

LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



A11 *A6DL67V5* #187
25/08/2017
COMPANIES HOUSE

1 Company details

| | | | | | | | | |
|----------------------|-----------------------------------|---|---|---|---|---|---|---|
| Company number | 0 | 6 | 5 | 3 | 8 | 1 | 1 | 7 |
| Company name in full | Rail and Telecom Projects Limited | | | | | | | |

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

2 Liquidator's name

| | |
|------------------|--------|
| Full forename(s) | Lloyd |
| Surname | Biscoe |

3 Liquidator's address

| | |
|----------------------|----------------------|
| Building name/number | The Old Exchange |
| Street | 234 Southchurch Road |
| Post town | Southend on Sea |
| County/Region | |
| Postcode | S S 1 2 E G |
| Country | |

4 Liquidator's name

| | |
|------------------|-----------|
| Full forename(s) | Gary Paul |
| Surname | Shankland |

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

5 Liquidator's address

| | |
|----------------------|----------------|
| Building name/number | 31st Floor |
| Street | 40 Bank Street |
| Post town | London |
| County/Region | |
| Postcode | E 1 4 5 N R |
| Country | |

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

LIQ03

Notice of progress report in voluntary winding up

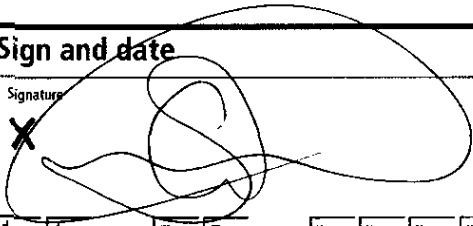
6 Period of progress report

| | | | | | | | | | |
|-----------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|--|
| From date | ^d 3 | ^d 0 | ^m 0 | ^m 6 | ^y 2 | ^y 0 | ^y 1 | ^y 6 | |
| To date | ^d 2 | ^d 9 | ^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 | | | | | | | |
| Signature date | ^d 2 | ^d 3 | ^m 0 | ^m 8 | ^y 2 | ^y 0 | ^y 1 | ^y 7 | |

LIQ03

Notice of progress report in voluntary winding up

Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

| | |
|---------------|--|
| Contact name | Lloyd Biscoe |
| Company name | Begbies Traynor (Central) LLP |
| Address | The Old Exchange 234 Southchurch Road |
| Post town | Southend on Sea |
| County/Region | |
| Postcode | S S 1 2 E G |
| Country | |
| DX | |
| Telephone | 01702 467255 |

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

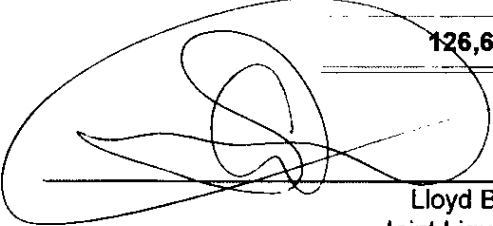
**Rail and Telecom Projects Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 29/06/2017**

| S of A £ | | £ | £ |
|---------------------|----------------------------------|-----------|-------------------|
| | ASSET REALISATIONS | | |
| 42,983.00 | Cash at Bank | 42,959.32 | |
| 3,960.00 | Book Debts | NIL | |
| 143,727.00 | Work in Progress | 75,532.95 | |
| NIL | Fixtures & Fittings | NIL | |
| | Settlement | 12,500.00 | |
| | | | 130,992.27 |
| | COST OF REALISATIONS | | |
| | Legal Fees (1) | 4,250.00 | |
| | Storage Costs | 76.76 | |
| | | | (4,326.76) |
| | FLOATING CHARGE CREDITORS | | |
| (166,460.00) | RTP Civils Limited | NIL | |
| | | | NIL |
| | UNSECURED CREDITORS | | |
| (290,167.00) | Trade & Expense Creditors | NIL | |
| (245,607.00) | C & MB Executive Pension | NIL | |
| (56,185.00) | SSP Assets Limited | NIL | |
| (41,547.00) | H M Revenue & Customs (CIS) | NIL | |
| (25,896.00) | H M Revenue & Customs (PAYE) | NIL | |
| (41,271.00) | H M Revenue & Customs (VAT) | NIL | |
| | | | NIL |
| | DISTRIBUTIONS | | |
| (100.00) | Ordinary Shareholders | NIL | |
| | | | NIL |
| (676,563.00) | | | 126,665.51 |

REPRESENTED BY
Bank 1 Current

126,665.51

126,665.51



Lloyd Biscoe
Joint Liquidator

Rail and Telecom Projects Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 30 June 2016 to 29 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.

