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The Insolvency Act 1986

Administrator's progress report

Name of Company G T Contracts Limited
--

Company number 01906302

In the Newcastle upon Tyne District Registry of the High Court Chancery Divi <small>(full name of court)</small>

Court case number 0389 of 2012

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)
Gordon Smythe Goldie
Tait Walker
Bulman House
Regent Centre, Gosforth
Newcastle upon Tyne
NE3 3LS

Andrea Lynn Marshall
Tait Walker
Bulman House
Regent Centre, Gosforth
Newcastle upon Tyne
NE3 3LS

administrators of the above company attach a progress report for the period

(b) Insert date

From (b) 13 September 2014	To
-----------------------------------	----

(b) 12 March 2015

Signed

L Marshall
Joint / Administrator(s)

Dated

9th April 2015

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to searchers of the public record

Gordon Smythe Goldie Tait Walker Bulman House Regent Centre, Gosforth Newcastle upon Tyne NE3 3LS	0191 285 0321 DX Exchange
DX Number	

When you have completed and signed this form, please send it to the Registrar of Companies at - Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



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Summary

Company	G T Contracts Limited
Type of Insolvency	Administration
Administrators Appointed	Gordon Smythe Goldie & Andrea Lynn Marshall
Date of Appointment	18 April 2012
Registered Office	Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne, NE3 3LS
Former Registered Office	127 New Bridge Street, Newcastle, Tyne & Wear, NE1 2SW
Trading Address	127 New Bridge Street, Newcastle, Tyne & Wear, NE1 2SW
Date of incorporation	18 April 1985
Principal Activity	Building Subcontracts/Installation

Dividend Prospects

	Current Estimate	Previous Estimate
	p in £	p in £
Preferential	1p	uncertain
Unsecured	nil	nil

Please note that estimated outcomes are illustrative only and are dependent upon asset realisations and creditor claims, and should not be relied upon as guidance to the final outcome for creditors. You should seek your own guidance in respect of any bad debt provision.

**Administrator's Progress Report
for the period from
13 September 2014 to 12 March 2015**

**G.T. Contracts Limited ("the Company")
In Administration**

Issued on: 9th April 2015



**The affairs, business and property of the Company are being managed by Gordon Smythe Goldie and Andrea Lynn Marshall as
Joint Administrators, who act as agents of the Company and without any personal liability**

G.T. Contracts Limited In Administration

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1. INTRODUCTION

We, Gordon Smythe Goldie and Allan David Kelly, of Tait Walker LLP were appointed Joint Administrators of G T Contracts Limited on 18 April 2012

Allan David Kelly has since retired from Tait Walker LLP and in accordance with a court order dated 17 July 2014, ceased to act as Administrator He was replaced by Andrea Lynn Marshall

Gordon Smythe Goldie is a partner and Andrea Lynn Marshall an associate in Tait Walker LLP ("Tait Walker") and licensed to act as insolvency practitioners by The Institute of Chartered Accountants in England & Wales

We confirm that no material conflict or relationship existed or exists which would have prejudiced us in taking this appointment and no subsequent ethical issues have arisen to date which would impact on our duties as office holders

In accordance with statutory requirements, we provide our sixth progress report on the administration for the period from 13 September 2014 to 12 March 2015

We enclose at Appendix A our receipts and payments account from 18 April 2012 to 12 March 2015, at Appendix B a summary of our time costs, and at Appendix C Tait Walker LLP – Statement on Remuneration and Expenses

This report has been prepared for the purposes of complying with our statutory duties as Joint Administrators under the Insolvency Act and Rules, as amended It should not be relied upon by any person for any other purpose and in any other context, and any person doing so does at their own risk

Any estimated outcomes or dividend prospect for creditors incorporated within this report are illustrative and subject to change depending on the ultimate proceeds of realisation, costs of the administration, and levels of creditor claims As such, such estimates or dividend prospects cannot be relied upon as guidance as to the actual outcome

