

LIQ03

Notice of progress report in voluntary winding up



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

1 Company details

Company number	0	4	9	3	5	8	8	4
Company name in full	Chillogic Limited							

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

2 Liquidator's name

Full forename(s)	Alan Bradstock FCA FCCA FABRP
Surname	MIPA

3 Liquidator's address

Building name/number	Langley House
Street	Park Road
Post town	London
County/Region	
Postcode	N 2 8 E Y
Country	

4 Liquidator's name ①

Full forename(s)	
Surname	

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

5 Liquidator's address ②

Building name/number	
Street	
Post town	
County/Region	
Postcode	
Country	

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

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6 Period of progress report

From date	^d 2	^d 0	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0	
To date	^d 1	^d 9	^m 0	^m 4	^y 2	^y 0	^y 2	^y 1	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	Signature X 	X							
Signature date	^d 1	^d 7	^m 0	^m 6	^y 2	^y 0	^y 2	^y 1	

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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 Alan Bradstock FCA FCCA FABRP

Company name AABRS Limited

Address Langley House

Park Road

Post town London

County/Region

Postcode N 2 8 E Y

Country

DX

Telephone 020 8444 3400



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

**Liquidator's Annual
Progress Report to
Creditors & Members**

**Chillogic Limited
- In Liquidation**

17 June 2021

CHILLOGIC LIMITED - IN LIQUIDATION

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CHILLOGIC LIMITED - IN LIQUIDATION

1 Introduction and Statutory Information

- 1.1 I, Alan Bradstock FCA FCCA FABRP MIPA of AABRS Limited, Langley House, Park Road, London, N2 8EY, was appointed as Liquidator of Chillogic Limited (the **Company**) on 20 April 2020.
- 1.2 This progress report covers the period from 20 April 2020 to 19 April 2021 (**the Period**) and is to be read in conjunction with any previous progress reports which have been issued.
- 1.3 The principal trading address of the Company was Unit 11, Tweedale Court Industrial Estate, Madeley, Telford, TF7 4JT. The Company undertook freight transport by road for clients nationwide.
- 1.4 The registered office of the Company has been changed to Langley House, Park Road, East Finchley, London, N2 8EY and its registered number is 04935884.
- 1.5 Information about the way that we will use and store personal data on insolvency appointments can be found at <https://www.aabrs.com/privacy-policy>. If you are unable to download this, please contact us and a hard copy will be provided.

2 Receipts and Payments

- 2.1 At Appendix A is my Receipts and Payments Account covering the Period of this report.
- 2.2 In Section 3 below, you will find an update on the progress made during the Period in realising the Company's assets and dealing with its affairs.

3 Progress of the Liquidation

- 3.1 This section of the report provides creditors with an update on the progress made in the liquidation during the Period.
- 3.2 At Appendix A is my Receipts and Payments Account for the Period.
- 3.3 Attached at Appendix B is a time analysis outlining the time spent by the Liquidator and his staff during the period of this report.
- 3.4 Further information about the basis of remuneration agreed in this case and the Liquidator's fees estimate can be found in section 5 of this report, together with any relevant information about revisions to this estimate, where applicable.

Administration (including statutory compliance & reporting)

- 3.5 An office holder must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work I anticipated would need to be done in this area was outlined to creditors in my initial fees estimate which was previously agreed by creditors.
- 3.6 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Liquidator.