Contents

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- ❑ Progress during the period
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- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
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- ❑ Creditors' rights
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 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|---|--|
| "the Company" | Rail and Telecom Projects Limited (In Creditors' Voluntary Liquidation) |
| "the liquidation" | The appointment of liquidators on 30 June 2016. |
| "the liquidators", "we", "our" and "us" | Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Gary Paul Shankland of Begbies Traynor (Central) LLP, 31st Floor, 40 Bank Street, London, E14 5NR |
| "the Act" | The Insolvency Act 1986 (as amended) |
| "the Rules" | The Insolvency (England and Wales) Rules 2016 |
| "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

| | |
|----------------------------|---|
| Trading name(s): | As above |
| Company registered number: | 06538117 |
| Company registered office: | The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG |
| Former trading address: | Suite 4, Astra House, The Common, Cranleigh, Surrey, GU6 8RZ |

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

| | |
|-----------------------------------|--------------|
| Date winding up commenced: | 30 June 2016 |
| Date of liquidators' appointment: | 30 June 2016 |
| Changes in liquidator (if any): | None |

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 30 June 2016 to 29 June 2017.

Asset Realisations

Cash at Bank

The sum of £42,959.32 has been realised in respect of the cash held in the Company's bank account.

Book Debts

The director advised that there were outstanding book debts owed to the Company with a Statement of Affairs value of £13,279.06. However, disputes had been raised in respect of each of the outstanding debts and therefore the sum of £3,960 was expected to be realised.

It should be noted that on inspection of the Company's bank statements final payment in respect of the debts were made. As a consequence no further debtor realisations are expected.

Work in Progress

The sum of £75,532.95 has been realised in respect of the Company's outstanding Work in Progress.

Fixtures & Fittings

The Company's accounts for the year ended 30 April 2014 reflected fixtures & fittings with a book value of £618. These items held no realisable value and were subsequently scrapped.

Settlement

The sum of £12,500.00 has been realised in respect of a settlement claim for a preference action that was identified.

Costs of Realisations

Legal Fees (1)

The sum of £4,250.00 has been paid to MHS Sprecher Grier for their assistance in the settlement of a preference claim.

Storage Costs

The sum of £76.76 during the period was paid to Archive Facilities (Southend) Limited for storage of the company's books and records. Archive Facilities (Southend) Limited is associated to partners of Begbies Traynor (Central) LLP and therefore in accordance with Statement of Insolvency Practice 9, as issued by R3, this expense is deemed as a Category 2 disbursement which requires creditor approval. It should be noted that this amount was refunded on the 10 August 2017 as it was paid in error.

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-traynordgroup.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.

General case administration and planning

- Updating the electronically held information at this office;
- General filing and printing of incoming communications;
- Setting up and maintaining physical case files;
- Creation, review and update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories.
- General case updates to include internal meetings on case strategy and effect of instruction;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Creation of file notes where necessary;
- Completion of one month case compliance and progression checklist;
- Completion of three month case compliance and progression checklist;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;
- Establishing the location of and subsequent collection (if applicable) of some of the Company's statutory and financial books and records from both the director of the Company and the Company's former accountants;
- Communication with the insolvent's bank to obtain copy bank statements.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act. Rules and best practice

- Preparing documentation and dealing with formalities of appointment (both statutory and best practice);
- Preparing, reviewing and issuing initial report to creditors following appointment;
- Submission of forms to Companies House and the London Gazette advertising;
- Obtaining specific penalty bond;
- Reviewing the adequacy of the specific penalty bond periodically;
- Update of the specific bond;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;

