis attached at Appendix 2 sets out all time spent on the matter to date.

As required in accordance with best practice and statutory guidelines, we have provided regular costs updates to the majority creditor, HMRC, in respect of this matter while also consulting with HMRC in respect of our proposed actions, including the issuing of proceedings against Mr Tsai.

To 4 June 2017, we have drawn the total sum of £737,455 on account of our remuneration, against total time costs of £974,275 incurred since the date of our appointment. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved.

Further fees estimate

As provided for in our previous annual report, we have included with this report a forecast of the fees expected to be incurred in the next 12 months of the liquidation, as we are obliged to do. Included at Appendix 2 is a schedule of costs in this regard which amounts to £688,000, which is complimented by the narrative provided at section eight below.

We are also seeking creditors' approval of our further estimate via a Decision Procedure, as outlined in section 11 of this report and as provided for in the documentation circulated with this report.

We will continue to provide annual fees estimates as the liquidation progresses.

Disbursements

Our firm's disbursement policy was approved by way of a written resolution passed following the circulation of our previous report to creditors.

To 4 June 2017, we have drawn disbursements in the total sum of £7,884.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case during the period of this report:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Subsistence	140.46
Mileage	121.50
TOTAL	261.96

Disbursements treated as Category 2 disbursements

Amounts paid to any party in which we or our firm or any associate has an interest:	
Type and purpose	Amount £
Eddisons Commercial Limited have been paid the sum of £2,000 for their professional valuation of various assets during the Liquidation.	2,000.00
TOTAL	2,000.00

If you wish to know more about how creditors should determine the liquidators' fees, a copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3, together with a cumulative statement showing the total expenses incurred since the date of our appointment.

Expenses actually incurred compared to those that were anticipated

In our previous progress report we provided details of the expenses incurred up to 4 June 2016, which amounted to a total of £434,338. An estimate of the expenses anticipated to be incurred in the period covered by this report was also provided, which totalled £515,278.

The expenses estimate for the period covered by this report has been exceeded and the total expenses in the period amount to £999,754. The expenses summary included at Appendix 3 of this report includes a comparison between the costs forecast and the expenses incurred in the period covered by this report. The main reason that the costs estimate has been exceeded is the significant amount of work carried out in connection with the claims issued against Mr Tsai and the work associated with that litigation. A supplemental narrative relating to the expenses categories where the forecast included in our last report has been exceeded is provided below:

- Legal fees, including counsel fees, relating to the pursuit of claims against Mr Tsai and the analysis of the S.127 position have exceeded that forecast in our previous report. At the time of our previous report, the progress made in connection with the claims was not envisaged in this period;
- Litigation-related costs comprising translator and transcription fees and incidental expenditure relating to travel and accommodation costs have been incurred in relation to the ongoing litigation and hearings which have taken place in the period of this report. As with the legal and counsel fees, it was not anticipated at the time of our last report that the litigation would have advanced so quickly;
- Investigation expenses relate to work undertaken in connection with the claims brought against Mr Tsai and includes the personal service of documents in accordance with Court directions; and
- Data hosting and analysis costs (MD5) have been incurred in relation to the review of a substantial volume of electronic records received which has been central to the pursuit of claims against Mr Tsai. At the time of our last report, it was not clear that such electronic records would be available to us for our analysis.

Included at Appendix 3 is a estimate of the expenses expected to be incurred in the next 12 months of the liquidation, having consideration to the various matter which remain to be addressed as summarised in this report. This expenses forecast represents our best estimate at this time. A further update will be provided in our next annual report in line with our statutory obligations.

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

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

General case administration and planning

As noted above, this is a complex matter and will continue to require considerable case strategy and planning time to ensure that the various aspects of the liquidation are being pursued in a proportionate manner. Regular reviews with our solicitors, Walker Morris, will be required in respect of the ongoing litigation against Mr Tsai, a proportion of which is also likely to be charged to this cost category.