CHILLOGIC LIMITED - IN LIQUIDATION

- 3.7 As noted in my initial fees estimate, this work will not necessarily bring any financial benefit to creditors but is required on every case by statute.
- 3.8 Some of the work undertaken by an insolvency practitioner may not necessarily provide a financial benefit to creditors but is required on every case by statute. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of the former employees via the National Insurance Fund.
- 3.9 Below are details of the work I have undertaken during the reporting period:-
- (i) Creation and update of case files on my firm's insolvency software;
 - (ii) Opening, maintaining the liquidation estate cashbook and bank account;
 - (iii) Complying with statutory duties in respect of the Liquidator's specific penalty bond;
 - (iv) Notifying creditors of the Liquidator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House;
 - (v) Writing to the Director to draw his attention to the provisions of sections 216 and 217 of the Insolvency Act 1986;
 - (vi) Writing to the Company's bankers requesting details of any securities held and copies of bank statements for the 24-month prior to liquidation;
 - (vii) Completion and filing of the notice of the Company's insolvency to HMRC;
 - (viii) Pension regulatory reporting and auto-enrolment cancellation;
 - (ix) Providing the Director with a questionnaire for completion to assist the Liquidator with his investigations into the Company's affairs;
 - (x) Securing the Company's books and records;
 - (xi) Writing to the Information Commissioner's Office advising of a change to the registered address of the Company;
 - (xii) Periodic case progression reviews;
 - (xiii) Dealing with all post-appointment VAT compliance;
 - (xiv) Circulating the Company's creditors with a proposal for the basis of the Liquidator's remuneration as decisions to be made via electronic voting.
- 3.10 Based on the current position of the case, the work which remains to be completed is the following:-
- (i) Preparing and issuing annual progress reports to members and creditors;
 - (ii) Lodging periodic returns with the Registrar of Companies for the liquidation;

CHILLOGIC LIMITED - IN LIQUIDATION

- (iii) Circulating the Company's creditors with a proposal for an increase in the Liquidator's remuneration as decisions to be made via electronic voting;
- (iv) Continuing to update case files on my firm's insolvency software;
- (v) Continuing to deal with all post-appointment VAT and corporation tax compliance;
- (vi) Completion of checklists and periodic case progress reviews, typically every six months;
- (vii) On-going review of ethical considerations; and
- (viii) Statutory steps to close the liquidation.

Realisation of Assets

3.11 It is anticipated that the work the Liquidator and his staff have undertaken to date will bring a financial benefit to creditors. This may be a distribution to secured creditors of the Company only (from which a Prescribed Part fund may be derived for the benefit of unsecured creditors) or may, depending on realisations and the extent of any 3rd party security, result in a distribution to the preferential and unsecured creditors of the Company.

3.12 Plant and Machinery

- (i) The Director's Statement of Affairs indicated that uncertainty surrounded the realisable value of plant and machinery. The assets were sold at auction and realised £4,100.
- (ii) The assets were valued by Robson Kay Associates Ltd, an independent firm of corporate recovery agents and member of NAVA, and sold to an unconnected third party.

3.13 Fixtures and Fittings

- (i) The Director's Statement of Affairs indicated that realisations in relation to the Company's fixtures and fittings were uncertain. The assets were sold at auction and realised £475.
- (ii) The assets were valued by Robson Kay Associates Ltd, an independent firm of corporate recovery agents and member of NAVA, and sold to an unconnected third party.

3.14 Cash at Bank - NatWest

- (i) The Director's Statement of Affairs made no provision for cash at bank; however, £37,367.60 has been realised.

3.15 Surplus Funds from RBS Invoice Finance

- (i) Per Director's Statement of Affairs, the secured creditor, RBS Invoice Finance Limited, was anticipated to be repaid in full from the debtor ledger.

CHILLOGIC LIMITED - IN LIQUIDATION

- (ii) Following termination of the invoice discounting agreement, surplus funds of £41,780.20 have been remitted to the estate.

3.16 Cash Held at AABRS Ltd Client Account

- (i) The Director's Statement of Affairs disclosed funds of £13,000 from the Company's bank account were being held in the AABRS Limited Client Account pending the appointment of a liquidator; in the event, £13,007.26 has been transferred to the estate.

3.17 Director's Loan Account

- (i) At cessation of trade, the Company's accounting ledger indicated an overdrawn director's loan account of £122,243.03. Movements in the account to cessation were to be investigated by the duly appointed liquidator and for that reason the Director's Statement of Affairs reflected the uncertainty surrounding its realisable value.
- (ii) Accountancy and bookkeeping services have been used to assist with investigations in analysing bank statements and preparing cessation accounts. Our analysis of the Company's records indicated that the loan account as overdrawn by £119,849.03 at the date of liquidation.
- (iii) I formally wrote to the Director in November 2020 to ask that he repay his liability. However, despite further correspondence with the Director, no proposals were received. Accordingly, I instructed solicitors, Freeths LLP, in February 2021 to assist me in this regard.
- (iv) On 11 March 2021, the Director was served with a statutory demand for £119,849.03 in respect of the overdrawn director's loan account. The Director was also advised that the Liquidator would shortly be in a position to issue a petition for his bankruptcy.
- (v) The Director subsequently advised that he had approached an insolvency practitioner for advice on his financial position with a view to entering into an individual voluntary arrangement and time has been afforded to the Director to consider his position.
- (vi) However, no proposal for an individual voluntary arrangement has been received and bankruptcy proceedings have therefore now been issued in this matter. The hearing is due to take place on 28 June 2021.
- (vii) I will provide creditors with an update regarding repayment of the director's loan account in my next progress report.