Banking:

- Opening, maintaining and managing the insolvent estate bank account;
- Creating, maintaining and managing the officer holders' cash book on this assignment;
- Undertaking regular bank reconciliations of the insolvent estate bank account;

- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- Corresponded with relevant directors of the insolvent entity to advise of the effect on them of insolvency and issue directors' questionnaires;
- Written to accountant for delivery up of company's files to include accounts and tax returns;
- Written to bank to obtain copy statements and their subsequent review;
- Review of books and records held;
- Reporting to relevant authorities;
- Completion of internal Company Directors Disqualification Act ("CDDA") investigations and form;
- Reviewing available records to determine any pre-appointment antecedent transactions;
- The office holders have made an appropriate submission to the Department for Business, Energy and Industrial Strategy;
- Review into the validity of associated company 'RTP Civils Limited (In Liquidation) floating charge and debenture.
- Requesting further bank statements, copy cheques, the beneficiaries of all transfers and the identity of parties making payments into the Company's accounts.
- Solicitors review of settlement documents and preference claim.

Further specific information will not be provided to creditors' at this time to reduce the risk of prejudicing any claims that may be bought.

The office holders are obliged under the CDDA to conduct certain investigations into the affairs and conduct of the Company and its directors. A report is subsequently submitted. This work does not directly commercially benefit creditors and is a statutory requirement. However, sometimes this work overlaps with investigations on antecedent transaction which the office holders may pursue.

On this assignment, there may be a direct commercial benefit to creditors in relation to the above matters if any rights of action became viable during the course of the investigations and are pursued leading to recovery/contributions to estate assets.

Realisation of assets

- Review of the available information and formulating an asset realisation strategy;
- Corresponding with the relevant bank to close the Company's account and forward any credit balance held;
- Realisation of funds in respect of outstanding amounts owed to the Company;
- Receipt of funds on preference claim.

On this assignment, the work detailed above has realised assets for the insolvent estate from which one or more class of creditors will directly benefit. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations.

Trading

None.

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

Creditors:

- Creating and updating schedules of preferential and unsecured creditor claims;
- Preparing all necessary notices and forms and subsequently sending initial circular to creditors;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence;
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims.

On this engagement, the work detailed above has had a direct financial benefit to creditors as claim agreement is expected to be undertaken in accordance with the Insolvency Act and Rules together with best practice to ensure that all creditor claims have been correctly lodged and fairly adjudicated on in anticipation of a possible dividend. Correspondence issued by this office may serve to additionally assist creditors of their remaining loss for tax and VAT purposes.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

Tax / VAT

- Submitting relevant initial notification to HM Revenue & Customs;
- Post appointment tax compliance – submission of corporation tax return(s);
- Post appointment VAT compliance – submission of VAT returns;
- Submission of information to HMRC regarding VAT returns for pre-appointment period.

On this assignment, the submission of VAT returns has enabled a reconciliation of the input and output VAT leading to a repayment of VAT charged on professional fees for the estate and constitutes a further realisation of assets. In this matter, creditors are expected to directly benefit from all asset realisations. Office holders are required to comply with VAT and Tax legislation in relation to the insolvent entity.

Meetings/travel

- Attendance at the Section 98 meeting and general meeting to place the Company into liquidation including travel to and from these meetings.

There is no direct financial benefit to creditors of this work on this assignment but it has been necessary in order to progress the insolvency process.

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the director's statement of affairs) are as follows:

Secured creditors

RTP Civils Limited (In Liquidation) an associated company who are owed the sum of £166,460 in total hold a floating charge created on 28th November 2014. This company subsequently entered into liquidation as of the 12th May 2016. Lloyd Biscoe and Dominik Thiel Czerwinke of Begbies Traynor were appointed as joint liquidators.

Preferential creditors

There are no known preferential creditors.