The volume of files generated in the ongoing litigation and investigation into the Company's affairs also means that general case administration and filing time will also be significant to ensure all records are maintained in a proper and accurate manner.

Compliance with the Insolvency Act, Rules and best practice

We are required by the Act and Rules to produce annual reports, seek the views of creditors as necessary and comply with statutory Companies House filing requirements.

The complexities of the Liquidation and the requirement to keep creditors fully apprised of all matters and the associated costs in the liquidation contribute to the forecasted costs in the attached annual fee estimate.

Investigations and Asset Realisations

As noted above, and in our previous report, the historic trading in which the Company was involved, including its involvement in a substantial VAT fraud, has meant that considerable investigation time has been incurred in this liquidation. Costs included under this category include ongoing analysis of hard copy and electronic records held, which are central to our investigations into transactions that are subject to S.127 of the Act, with an intention to generate realisations in the liquidation.

Investigation time also includes the analysis of a very large number of documents relevant to the ongoing litigation against Mr Tsai.

Additionally, included within the investigations costs category is time spent by colleagues in the forensic accounting team which relates to the OCR analysis of banking information and statements that is necessary to trace the destination of payments made from the Company's account.

The outcome of our ongoing investigations in the liquidation remains uncertain at this time, although clearly this work is being undertaken with a view to generating realisations in the liquidation estate.

Asset realisation time will include time spent seeking the recovery of various S.127 transactions and also liaising with the Administrators of Entatech regarding the realisation of our security comprised in that Administration estate. As noted above, the outstanding consideration due from Entatech is approximately £443,000.

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

As noted above and in our previous progress report, there remain a number of "live" VAT tribunals that the liquidators are required to deal with. Time spent in relation to this matter will include considerations as to the merits of appeals brought by the Company prior to its liquidation and, where necessary, seeking legal advice from our solicitors.

Additionally, the creditor position in the liquidation may change depending on the outcome of the actions taken by the Liquidators to recover void payments..

In the event that claims are to be agreed within the next 12 months, any time spent in this regard will be recorded against this costs category.

Other matters which includes seeking decisions of creditors via deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel

It is presently expected that a number of further meetings will be required, both internally and externally, with a number of parties including our advisors, in order to progress the Liquidation. Additionally, time will be incurred travelling to and from any meetings held.

As with this report, time will be spent seeking to agree the following year's costs annually. This will form part of the annual report and will be adjudicated on by creditors by way of the decision procedure.

How much will this further work cost?

Having consideration to the size and complexity of the liquidation and the inherent unpredictability in relation to any litigation, it is not possible to project what the duration of the liquidation, and by extension the total costs, is likely to be. Accordingly, in line with our previous progress report, we are including with this report an estimate of our costs and expenses for the next 12 months of the liquidation which we project to be £685,000 in line with the forecast included at appendix 2 entitled "further fees estimate".

Expenses

Details of the expenses that we expect to incur within the next 12 months in connection with the ongoing matters are set out in the estimate of anticipated expenses attached at Appendix 2.

9. OTHER RELEVANT INFORMATION

Connected party transactions

Our investigations into transactions entered into with connected parties in the period prior to our appointment are ongoing. These matters are relevant to the litigation which the Liquidators are pursuing as summarised in this report.

HMRC VAT Tribunals

As advised in our previous report, prior to our appointment a number of assessments were raised by HMRC against the Company and a number of VAT tribunals arising from the same were 'live' at the date of our appointment.

We are continuing to take all appropriate steps to deal with these matters.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission

of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

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

11. SEEKING DECISION OF CREDITORS

As noted in section 4 of this report, we are required to seek the approval of creditors to the time costs incurred that exceed the costs estimate circulated with our previous annual progress report, amounting to £88,332.


We are also required to seek the approval of creditors in respect of our further fees estimate for acting as liquidators. We intend to seek the decisions in relation to the approval of our remuneration via a Decision Procedure by Correspondence and a notice providing further information about the decisions being sought is attached to this report.