Unrealised Assets

- 3.18 Based on the current position of the case, the remaining unrealised assets include the following:-

- (i) The overdrawn director's loan account.
- (ii) A motor vehicle which was transferred to a shareholder prior to liquidation and is deemed a disposition of a Company asset in preference to all other creditors under s239 of The Insolvency Act - as detailed in the "Investigations" section below.

CHILLOGIC LIMITED - IN LIQUIDATION**Creditors (claims and distributions)**

- 3.19 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. A Liquidator is not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 3.20 Work undertaken by a Liquidator in dealing with a company's creditors may only therefore bring a financial benefit to certain classes of creditor such as a secured creditor or the preferential creditors, however a Liquidator is required by statute to undertake this work. Similarly, if a distribution is to be paid to any class of creditor, work will be required to agree those claims and process the dividend payments to each relevant class of creditor. The more creditors a company has, the more time and cost will be involved by the Liquidator in dealing with those claims.
- 3.21 Employment and redundancy specialists have been used to assist with employee matters generally and will be used to agree the employee preferential and unsecured claims where a dividend is anticipated. The work consisted of collating employee data, assisting in the submission of employee claims, issuing redundancy letters and calculating employee preferential and unsecured claims and Redundancy Payments Service claims. This work was contracted to ERA Solutions Limited who is an unconnected third party.
- 3.22 More information on the anticipated outcome for all classes of creditor in this case can be found in Section 4 below.
- 3.23 At this stage, I consider the following matters worth bringing to the attention of creditors:
- There are two secured creditors registered at Companies House;
 - No preferential claims are anticipated as per Director's Statement of Affairs and none have been received;
 - There are twenty-nine unsecured creditor claims anticipated in this case with a value per the Director's Statement of Affairs of £360,081.26 plus an estimated shortfall in relation to motor vehicle finance agreements of £469,685;
 - I have received claims totalling £144,897.93 from eleven creditors; I have yet to receive claims from twenty-five creditors whose debts are estimated to total £691,310.65 as per Director's Statement of affairs;
 - No claims have been agreed at this stage.

Investigations

- 3.24 Some of the work the Liquidator is required to undertake is to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations. This work may not necessarily bring

CHILLOGIC LIMITED - IN LIQUIDATION

any financial benefit to creditors, unless these investigations reveal potential asset recoveries that the Liquidator can pursue for the benefit of creditors.

- 3.25 I can confirm that I have submitted a report on the conduct of the Director of the Company to the Department for Business Innovation & Skills under the CDDA 1986. As this is a confidential report, I am unable to disclose the contents.
- 3.26 Shortly after appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors as a response to my request to complete an investigation questionnaire.
- 3.27 As creditors have been previously advised, the Company's encumbered motor vehicles were on finance leases and hire purchase contracts. As at the cessation of trading, the Company's accounting ledger indicated that there was a lot of movements within these encumbered motor vehicles.
- 3.28 Agents, Robson Kay Associates Ltd were unable to verify the accuracy of these movements from the information provided by the Director.
- 3.29 Steps have been undertaken by the Liquidator to identify the assets held under finance and investigations have revealed a motor vehicle was transferred to a shareholder prior to liquidation and is deemed a disposition of a Company asset in preference to all other creditors under s239 of The Insolvency Act.
- 3.30 The shareholder has been approached and wishes to retain the vehicle. Robson Kay Associates Ltd has been instructed to value the motor vehicle and following negotiations, a sale has been agreed at £26,000. These monies have been remitted to the estate in the post reporting period.