Unsecured creditors

Unsecured creditors were estimated at £302,688.22 and we have admitted two claims in the total sum of £112,099.82. H M Revenue & Customs have submitted combined claims in the sum of £358,730.

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 creditors

Based on realisations received to date and estimated realisations, we consider that there may be sufficient funds to enable a dividend to be paid to the secured creditor although the timing and quantum will ultimately depend upon our investigations into the Company's affairs and future realisations of the Company's assets.

Preferential creditors

There are no known preferential claims.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- 50% of the first £10,000 of net property;
- 20% of net property thereafter;
- Up to a maximum amount to be made available of £600,000

A liquidator will not be required to set aside the prescribed part of net property if:

- the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or

- the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, the Company's net property, as defined in Section 176A (6) of the Act, is estimated to be £126,666 and the prescribed part of the Company's net property to be £28,333. This will increase if further realisations are forthcoming and / or decrease with costs and expenses.

Unsecured creditors

Based on realisations received to date and estimated realisations, we consider that there may be sufficient funds to enable a dividend to be paid to the unsecured creditors although the timing and quantum will ultimately depend upon our investigations into the Company's affairs and the level of remuneration afforded to the Joint Liquidators by the Courts.

6. REMUNERATION & DISBURSEMENTS

Remuneration

We previously wrote to creditors to provide details of the basis upon which we propose to be remunerated for acting as liquidators and to seek approval of the same. In addition, that we would be seeking authorisation to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group.

Our time costs for the period from 30 June 2016 to 29 June 2017 amount to £27,895 which represents 105.8 hours at an average rate of £263.66 per hour.

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

- Time Costs Analysis for the period 30 June 2016 to 29 June 2017
- Begbies Traynor (Central) LLP's charging policy

To 29 June 2017, we have not drawn any remuneration, against total time costs of £27,895 incurred since the date of our appointment.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

As can be seen from the information above, and the Time Costs Analysis, our fees estimate of £49,600 has not been exceeded. We are pleased to report that we do not anticipate that it is likely to be exceeded if matters progress to conclusion as envisaged.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors on 22 July 2016.

Disbursements

To 29 June 2017, we have not drawn any disbursements.

Why have subcontractors been used?

We have instructed Haslers Chartered Accountants & Business Advisors ("Haslers") to assist with our investigations into the Company's affairs and its demise. We have instructed Haslers to assist us due to connected party involvement between the Company and other companies that Haslers are currently undertaking investigations into. We have instructed Haslers to act on a time cost basis. A maximum fee of £20,000 plus VAT and disbursements has been agreed. There is no benefit to the Liquidators, or Begbies Traynor, in instructing Haslers to undertake this work in this instance, and it is hoped that by doing so greater recoveries will be achieved for the benefit of the creditors.

We have instructed MHS Sprecher Grier Limited to assist the liquidators with the validity and extent of the security held by RTP Civils Limited (In Liquidation) over the undertaking of the Company. MHS Sprecher Grier Limited were chosen due to prior dealings and known effectiveness. MHS Sprecher Grier was to be remunerated on a time costs basis, and the personnel dealing with the matter at the firm have the following charge out rates per hour:

| | |
|-----------|------|
| Director | £400 |
| Associate | £275 |

To date they have incurred billed costs of £3,750.00 and unbilled costs of £4,080.00.

Fenwick Elliott was initially instructed to assist with the collection of the Company's book debts and outstanding Work in Progress. Fenwick Elliott were chosen due to prior dealings and known effectiveness. However due to a number of disputes raised and a lack of evidence the file was subsequently closed.

Category 2 Disbursements

No Category 2 disbursements or disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of our appointment other than in error which has since been corrected.

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.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £36,474.00. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

Legal Costs

MHS Sprecher Grier Limited has been appointed to assist the liquidators with the verification of the Company's claim within the liquidation of Rail and Telecom Projects Limited. MHS Sprecher Grier Limited were chosen due to prior dealings and known effectiveness. MHS Sprecher Grier was to be remunerated on a time costs basis, and the personnel dealing with the matter at the firm have the following charge out rates per hour:

| | |
|-----------|------|
| Director | £400 |
| Associate | £275 |

It has been estimated that their total costs will amount to £10,000 in completing the tasks and to date, the sum of £4,250.00 has been paid towards costs incurred by them.