Please be aware that the attached fees estimate is for the next 12 months only and that a further estimate will be circulated in our next annual report.

Should any creditor require further explanation of matters contained within the report, they should contact our office and speak in the first instance to the case manager, Jason Ainge, who will be pleased to assist.

12. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



N Reed
Joint Liquidator

Dated: 20 July 2017

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 5 June 2016 to 4 June 2017

	From 05/06/2016 To 04/06/2017 £	From 05/06/2015 To 04/06/2017 £
ASSET REALISATIONS		
Cash at Bank	NIL	2,844.52
Recovery of post-petition dispositions	1,543,155.64	4,092,673.33
Interest Accrued on WM Client A/C	NIL	183.35
Bank Interest Gross	7,068.05	11,444.06
Deposit on creditor petition	NIL	1,165.00
	1,550,223.69	4,108,310.26
COST OF REALISATIONS		
O.R. Administration fee	NIL	2,400.00
DBIS Audit Fees	88.00	176.00
DBIS Cheque Fees	5.25	8.00
Secretary of State Fees	NIL	80,000.00
Specific Bond	420.00	920.00
Bank charges	NIL	58.50
Agents fees	78,322.50	78,322.50
Agent's disbursements	2,100.42	2,100.42
Liquidators' Fees	546,712.30	737,454.80
Search and filing fees	27.28	191.28
Travel costs	3,638.56	5,690.95
Mileage costs	121.50	266.46
Agents/valuers fees	2,000.00	4,750.00
Legal Fees	498,852.60	753,125.60
Legal travel expenses	3,941.41	4,211.51
Corporation Tax	1,413.61	2,288.81
Legal agent fees re hearings	630.00	980.00
Photocopying costs	2,702.05	4,164.55
Transcriber fees	NIL	150.00
Postage Costs	442.30	542.74
Subsistence	220.31	289.67
Storage Costs	0.40	0.40
Counsel Fees	82,945.00	93,630.00

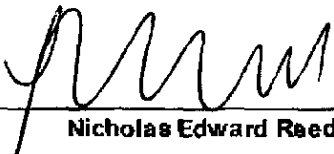
Statutory Advertising	(84.60)	84.60
Legal Disbursements	437.61	1,177.76
Data Analysis and Hosting costs	11,714.00	11,714.00
Stationery	27.94	27.94
SAGE Hosting Costs	1,605.00	3,335.00
Legal Search Fees	194.00	357.00
Court fees	510.00	510.00
Accountant's Fees	800.00	10,800.00
Sage Consultancy Fees	860.06	860.06
Translation fees	1,402.00	1,402.00
	<u>(1,242,049.50)</u>	<u>(1,801,990.55)</u>

<u><u>308,174.19</u></u>	<u><u>2,306,319.71</u></u>
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REPRESENTED BY

ISA (Interest Bearing)	2,218,355.74
Vat Control Account	87,963.97

2,306,319.71



Nicholas Edward Reed
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Further fees estimate;
- b. Begbies Traynor charging policy;
- c. Time Costs Analysis for the period from 5 June 2016 to 4 June 2017; and
- d. Cumulative Time Costs Analysis for the period from 5 June 2015 to 4 June 2017.

THE LIQUIDATORS' FURTHER FEES ESTIMATE

We are seeking creditors' approval of our further fees estimate, which is based on time costs incurred in the administration of the liquidation. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. We are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be reviewed by them.

Our fees estimate for the next year of the liquidation is set out below. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column.

Details of the work that the liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	192	47,500	247.40
Compliance with the Insolvency Act, Rules and best practice	70	18,000	257.14
Investigations	570	148,500	260.53
Realisation of assets	590	173,500	294.07
Trading	0	0	0.00
Dealing with all creditors' claims (including employees), correspondence and distributions	170	49,500	291.18
Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, meetings, tax, litigation, pensions and travel	720	251,000	348.61
Total hours	2,312		
Total time costs		688,000	
Overall average hourly rate £			297.58

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

Dated: 21 July 2017

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

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

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

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

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

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

Services provided by other entities within the Begbies Traynor group

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

Instruction of Eddisons Commercial Limited to provide valuation advice. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

Eddisons Commercial Limited may also be instructed to dispose of any assets identified in the liquidation estate. Their costs of disposal will be fixed at 15% in respect of stock, plant and machinery and fixtures and fittings and 2% in respect of real estate property.