Matters still to be dealt with

- 3.31 Based on the current position of the case, the matters yet to be dealt with are as follows:-
- (i) Liaising with the appointed Trustee In Bankruptcy of David Firmin's estate regarding repayment of the overdrawn director's loan account;
 - (ii) Circulating the Company's creditors with a proposal for an increase in the Liquidator's remuneration as decisions to be made via electronic voting.

4 Creditors**Secured Creditors**

- 4.1 National Westminster Bank plc holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £55,277.21.
- 4.2 RBS Invoice Finance Limited holds a fixed and floating charge over the Company's assets. At the date of the liquidation the indebtedness to the secured creditor was estimated at £86,094.25.
- 4.3 Per Director's Statement of Affairs, the secured creditors were anticipated to be repaid in full from the debtor ledger and this has come to pass.

CHILLOGIC LIMITED - IN LIQUIDATION**Qualifying Floating Charge Holder (QFC)**

- 4.4 The Company granted a floating charge to National Westminster Bank plc on 17 March 2010.
- 4.5 The Company granted a floating charge to RBS Invoice Finance Limited on 19 December 2007.
- 4.6 As detailed above, the secured creditors have been repaid in full from the debtor ledger

Preferential Creditors

- 4.7 Four employees have been provided with support and assistance in lodging any claims they may be entitled to make for unpaid wages, holiday pay and other statutory entitlements from the National Insurance Fund and the Company.
- 4.8 No preferential claims have been received to date.

Unsecured Creditors

- 4.9 I have received claims totalling £144,897.93 from eleven creditors. I have yet to receive claims from twenty-five creditors whose debts are estimated to total £691,310.65 as per Director's Statement of affairs.
- 4.10 No claims have been agreed and will only have been adjudicated should a dividend have become payable.
- 4.11 I would confirm that a dividend to creditors is dependent on the level of realisations that may be achieved, if any, in respect of the overdrawn director's loan account. Should a dividend become payable, this office will issue notice of the same.

5 Liquidator's Remuneration**Pre-appointment costs**

- 5.1 At the virtual meeting confirming my appointment, creditors authorised £7,500 plus disbursements and VAT to be paid as an expense of the Liquidation to AABRS Limited, in respect of the preparation of the Statement of Affairs, together with £2,500 plus disbursements and VAT for their assistance in seeking a decision of creditors on the nomination of a liquidator.
- 5.2 From the fee paid to AABRS Limited, an amount of £2,500 plus VAT has been paid to S A Accountancy Ltd, the Company's accountants, for assistance provided with the preparation of the Statement of Affairs.

Post appointment remuneration

- 5.3 Creditors approved that the basis of the Liquidator's remuneration be fixed by reference to the time properly spent by him and his staff in managing the Liquidation.
- 5.4 Creditors also agreed that the Liquidator be authorised to draw category 2 disbursements in accordance with his firm's published tariff.

CHILLOGIC LIMITED - IN LIQUIDATION

5.5 My fees estimate was originally provided to creditors when the basis of my remuneration was approved and was based on information available to me at that time.

5.6 A copy of my approved fees estimate for the period 20 April 2019 to 19 April 2022 is reproduced below:

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	22.90	440.49	10,087.25
Investigations	42.70	423.28	18,074.25
Realisation of assets	10.50	377.07	3,959.25
Creditors (claims & distributions)	37.40	394.73	14,763.00
Total estimated fees			£46,833.75

5.7 My time costs for the Period are £43,149.75. This represents 82.63 hours at an average rate of £522.24 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during the Period in respect of the costs fixed by reference to time properly spent by me in managing the liquidation.

5.8 During the Period, £39,000 plus expenses shown in the enclosed Receipts and Payments Account has been drawn on account.

5.9 I now consider that the original fees estimate I provided for the liquidation is insufficient to complete my duties. As a result, my revised fees estimate is attached at Appendix C to this report and includes details of the work I consider is additional to that set out in my original fees estimate. The total of my revised fees estimate is £23,308.50 and I am seeking approval to this increase by electronic voting from creditors. Further details about the decision by electronic voting will be sent to creditors under separate cover.

5.10 I anticipate that it may be necessary to seek further approval to this revised estimate in due course and I will notify creditors accordingly should this happen.