2. STATUTORY AND ADMINISTRATOR'S INFORMATION

Company Information

Company Name	G T Contracts Limited
Registered Number	01906302
Previous Name	Coralgreat Limited
Trading Name	n/a
Nature of Business	Building Subcontracts/Installation
Registered Office	Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne, NE3 3LS
Former Trading Address	127 New Bridge Street, Newcastle, Tyne & Wear, NE1 2SW

Administrators Information

Names of Joint Administrators	Gordon Smythe Goldie Licensed Insolvency Practitioner (number 5799) Andrea Lynn Marshall Licensed Insolvency Practitioner (number 9398)
Authorising Body	The Institute of Chartered Accountants in England & Wales
Joint Administrators' Address:	Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS
Date of administrator's appointment	18 April 2012
Court	Newcastle upon Tyne District Registry of the High Court Chancery Div1 - 0389 of 2012
Person making appointment	Director – Graeme Thomas
Acts of the Joint Administrators	The Joint Administrators act as officers of the court and as agents of the Company without personal liability The Administrators will act jointly and severally Any act required or authorised under any enactment to be done by an Administrator may be done by any one or more persons holding the office of Administrator from time to time
EC Regulation on Insolvency	It is considered that the EC Regulation applies and that these are main proceedings as defined in Article 3 of the EC Regulation The company is registered in the UK (England and Wales), trades within the UK and the majority of its assets and creditors are entirely within the UK.
Changes in office holders	Andrea Lynn Marshall replaced Allan David Kelly on 17 July 2014
Basis of Remuneration	By reference to time properly spent by us and our staff in dealing with matters relating to the Administration of the Company, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken Approved by the creditors
Extension of Administration	The Administration has been extended by the court until 17 April 2015

3. GENERAL UPDATE ON ADMINISTRATION

This update relates to the period from 13 September 2014 to 12 March 2015 only It should be read in conjunction with our proposals and previous reports, as applicable Copies of these and of our proposals are available upon request from Tait Walker

We are continuing to chase one remaining debtor with the assistance of Glenn Bland (Glenn Bland & Co) The debtor has recently been taken over and discussions are ongoing with the new owners to try and agree the final account

Professional Advisers

The following professional advisers have been used to assist us in discharging our duties during the Administration

<u>Name of Professional Advisor</u>	<u>Nature of Work</u>	<u>Basis of Fee Agreement</u>
Brewster Brown Accountants	Assistance in the preparation of the statement of affairs	Fixed fee
G R Bland & Co	Collection of book debts and retentions	Percentage of realisations

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

4. ASSETS AND REALISATIONS

Our comments on the assets and realisations during the period are occurring in the period from 13 September 2014 to 12 March 2015 are provided below. Additional details together with estimated future asset realisations are provided within Appendix A

Book Debts

We have realised £2,011 54 since our last report

The primary debt, which is in dispute, remains outstanding. With the assistance of Glenn Bland of G R Bland & Co quantity surveyors, negotiations are ongoing

Assets Still to be Realised

Other than the assets outlined above, no assets remain unrealised or have proven to be unrealisable

5. PAYMENTS AND EXPENSES

Our comments on the payments and expenses incurred and/or paid during the period from 13 September 2014 to 12 March 2015 are provided below. Additional details are provided within Appendix A

Administrators Remuneration

Further details on remuneration and expenses are provided in Section 6

Postage

This expense is a category 1 expense (approval not required) and relates to third party recharges required to administer the case. Further details on the expenses recharge policy of Tait Walker is detailed in Appendix C - Tait Walker – Statement on Remuneration and Expenses

We have drawn £162 34 in the period

6. REMUNERATION AND EXPENSES

Our remuneration was approved on a time charged basis for both pre and post appointment time spent by the preferential and unsecured creditors

Information concerning Administrators Remuneration is detailed in Statement of Insolvency Practice 9 - A Guide to Administrators Fees This can be downloaded from <http://insolvency.taitwalker.co.uk/fee-guidance> or upon request from Tait Walker LLP, Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS (email recovery@taitwalker.co.uk)