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £nil based on current information. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

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

- Telephone and facsimile
- Printing and photocopying
- Stationery

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid.

Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

BEGBIES TRAYNOR CHARGE-OUT RATES

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

Grade of staff	Charge-out rate (£ per hour) 1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

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

Time is recorded in 6 minute units.

The office holder may use the services of BTG Forensic during the course of the case. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge-out rates applying to work carried out by BTG Forensic are as follows:

Grade of staff	Charge-out rate (£ per hour)
Partner	250
Senior Manager	175
Assistant Manager	100

SIP9 Changtel Solutions UK Limited - Winding Up Compulsory - 80CH403 WUC : Time Costs Analysis From 05/06/2016 To 04/06/2017

Staff Grade	Consultant/Partner	Director	Snr Mgr	Mngr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	36.6		33.9				58.5			129.0	32,863.50	254.76
Administration	7.0		12.8	0.9		33.3	18.3		2.7	75.0	13,777.00	183.69
Total for General Case Administration and Planning:	43.6		46.7	0.9		91.8	18.3		2.7	204.0	46,640.50	228.63
Compliance with the Insolvency Act, Rules and best practice	3.5					4.6	0.4		7.6	16.1	2,883.50	179.10
Case Closure												0.00
Statutory reporting and statement of affairs	17.1		13.3		0.5	13.2	1.0			45.1	12,857.00	285.08
Total for Compliance with the Insolvency Act, Rules and best practice:	20.6		13.3		0.5	17.8	1.4		7.6	61.2	15,740.50	257.20
Investigations	89.4		331.4	14.8		80.2	19.4			535.2	139,647.00	260.92
Total for Investigations:	89.4		331.4	14.8		80.2	19.4			535.2	139,647.00	260.92
Realisation of assets	21.2					0.3	2.0			23.5	8,634.50	367.43
Debt collection												0.00
Property, business and asset sales	10.3	76.3	261.9	14.4		130.0	5.2			496.1	133,519.00	268.06
Retention of Third Party assets												0.00
Total for Realisation of assets:	31.5	76.3	261.9	14.4		130.3	7.2			521.6	142,153.50	272.63
Trading												0.00
Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	13.5		99.9	11.5		9.7	5.1			139.7	41,219.50	295.06
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions:	13.5		99.9	11.5		9.7	5.1			139.7	41,219.50	295.06
Other matters which includes meetings, tax, litigation, pensions and travel	43.2		33.1	2.4		14.0				92.7	29,851.00	322.02
Meetings												311.65
Other	6.0		14.0			2.7			0.4	22.7	7,074.50	311.65
Tax	0.6		5.4			4.6				11.0	2,576.00	234.18
Litigation	322.8		177.3							500.1	182,489.00	364.87
Total for Other matters:	372.6		239.8	2.4		21.3			0.4	626.5	221,970.50	354.30
Total hours by staff grade:	571.2	76.3	983.0	44.0	0.5	351.1	51.4		10.7	2,088.2		
Total time cost by staff grade:	214,256.00	26,323.50	300,815.00	11,600.00	87.50	47,398.50	5,654.00		1,177.00		607,371.50	
Average hourly rate £:	375.10	345.00	306.02	265.00	0.00	135.00	110.00		110.00		290.86	
Total fees drawn to date £:											737,454.80	

SJP9 Changiel Solutions UK Limited - Winding Up Compulsory - 80CH403.WUC : Time Costs Analysis From 05/06/2015 To 04/06/2017