Investigation Costs

As mentioned above, we have instructed Haslers Chartered Accountants & Business Advisors ("Haslers") to assist with our investigations into the Company's affairs and its demise.

We have chosen Haslers to assist as they are due to them undertaking similar investigations into connected parties of the Company and therefore already have knowledge on the matter. Haslers are to be numerated on a time costs basis and the personnel dealing with the matter at the firm have the following charge out rates per hour:

| | |
|----------------------|-----------|
| Partner | £375-£510 |
| Manager | £285-£320 |
| Senior Administrator | £190-£250 |
| Administrator | £95-£165 |
| Support | £100 |

It has been estimated that their costs in undertaking the tasks will be in the region of £20,000 and to date, nothing has been paid towards their outstanding costs.

The Liquidator is due to meet Haslers shortly to discuss their findings following their investigations into the Company's demise.

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 (if any) will it provide to creditors?

General case administration and planning

- The preparation, drafting and issue of this report to creditors and members to include all necessary information;
- Updating case strategy plan;
- Update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

There is no direct commercial benefit to creditors in relation to the above matters, but creditors benefit from case progression and accuracy. This work is necessary to progress the case and comply with best practice and statute.

Compliance with the Insolvency Act. Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

Banking:

- Maintaining and managing the insolvent estate bank account;
- Maintaining and managing the officer holders' cash book on this assignment;
- Undertaking regular bank reconciliations of the estate bank account;
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book if applicable;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable.

Closure

- Preparing, reviewing and issuing final report to members and creditors;
- Preparation and issue of advert convening final meetings of members and creditors to London Gazette;
- Convening and holding the final meeting of members and creditors;
- Completion of minutes of final meeting;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure.

On this engagement, the work identified above does not hold direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

As referred to previously, we have instructed Haslers to assist us with the investigations into the Company's affairs. Although we do not anticipate conducting significant further investigations or pursuing any claims on this assignment, should Haslers bring any matters to our attention that require action, we shall seek to pursue this in the appropriate manner.

There might be a direct commercial benefit to creditors in relation to the above matters if any rights of action become visible during the course of the investigations and are pursued leading to recovery/contributions to estate assets.

Realisation of assets

None, other than potential realisations covered by investigations.

Trading

None.

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

Creditors:

- The issue of this report and associated required documents;
- Updating schedules of preferential and unsecured creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence;
- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims;
- Review of and adjudication on held and un-agreed claims preceding dividend;
- Calculation and subsequent payment of dividend to one or more classes of creditors;
- Add any case specific matters here, including secured creditor issues.

On this engagement, the work detailed above may have a direct financial benefit to creditors. Claim agreement is expected to be undertaken in accordance with the Insolvency Act and Rules together with best practice to ensure that all creditor claims have been correctly lodged and fairly adjudicated on. All creditors that have not claimed have had a fair chance to submit claims. A dividend to creditors has subsequently been paid and the correspondence issued by this office may serve to additionally assist creditors of their remaining loss for tax and VAT purposes.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel

- The completion of VAT forms in order to reclaim outstanding VAT;
- The Completion of Corporation Tax returns;
- Applications for new PAYE and UTR references if a dividend becomes payable;
- Attending meetings that may arise along with travel to and from those meetings;
- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC;
- Liaising with instructed pension's trustee specialists for any further action that becomes apparent with regard to the Company's pension scheme.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors. These include the provision of VAT returns after the liquidation as the majority of VAT will be recoverable and therefore an asset of the insolvent estate.

How much will this further work cost?