A copy of Tait Walker – Statement on Remuneration and Expenses is attached at Appendix C which provides further information on the charge out rates and expenses recovery policy of Tait Walker, and outlines general tasks undertaken by the Administrators

Administrators Remuneration and Expenses

Our time charged for the period covered by this report (from 13 September 2014 to 12 March 2015 is 54 hours 48 minutes at a cost of £9,668 00, an average hourly rate of £176 42 We have invoiced £1,830 20 and drawn £1,830 20 over this period A detailed breakdown is attached at Appendix B

Details of the general work and tasks undertaken by the Administrators included within Appendix C

Total time spent to 12 March 2015 on the Administration amounts to 634 hours 12 minutes resulting in time costs of £107,846 90, an average hourly rate of £170 05 We have invoiced £81,545 70 and drawn £81,545 70 to 12 March 2015

Below, we provide a brief overview of the general descriptions (headed and shown in Appendix B) -

General Admin & Planning

Time charged to this code relates to general administration and planning work, correspondence/letters/emails calls and general strategy in relation to debtors, insurance queries, collation and logging of the company's books and records, general asset enquiries, bonding, general cashing post appointment related issues, and filing

General Correspondence

This relates to all general correspondence/letters/emails and calls required within the administration process

General Investigation

This is in relation to investigation into the company books and records required in respect of Director reports required

General Realisation of assets

This relates to the realisation of general assets such as vehicles/private registration plates, bonds/season tickets, asset insurance and debtors Work undertaken on the debtors has been exacerbated by contractual issues, and the major debtor has been subject to a significant dispute

General Creditors

This relates to the setup of creditors in the initial stages of the Administration, correspondence/letters/emails and calls ongoing throughout the Administration and reporting related matters. In addition time has been spent on agreeing preferential creditors in preparation for payment of a dividend.

General Other Matters

This relates to initial matters in respect of press releases, administration re meetings, VAT issues and reviews.

General Statutory Matters

This relates to statutory issues required in the initial stages of the Administration, visits to the Company premises, statutory reporting in respect of the periodic reports to creditors including the meeting of creditors, VAT and landlord issues.

General Employees

This relates to the dismissal of staff and assistance in their claims within the Administration along with ongoing correspondence/letters/emails and calls to assist employees where necessary.

Should any Creditor require any further information or breakdowns of the above general matters please contact Nikki Forkin (Nikki.forkin@taitwalker.co.uk) who will provide this information free of charge.

Details of expenses incurred and charged are shown in section 5.

Further Information on Remuneration and Expenses

An unsecured creditor may, with the permission of the court or with the concurrence of 5% in value of the unsecured creditors (including the creditor in question) request further details of the administrator's remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of 10% in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the administrator's fees and the amount of any proposed expenses or expenses already incurred, within 8 weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

7. INVESTIGATIONS AND REPORTS ON DIRECTORS

Investigations

Our investigations have not raised any items which we consider require further investigations.

Reports on Directors

We have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. We are also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf.

As required under The Company Directors Disqualification Act 1986 we can confirm that we have submitted our return therein. The contents of this return are privileged and we are unable to disclose any further details.

8. CREDITORS AND DIVIDEND PROSPECTS

Preferential Creditors

The only known preferential creditors are former employees of the Company for unpaid wages, holiday pay and pay in lieu of notice. Their claims are subject to a maximum limit set by the insolvency legislation.

Sixty four preferential claims have been received to date totalling £94,218.05. These have been formally agreed and a dividend of approximately 1p in the pound will be paid within the next two months.

Unsecured creditors

A number of unsecured claims have been received to date. These have not been formally agreed as it is currently anticipated that there will be insufficient funds to enable any distribution to be made.

Please note that we shall not acknowledge or unsecured agree claims unless it becomes apparent that a dividend will become payable.

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside

- 50% of the first £10,000 of the net property, and
- 20% of the remaining net property up to a maximum of £600,000

The Company gave a floating charge to NatWest Bank plc on 8 August 1994. Since this charge was given before 15 September 2003 the prescribed part provisions will not apply.