5.11 I will also update creditors on the anticipated total amount that will be paid to my firm in respect of the revised fees estimate in my next progress report. Given the current revision of my anticipated costs and the ongoing work in the liquidation, it is difficult at this time to accurately report the anticipated payment to my firm, other than it will not exceed the cap of my revised estimate at Appendix C without further approval from creditors.

5.12 A copy of 'A Creditors' Guide to Liquidators' Fees' is available on request or can be downloaded from www.aabrs.com/resources/creditors-guides.

5.13 Attached as Appendix D is additional information in relation to the Liquidator's fees and expenses, including where relevant, information on the use of subcontractors and professional advisers.

CHILLOGIC LIMITED - IN LIQUIDATION

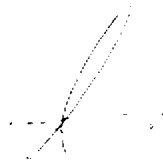
6 Creditors' Rights

- 6.1 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) may request in writing that the Liquidator provide further information about his remuneration or expenses which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Liquidator's remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Liquidator, as set out in this progress report, are excessive.

7 Next Report

- 7.1 I am required to provide a further report on the progress of the liquidation within two months of the next anniversary of the liquidation, unless I have concluded matters prior to this, in which case I will make my final account available to all creditors.
- 7.2 If you have any queries in relation to the contents of this report, I can be contacted by telephone on 020 8444 3400 or by email at info@aabrs.com.

Yours faithfully,



Alan S. Bradstock
Liquidator

Chillogic Limited
(In Liquidation)
Liquidator's Summary of Receipts & Payments

Statement of Affairs £	From 20/04/2020 To 19/04/2021 £	From 20/04/2020 To 19/04/2021 £
	GENERAL FIXED CHARGE	
NIL	NIL	NIL
184,382.27	NIL	NIL
(86,094.25)	NIL	NIL
	NIL	NIL
	PLANT & MACHINERY	
(55,277.21)	NIL	NIL
	NIL	NIL
	MOTOR VEHICLES	
Uncertain	NIL	NIL
(469,685.00)	NIL	NIL
	NIL	NIL
	ASSET REALISATIONS	
Uncertain	4,100.00	4,100.00
Uncertain	475.00	475.00
	37,367.60	37,367.60
	41,780.20	41,780.20
13,000.00	13,007.26	13,007.26
	29.36	29.36
Uncertain	NIL	NIL
	96,759.42	96,759.42
	COST OF REALISATIONS	
	276.00	276.00
	39,000.00	39,000.00
	1,207.50	1,207.50
	1,656.13	1,656.13
	60.00	60.00
	225.00	225.00
	100.00	100.00
	160.00	160.00
	(42,684.63)	(42,684.63)
	UNSECURED CREDITORS	
(111,466.41)	NIL	NIL
(44,020.05)	NIL	NIL
(22,475.80)	NIL	NIL
(182,119.00)	NIL	NIL
	NIL	NIL
	DISTRIBUTIONS	
(100.00)	NIL	NIL
	NIL	NIL
(773,855.45)	54,074.79	54,074.79
	REPRESENTED BY	
		600.00
		51,154.79
		2,320.00
		54,074.79

Appendix B - Time Entry - SIP9 Time & Cost Summary

C1140 - Chillogic Limited
 Project Code: POST
 From: 20/04/2020 To: 19/04/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	2.40	3.45	6.70	3.50	16.05	6,548.50	408.01
Case Specific Matters	0.00	0.00	0.00	0.50	0.50	125.00	250.00
Creditors	7.00	0.75	8.80	0.00	16.55	8,390.50	506.98
Investigations	9.50	9.57	1.30	0.00	20.38	12,794.25	627.94
Realisations of Assets	2.40	23.15	2.30	1.30	29.15	15,291.50	524.58
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	21.30	36.93	19.10	5.30	82.63	43,149.75	522.24
Total Fees Claimed						39,000.00	
Total Disbursements Claimed						376.00	

CHILLOGIC LIMITED - IN LIQUIDATION**Appendix C****Liquidator's Revised Fees Estimate**

The Liquidator's previous fees estimate has been (or is likely to be) exceeded and further approval is therefore required for a revision to this estimate as set out in the table below. This table indicates the anticipated revised cost against the Liquidator's previous estimate and this appendix contains further information about the reasons why the previous estimate has been exceeded (or is likely to be exceeded) and what additional work has been undertaken or is proposed to be undertaken.