It is anticipated that a further £20,000 will be incurred for future works carried out on this assignment.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

| Expenses | Estimated cost (£) |
|----------|--------------------|
|----------|--------------------|

| | |
|-----------------------|------------------|
| Solicitors Costs | 5,000.00 |
| Investigations | 20,000.00 |
| Travel expenses | 60.00 |
| Statutory advertising | 90.00 |
| Postage | 135.78 |
| Photocopying* | 525.60 |
| Court Costs | 5,000.00 |
| Legal Fees | 10,000.00 |
| Total: | 40,811.38 |

Category 2 Disbursement*

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

As referred to above, we have undertaken an interview of the director in order to ascertain further information with regard to the Company's operations and affairs.

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, the basis fixed for our remuneration is inappropriate.

11. CONCLUSION

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



Lloyd Biscoe
Joint Liquidator

Dated: 21 August 2017

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 30 June 2016 to 29 June 2017

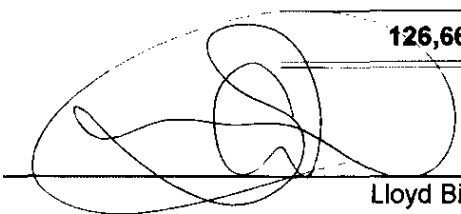
Rail and Telecom Projects Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 29/06/2017

| S of A £ | | £ | £ |
|---------------------|----------------------------------|-----------|-------------------|
| | ASSET REALISATIONS | | |
| 42,983.00 | Cash at Bank | 42,959.32 | |
| 3,960.00 | Book Debts | NIL | |
| 143,727.00 | Work in Progress | 75,532.95 | |
| NIL | Fixtures & Fittings | NIL | |
| | Settlement | 12,500.00 | |
| | | | 130,992.27 |
| | COST OF REALISATIONS | | |
| | Legal Fees (1) | 4,250.00 | |
| | Storage Costs | 76.76 | |
| | | | (4,326.76) |
| | FLOATING CHARGE CREDITORS | | |
| (166,460.00) | RTP Civils Limited | NIL | |
| | | | NIL |
| | UNSECURED CREDITORS | | |
| (290,167.00) | Trade & Expense Creditors | NIL | |
| (245,607.00) | C & MB Executive Pension | NIL | |
| (56,185.00) | SSP Assets Limited | NIL | |
| (41,547.00) | H M Revenue & Customs (CIS) | NIL | |
| (25,896.00) | H M Revenue & Customs (PAYE) | NIL | |
| (41,271.00) | H M Revenue & Customs (VAT) | NIL | |
| | | | NIL |
| | DISTRIBUTIONS | | |
| (100.00) | Ordinary Shareholders | NIL | |
| | | | NIL |
| (676,563.00) | | | 126,665.51 |

REPRESENTED BY
Bank 1 Current

126,665.51

126,665.51


Lloyd Biscoe
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy.
- b. Time Costs Analysis for the period from 30 June 2016 to 29 June 2017

SIP9 Rail and Telecom Projects Limi - Creditors Voluntary Liquidation - 03RA158.CVL Time Costs Analysis From 30/06/2016 To 29/06/2017