9. CONCLUSION

We will report on the progress again in approximately six months, or at the conclusion of the Administration, whichever is the sooner.

Should you require any additional information, please contact Matt Higgins or Nikki Forkin at Tait Walker LLP, Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS (tel 0191 285 0321) quoting reference 11178/GSG/LM/MJH/NF/CH

L Marshall

Gordon Smythe Goldie & Andrea Lynn Marshall

Joint Administrators

Licensed as Insolvency Practitioners in the United Kingdom by The Institute of Chartered Accountants in England & Wales

Date 9th April 2015

G T Contracts Limited
Administrators Receipts and Payments Account

<u>Asset or Realisation</u>	<u>Statement of</u>	<u>Realised in period</u>	<u>Realised in prior</u>	<u>Total realised</u>	<u>Still to be realised</u>
	<u>Affairs</u>	<u>13 September</u> <u>2014 to 12 March</u> <u>2015</u>	<u>periods</u>		<u>(estimate)</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Plant & Machinery/Furniture & Equipment	4,550 00	0 00	2,033 00	2,033 00	0 00
Vehicles	10,800 00	0 00	20,102 00	20,102 00	0 00
HP Vehicle	5,507 04	0 00	7,000 00	7,000 00	0 00
Registration numbers	4,600 00	0 00	575 00	575 00	240 00
Book Debts	12,000 00	2,011 54	8,658 68	10,670 22	0 00
Applications/Retentions	82,000 00	0 00	44,996 56	44,996 56	37,003 44
NUFC Platinum Bonds	13,500 00	0 00	7,050 00	7,050 00	0 00
Petty Cash	10 33	0 00	10 33	10 33	0 00
Cash at Bank	5,926 30	0 00	20,266 23	20,266 23	0 00
Bank Interest	0 00	0 00	0 06	0 06	0 00
Refund of Bank Charges	0 00	28 94	0 00	28 94	0 00
VAT	0 00	398 51	23,322 80	23,721 31	0 00
TOTAL	138,893 67	2,438 99	134,014 66	136,453 65	37,243 44

<u>Payment or Incurred Expense</u>	<u>Paid in period 13</u>	<u>Paid in prior</u>	<u>Total paid</u>	<u>Outstanding /</u>
	<u>September 2014</u> <u>to 12 March 2015</u>	<u>periods</u>		<u>Unpaid</u>
	<u>£</u>	<u>£</u>	<u>£</u>	<u>£</u>
Bond transfer fees	0 00	225 00	225 00	0 00
Swearing fee	0 00	55 00	55 00	0 00
Specific bond	0 00	336 00	336 00	0 00
Statement of Affairs 3rd Party	0 00	2,000 00	2,000 00	0 00
Pre Appointment Remuneration	0 00	5,331 20	5,331 20	0 00
Office Holder Remuneration	1,830 20	79,715 50	81,545 70	26,301 20
Book Debt Collection Fee	0 00	12,001 45	12,001 45	0 00
Travelling Expenses	0 00	25 90	25 90	0 00
External Room Hire	0 00	83 33	83 33	0 00
Land Registry Search Fee	0 00	8 00	8 00	0 00
Plant Valuer Fees & Disbursements	0 00	4,003 26	4,003 26	0 00
Agents Fees - Filebase		1,487 50	1,487 50	0 00
Agents Fees - DVLA	0 00	890 00	890 00	0 00
Legal Fees and Disbursements	0 00	1,570 00	1,570 00	0 00
VAT Payment	0 00	2,166 58	2,166 58	0 00
Money Laundering/Company Search Fee	0 00	20 00	20 00	0 00
Postage	162 34	469 28	631 62	0 00
Statutory Advertising	0 00	237 60	237 60	0 00
Insurance of Assets	0 00	135 68	135 68	0 00
VAT Input	398 51	21,156 22	21,554 73	0 00
TOTAL	2,391 05	131,917 50	134,308 55	26,301 20

Balance at Bank

2,145 10

APPENDIX B

Detailed below is the time expended on the Administration for the report period -