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	107.1	1.6				103.0	9.5		283.3	75,716.00	267.26
	Administration	49.2		28.2			59.6	24.8		177.3	41,450.00	233.78
Compliance with the Insolvency Act, Rules and best practice	Total for General Case Administration and Planning:	156.3	1.6	53.2			162.6	34.3	5.9	460.6	117,166.00	254.36
	Appointment	7.0						8.3		15.3	3,678.00	240.39
Investigations	Banking and Bonding	7.5					6.0	1.7	9.5	24.7	5,004.50	202.61
	Case Closure											0.00
Realisation of assets	Statutory reporting and statement of affairs	33.8		19.2		0.5	16.8	1.0		84.6	25,027.50	295.83
	Total for Compliance with the Insolvency Act, Rules and best practice:	48.3		19.2		0.5	22.8	11.0	9.5	124.6	33,710.00	270.65
Trading	CDDA and investigations	158.2		260.6	45.0		97.0	29.7		1015.4	255,861.00	251.98
	Total for Investigations:	158.2		260.6	45.0		97.0	29.7		1,015.4	255,861.00	251.98
Dealing with all creditors claims (including employees), correspondence and distributions	Debt collection	21.7					0.3	2.0		24.0	8,832.00	368.00
	Property, business and asset sales	34.4	95.9	132.2			130.0	5.2		659.6	181,017.50	274.44
Other matters which includes meetings, tax, litigation, pensions and travel	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:	56.1	95.9	132.2			130.3	7.2		683.6	188,849.50	277.72
Dealing with all creditors claims (including employees), correspondence and distributions	Trading											0.00
	Total for Trading:											0.00
Other matters which includes meetings, tax, litigation, pensions and travel	Secured											0.00
	Others	19.3		67.2			9.7	6.0		202.1	58,370.00	288.82
Other matters which includes meetings, tax, litigation, pensions and travel	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	19.3		67.2			9.7	6.0		202.1	58,370.00	288.82
Other matters which includes meetings, tax, litigation, pensions and travel	Meetings	149.8		79.5			20.8	5.2		288.4	93,879.50	325.52
	Other	6.0	3.0	25.9			2.7	3.6		55.2	15,369.00	278.42
Other matters which includes meetings, tax, litigation, pensions and travel	Tax	15.1		10.3			6.1	1.2	0.4	38.5	11,367.50	295.26
	Litigation	355.2		7.0						543.5	198,702.00	365.60
Other matters which includes meetings, tax, litigation, pensions and travel	Total for Other matters:	530.1	3.0	122.7			29.6	10.0	0.4	825.6	319,318.00	344.98
	Total hours by staff grade:	968.3	100.5	655.1	45.0	0.5	452.0	98.2	15.8	3,411.9		
Other matters which includes meetings, tax, litigation, pensions and travel	Total time cost by staff grade:	370,675.50	34,672.50	175,601.50	4,500.00	87.50	61,020.00	10,802.00	1,738.00		974,274.50	
	Average hourly rate £:	382.81	345.00	265.00	100.00	175.00	135.00	110.00	110.00		737,454.80	285.55
Total fees drawn to date £:												

DETAILS OF THE EXPENSES THAT THE LIQUIDATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED WITHIN THE NEXT 12 MONTHS

	Type of expense	Description	Estimate £
1.	Advertisements	Of dividends etc.	Nil – 169
2.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity	1,000 – 2,500
3.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	250 - 350
4.	Property agent's valuation fees and disbursements	For the provision of professional assistance and anticipated disbursements	1,000-10,000
5.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	700,000 – 900,000
6.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	Nil – 200
7.	Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	10,000 – 100,000
8.	Travel	To and from meetings in connection with the matters set out in this report	2,000 – 5,000
9.	Insolvency Services Account Quarterly fee	In a compulsory liquidation the Insolvency Practitioner is required by statute to hold all of the estate funds in the Insolvency Services Account	88
10.	Insolvency Service cheque fees	Where the Insolvency Practitioner is obliged to use the Insolvency Services Account he/she is required to pay a cheque fee when monies are paid out of the account by cheque	10 - 50
11.	Data analysis and hosting costs	In connection with our ongoing investigations	2,000 – 5,000
12.	Accountant's fees	For the provision of advice and performing Corporation Tax work on behalf of the Company	5,000 – 10,000