I consider that the fee estimate I previously provided for the liquidation is insufficient to complete my duties as a result of:

- The previous fees estimate provided for time costs of £46,833.75 for the period 20 April 2020 to 19 April 2022. My time costs for the period 22 April 2020 to 19 April 2021 are £43,149.75.

It is anticipated that time costs accrued in the succeeding period will surpass the fees estimate as liaison will be required with the Trustee in Bankruptcy of David Firmin's estate in relation to repayment of an overdrawn director's loan account.

With respect to asset realisations, it was initially anticipated that costs of £3,959.25, representing 10.50 hours, would be incurred to 19 April 2022.

In the event, costs of £15,291.50 representing 29.15 hours, were incurred to 19 April 2021 and recovery of the loan account remains on-going as detailed above.

- Furthermore, the term of the liquidation is anticipated to extend beyond 19 April 2022 and therefore my revised estimate has taken this into account and with it the necessity to undertake periodic case reviews to ensure that progression is sustained.
- Additional time will by necessity have to be spent on statutory compliance and reporting.

Therefore, I have no option but to set out below my revised fees estimate. This is supplementary to the original fees estimate approved by creditors.

Category of work	Estimated Number of Hours	Average blended charge out rate £	Estimated cost £
Administration (inc statutory compliance & reporting)	18.60	482.28	8,970.50
Realisation of assets	19.00	532.76	10,122.50
Creditors (claims & distributions)	11.90	354.24	4,215.50
Total estimated fees			£23,308.50

A dividend to the creditors is dependent on the level of realisations that may be achieved, if any, in respect of the potential rights of action identified. Should a dividend become payable, this office will issue notice of the same.

CHILLOGIC LIMITED - IN LIQUIDATION

My supplementary fees estimate does not make a provision for my costs in agreeing claims and paying any dividend(s) or for issuance of the final account as these are included within the original fees estimate.

CHILLOGIC LIMITED - IN LIQUIDATION**Appendix D****Additional Information in Relation to the Liquidator's Fees, Expenses and the use of Subcontractors****8 Staff Allocation and the Use of Sub-Contractors**

- 8.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 8.2 The constitution of the case team will usually consist of a Director, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 8.3 On this case we have utilised the services of the following subcontractors. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holder(s) or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the liquidation.

Service (s)	Provider	Work to be done	Basis of fee arrangement	Cost to date	Anticipated total cost
Employee claims processing	ERA Solutions Limited (1)	Employee claims support, assisting with the submission of ERA claims to the Redundancy Payments Service and agreement of employee claims with the office holder. This may also include the production of P45s for former employees where appropriate	Fixe fee on a rising scale dependent on number of employees	£225.00	£225.00
Accountancy and bookkeeping	E-Accounting Solutions Limited (2)	To assist with investigations in analysing bank statements and preparing cessation accounts.	Time costs basis	£60.00	£60.00

- (1) Employment and redundancy specialists have been used to assist with employee matters generally and will be used to agree the employee preferential and unsecured claims where a dividend is anticipated. The work consisted of collating employee data, assisting in the submission of employee claims, issuing redundancy letters and calculating employee preferential and unsecured claims and Redundancy Payments Service claims. This work was contracted to ERA Solutions Limited who is an unconnected third party. This is specialised work and I consider there will be a direct benefit to creditors by way of a reduced cost when compared to the time taken by my staff to complete the work.

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(2) Accountancy and bookkeeping services have been used to assist with investigations in analysing bank statements and preparing cessation accounts. These have been used to assist me in ascertaining whether there are potential further recoveries to be made to the insolvent estate. This work was contracted to E-Accounting Solutions Limited who is an unconnected third party. This is specialised work and I consider there will be a direct benefit to creditors by way of a reduced cost when compared to the time taken by my staff to complete the work.

9 Professional Advisors

9.1 On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Freeths LLP (legal advice)	Hourly rate and disbursements
Robson Kay Associates Ltd (valuation and disposal advice)	25% of realisations plus VAT

9.2 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Liquidator's Expenses

9.3 The estimate of expenses which were anticipated at the outset of the liquidation was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred to date.