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

Classification of Work Function	Hours					Total Hours	Time Cost	Average Hourly Rate
	Partner	Associate	Manager	Other Assistants & Professionals	Admin & Support Staff			
Admin & Planning	1 50	0 00	1 60	5 90	4 00	13 00	2,227 20	171 32
Bonding & Bordereau	0 00	0 00	0 00	0 00	0 10	0 10	81 80	818 00
Cashiering & Banking	0 00	0 00	0 50	0 50	3 60	4 60	571 40	124 22
Checklists & Reviews	1 50	0 00	0 10	3 40	0 30	5 30	1,075 60	202 94
General Corresp/Letters/Emails etc	0 00	0 00	0 00	0 20	0 00	0 20	34 00	170 00
Post Appointment VAT & Tax	0 00	0 00	0 00	1 00	0 00	1 00	170 00	170 00
WIP & Fees	0 00	0 00	1 00	0 80	0 00	1 80	366 00	203 33
Correspondence	0 00	0 00	0 00	0 20	0 00	0 20	34 00	170 00
General Corresp/Letters/Emails etc	0 00	0 00	0 00	0 20	0 00	0 20	34 00	170 00
Realisation of Assets	0 60	5 60	0 00	0 60	0 00	6 80	1,807 00	265 74
Debtors	0 60	5 60	0 00	0 60	0 00	6 80	1,807 00	265 74
Creditors	0 70	0 00	0 40	8 00	2 30	11 40	1,632 60	143 21
Creditor Claims	0 70	0 00	0 20	0 00	0 00	0 90	244 00	271 11
General Corresp/Letters/Emails etc	0 00	0 00	0 00	0 00	2 30	2 30	234 60	102 00
Preferential Distribution	0 00	0 00	0 20	8 00	0 00	8 20	1,154 00	140 73
Statutory Matters	0 60	0 00	0 40	20 00	0 10	21 10	3,585 20	169 91
Progress Reports & Related Formalities	0 60	0 00	0 40	20 00	0 10	21 10	3,585 20	169 91
Employees	0 00	0 00	0 50	1 80	0 00	2 30	382 00	166 09
Employees Claims & RPO	0 00	0 00	0 30	1 10	0 00	1 40	229 00	163 57
General Corresp/Letters/Emails etc	0 00	0 00	0 20	0 20	0 00	0 40	68 00	170 00
Pension	0 00	0 00	0 00	0 50	0 00	0 50	85 00	170 00
Total	3 40	5 60	2 90	36 50	6 40	54 80	9,668 00	176 42