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Total Balance to be discharged (including cumulative costs) £
Expenses incurred with entities not within the Begbies Traynor Group				
Legal fees	Walker Morris LLP	770,578.00	498,852.60	333,758.40
Legal disbursements	Walker Morris LLP	437.61	437.61	0.00
Legal travel expenses	Walker Morris LLP	3,941.41	3,941.41	1,028.97
Legal agent fees regarding hearings	Walker Morris LLP	630.00	630.00	0.00
Legal search fees	Walker Morris LLP	163.00	194.00	401.20
Translation fees	Walker Morris LLP	3,007.31	1,402.00	1,605.31
Court fees	Walker Morris LLP	920.00	510.00	410.00
Travel costs	Various	3,638.56	3,638.56	0.00
DBIS costs	Insolvency Services	93.25	93.25	0.00
Counsel fees	Various	101,671.00	82,945.00	18,726.00
Data analysis and hosting costs	MD5 Limited	14,000.00	11,714.00	2,286.75
Photocopying costs	Various	2,702.05	2,702.05	0.00
Bond	Marsh Limited	420.00	420.00	0.00
Agent's fees	MWiFRC	78,322.50	78,322.50	0.00
Agent's disbursements	MWiFRC	2,100.42	2,100.42	0.00
Stationery	Various	27.94	27.94	0.00
Search and filing fees	Various	27.28	27.28	0.00
Corporation Tax	HM Revenue & Customs	1,413.61	1,413.61	0.00
Postage costs	Various	647.64	442.30	205.34

Storage costs	Restore Plc	247.60	0.40	349.80
SAGE hosting costs	CPiO Limited	1,605.00	1,605.00	0.00
SAGE consultancy costs	CPiO Limited	860.06	860.06	0.00
Accountant's fees	Sagars Accountants Limited	5,300.00	800.00	4,500.00
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Agent's fees paid to Eddisons	Eddisons Commercial Limited	2,000.00	2,000.00	0.00
Insurance premium paid to Eddisons	Eddisons Insurance Services Limited	5,000.00 (estimated)	0.00	5,000.00 (estimated)

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal fees	Walker Morris LLP	1,086,884.00
Legal disbursements	Walker Morris LLP	1,177.76
Legal travel expenses	Walker Morris LLP	5,240.48
Legal agent fees regarding hearings	Walker Morris LLP	980.00
Legal search fees	Walker Morris LLP	758.20
Translation fees	Walker Morris LLP	3,007.31
Court fees	Walker Morris LLP	920.00
Transcriber fees	Walker Morris LLP	150.00
Counsel fees	Walker Morris LLP	112,356.00
Data analysis and hosting costs	MD5 Limited	14,000.00
Photocopying costs	Various	4,164.55
Bond	Marsh Limited	920.00
Agent's fees	MWIFRC	78,322.50
Agent's disbursements	MWIFRC	2,100.42
Stationery	Various	27.94
Search and filing fees	Various	191.28
Corporation Tax	HM Revenue & Customs	2,288.81
Postage costs	Various	748.08
Bank charges	Various	58.50
Storage costs	Restore Plc	350.20
Statutory advertising	Courts Advertising Limited	84.60
SAGE hosting costs	CPIO Limited	3,335.00
SAGE consultancy costs	CPIO Limited	860.06

Secretary of State fees	Secretary of State – Ad Valorem	80,000.00
Official Receiver's administration fee	Secretary of State	2,400.00
DBIS costs	Insolvency Services	184.00
Accountant's fees	Sagars Accountants Limited	15,300.00
Agent's fees paid to Eddisons	Eddisons Commercial Limited	4,750.00
Insurance premium paid to Eddisons	Eddisons Insurance Services Limited	5,000.00 (estimated)