Category 1 expenses

9.4 These expenses do not require prior approval by creditors. The type of expenses that may be charged to a case as a Category 1 expense generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, external room hire and external storage costs. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case. These expenses may include disbursements which are payments first met by an office holder and then reimbursed from the estate.

Expense	Estimated overall cost £	Paid in the Period £	Incurred but not paid to date £
Specific Penalty Bond (1)	720.00	276.00	0.00
Agents/valuers fees – Robson Kay Associates Ltd (2)	7,707.50	1,207.50	6,500.00
Agents disbursements - Robson Kay Associates Ltd (2)	1,656.13	1,656.13	0.00
Accountancy fees – E-Accounting Solutions Limited (3)	60.00	60.00	0.00
Employment Rights Consultants – ERA Solutions Limited (4)	225.00	225.00	0.00
Statutory advertising (5)	245.00	160.00	0.00
Legal fees – Freeths LLP (6)	3,141.70	0.00	1,371.90
Legal disbursements – Freeths LLP (6)	1,360.00	0.00	1,360.00

(1) The current bond covers realisations into the estate up to a value of £100,000. If this is exceeded, then an increase in bond will be required, attracting a higher premium.

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My original fees estimate provides for a specific penalty bond of £720, which covers realisation into the estate up to a value of £500,000, as the realisations in respect of the Company's tangible and intangible were uncertain at the commencement of the liquidation.

- (2) As detailed above, realisations in respect of the Company's plant & machinery and fixtures & fittings were anticipated at the commencement of the liquidation. However, Robson Kay Associates Limited have also been instructed to assist with the valuation and realisation of a motor vehicle. Therefore the fees of the valuers, Robson Kay Associates Limited, which are based on a percentage of realisations, have been revised upwards.
- (3) Accountancy and bookkeeping services have been used to assist with investigations in analysing bank statements and preparing cessation accounts. These have been used to assist me in ascertaining whether there are potential further recoveries to be made to the insolvent estate. This work was contracted to E-Accounting Solutions Limited who is an unconnected third party.

The fees of E-Accounting Solutions Limited were not included within the original fees estimate.

- (4) Employment and redundancy specialists have been used to assist with employee matters generally. This work was contracted to ERA Solutions Limited who is an unconnected third party.

My original fees estimate provided for payment of £225 to ERA Solutions Limited.

- (5) Two adverts have been placed in the London Gazette, attracting a charge of £80 plus VAT per advert. The adverts placed were i) the advertisement of the winding up and ii) the advertisement of the Liquidator's appointment. In the event that sufficient funds are realised to facilitate a distribution to creditors, then an advert will be placed for a Notice of Intended Dividend at a cost of £85 plus VAT.
- (6) No provision was made within my original fees estimate for legal fees and disbursements; however, I instructed solicitors, Freeths LLP, to assist me in recovery of the overdrawn director's loan account.

On 11 March 2021, the Director was served with a statutory demand and bankruptcy proceedings have now been commenced.

Category 2 expenses

- 10.3 These expenses do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may therefore include payments to associates of the office holder or shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Liquidator's fees were approved by creditors.

Expense	Estimated overall cost	Paid in the Period	Incurred but not paid to date
	£	£	£
Storage costs (1)	100.00	100.00	0.00

- (1) Two boxes have been received, which incurred a charge of £50 per box per year. £100 plus VAT was drawn on account of charges incurred to 19 April 2021. No further costs will be drawn.

CHILLOGIC LIMITED - IN LIQUIDATION**10 Charge-Out Rates**

- 10.1 AABRS Limited's current charge-out rates effective from 01 September 2019 are detailed below. Please note this firm records its time in minimum units of 6 minutes.
- 10.2 There have been no material increases in charge-out rates since the commencement of the Liquidation.
- 10.3 A schedule of charge out rates as at 01 September 2019 are shown below:-

	(Per hour)
Director	£750.00
Manager	£315.00 - £550.00
Other Senior Professional	£275.00 - £310.00
Assistants & Support Staff	£175.00 - £260.00