| Staff Grade | Consultant/Partner | Director | Dir Mgr | Mgr | Asst Mgr | Admin | Admin | Jr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|---|------------------|-----------------|--------------|----------|-------|-------|----------|---------|------------------|------------------|-----------------------|
| General Case Administration and Planning | Case planning | 5.0 | 7.5 | | | | | | | 12.5 | 6,254.50 | 351.36 |
| | Administration | 6.1 | | 0.3 | | | | | | 12.6 | 3,910.50 | 310.36 |
| | Total for General Case Administration and Planning | 11.1 | 7.5 | 0.3 | | | | | | 30.4 | 10,165.00 | 334.36 |
| Compliance with the provisions of Act, Rules and best practice | Appointment | | 0.7 | | | | | | | 23.8 | 4,021.00 | 168.94 |
| | Guaranty and Bonding | 0.3 | | | | | | | | 4.5 | 883.00 | 196.56 |
| | Case Closure | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | | | | | | | | | 2.0 | 320.00 | 160.00 |
| | Total for Compliance with the Insolvency Act, Rules and best practice | 0.3 | 0.7 | | | | | | | 8.4 | 5,194.00 | 170.88 |
| Investigative | GDCA and investigations | 16.1 | | | | | | | | 33.3 | 9,293.00 | 278.17 |
| | Total for Investigations: | 16.1 | | | | | | | | 33.3 | 9,293.00 | 278.17 |
| Realisation of assets | Debt collection | 1.7 | 0.7 | | | | | | | 2.8 | 1,042.00 | 372.14 |
| | Property, business and asset sales | 0.7 | | | | | | | | 1.3 | 417.50 | 321.15 |
| | Retention of Title/Tritd party assets | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | 2.4 | 0.7 | | | | | | | 4.1 | 1,459.50 | 356.98 |
| Trading | Trading | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | | | | 0.00 |
| | Others | | | | | | | | | | | 0.00 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | | | | | | | | | | | 0.00 |
| Other matters which includes meetings, lxx, litigation, pensions and travel | Other | 2.0 | | | | | | | | 2.0 | 790.00 | 395.00 |
| | Other | | | | | | | | | | | 0.00 |
| | Tax | | | | | | | | | | | 0.00 |
| | Litigation | | | | | | | | | | | 0.00 |
| | Total for Other matters: | 2.0 | | | | | | | | 2.0 | 790.00 | 395.00 |
| | Total hours by staff grade: | 31.9 | 8.9 | 0.3 | | | | | | 118 | 1,078.00 | 283.88 |
| | Total time cost by staff grade: | 12,848.00 | 3,915.50 | 94.50 | | | | | | 31,725.50 | 868.50 | 7,162.00 |
| | Average hourly rate £: | 402.76 | 396.00 | 8.00 | | | | | | 316.00 | 185.00 | 680.00 |
| | Total fees drawn to date £: | | | | | | | | | | | 145.00 |
| | | | | | | | | | | | | 263.66 |

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

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

² Ibid 1

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 rechargeable as a Category 1 expense) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes; Four to Two Hundred Boxes charged at £11 per quarter per box; over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter); Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.
- 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 an entity 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):

Eddisons Commercial Limited may be instructed to provide a valuation of remaining stock and assets at the proposed company's trading address. **Their charges are estimated at £750 and 10% of realisations thereafter.**

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services 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 |

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 £800. 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 Southend office as at the date of this report are as follows:

| Grade of staff | Standard 1 May 2016 – until further notice London |
|-----------------------|--|
| Partner | 395 |
| Director | 365 |
| Senior Manager | 315 |
| Manager | 270 |
| Assistant Manager | 235 |
| Senior Administrator | 185 |
| Administrator | 160 |
| Trainee Administrator | 160 |
| Support | 160 |

Time spent by support staff such as secretarial, administrative and cashing 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 Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division 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) |
|-------------------|---------------------------------|
| Director | 395 |
| Senior Manager | 365 |
| Assistant Manager | 270 |

STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ | Amount discharged £ | Balance (to be discharged) £ |
|---|---|----------------------|------------------------|---------------------------------|
| Expenses incurred with entities not within the Begbies Traynor Group | | | | |
| Specific Penalty Bond | AUA Insolvency Risk Services | 148.50 | - | 148.50 |
| Statutory Advertising | The Stationery Office Limited | 158.80 | - | 158.80 |
| IT Costs | Premier Computers / Maplin | 274.95 | - | 274.95 |
| Travel Expenses | Greater Anglia / Parking / Transport For London | 65.90 | - | 65.90 |
| Legal Costs | MHS Sprecher Grier Limited | 4,250.00 | - | 4,250.00 |
| Investigation Costs | Haslers Chartered Accountants & Business Advisers | 65.90 | - | 65.90 |
| Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>) | | | | |
| Photocopies & Faxes | Begbies Traynor (Central) LLP | 559.80 | - | 559.80 |
| Postage & Stationary | Begbies Traynor (Central) LLP | 111.36 | - | 111.36 |
| Storage Costs | Begbies Traynor (Central) LLP | 72.50 | - | 72.50 |