Detailed below is the **total** time expended on the Administration -

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

Classification of Work Function	Hours					Total Hours	Time Cost	Average Hourly Rate
	Partner	Associate	Manager	Other Assistants & Professionals	Admin & Support Staff			
Admin & Planning	5 50	1 00	11 00	51 70	56 80	126 00	17,535 80	139 17
General Admn & Planning	2 80	1 00	9 00	40 70	42 70	96 20	13,061 00	135 77
Bonding & Bordereau	0 00	0 00	0 20	0 10	0 60	0 90	112 00	124 44
Cashermg & Banking	0 00	0 00	0 70	0 80	7 20	8 70	1,023 40	117 63
Checklists & Reviews	2 70	0 00	0 10	4 60	0 30	7 70	1,633 60	212 16
Filing	0 00	0 00	0 00	0 00	6 00	6 00	600 40	100 07
General Corresp/Letters/Emails etc	0 00	0 00	0 00	0 60	0 00	0 60	92 40	154 00
Other	0 00	0 00	0 00	1 10	0 00	1 10	151 00	137 27
Post Appointment VAT & Tax	0 00	0 00	0 00	2 80	0 00	2 80	462 00	165 00
WIP & Fees	0 00	0 00	1 00	0 90	0 00	1 90	383 00	201 58
Strategy	0 00	0 00	0 00	0 10	0 00	0 10	17 00	170 00
Correspondence	0 00	0 00	0 00	24 10	0 10	24 20	3,765 80	155 61
General Correspondence	0 00	0 00	0 00	20 80	0 00	20 80	3,223 80	154 99
General Corresp/Letters/Emails etc	0 00	0 00	0 00	3 30	0 00	3 30	540 00	163 64
Admn ord Adm Correspondence	0 00	0 00	0 00	0 00	0 10	0 10	2 00	20 00
Investigations	0 00	1 00	0 00	0 00	0 00	1 00	240 00	240 00
General Investigation	0 00	1 00	0 00	0 00	0 00	1 00	240 00	240 00
Realisation of Assets	47 50	39 00	0 30	33 90	5 60	126 30	29,060 50	230 09
General Realisation of Assets	26 40	7 10	0 00	23 20	1 30	58 00	12,840 20	221 38
Debtors	21 10	31 90	0 00	6 70	4 00	63 70	15,448 30	242 52
Motor Vehicles/Number Plates	0 00	0 00	0 30	3 60	0 10	4 00	689 20	172 30
ROT	0 00	0 00	0 00	0 40	0 00	0 40	62 40	156 00
Creditors	11 60	0 00	1 40	31 00	28 50	72 50	10,844 90	149 58
General Creditors	10 90	0 00	1 00	21 90	25 90	59 70	9,001 10	150 77
Creditor Claims	0 70	0 00	0 20	0 00	0 00	0 90	244 00	271 11
General Corresp/Letters/Emails etc	0 00	0 00	0 00	0 70	2 50	3 20	371 60	116 13
Pre Appointment VAT/PAYE/Tax	0 00	0 00	0 00	0 40	0 00	0 40	64 00	160 00
Preferential Distribution	0 00	0 00	0 20	8 00	0 10	8 30	1,164 20	140 27
Other Matters	5 40	0 30	0 00	3 40	0 00	9 10	1,899 80	208 77
General Other Matters	5 40	0 30	0 00	3 40	0 00	9 10	1,899 80	208 77
Statutory Matters	4 60	20 80	0 40	119 70	0 10	145 60	25,359 20	174 17
General Statutory Matters	2 50	20 80	0 00	92 10	0 00	115 40	20,225 50	175 26
Progress Reports & Related Formalities	2 10	0 00	0 40	27 60	0 10	30 20	5,133 70	169 99
Employees	0 00	7 60	1 50	113 00	7 40	129 50	19,140 90	147 81
General Employees	0 00	7 60	1 00	99 00	7 30	114 90	17,009 70	148 04
Employees Claims & RPO	0 00	0 00	0 30	9 50	0 00	9 80	1,381 00	140 92
General Corresp/Letters/Emails etc	0 00	0 00	0 20	2 20	0 10	2 50	373 20	149 28
Other	0 00	0 00	0 00	1 80	0 00	1 80	292 00	162 22
Pension	0 00	0 00	0 00	0 50	0 00	0 50	85 00	170 00
Total	74 60	69 70	14 60	376 80	98 50	634 20	107,846 90	170 05

A copy of Statement of Insolvency Practice 9 - A Guide to Administrators Fees can be downloaded from <http://www.taitwalker.co.uk/SIP-9-fee-guidance> or provided upon written request from this office

A copy of Tait Walker - Statement on Remuneration and Expenses in Insolvency Proceedings which details the charging and expenses recovery policy of Tait Walker, and also details the matters typically dealt with in the categories above can also be obtained

↑ TAIT WALKER TURNAROUND AND INSOLVENCY- STATEMENT ON REMUNERATION AND EXPENSES IN INSOLVENCY PROCEEDINGS

INTRODUCTION

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court.

Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9). A copy of these guides can be accessed and downloaded from <http://www.taitwalker.co.uk/sip-9-fee-guidance/>. Alternatively a hard copy may be requested from Tait Walker Turnaround and Insolvency (A division of Tait Walker LLP), Bulman House, Regent Centre, Gosforth, Newcastle upon Tyne NE3 3LS or recovery@taitwalker.co.uk

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

POLICY

In order to maximise the cost effectiveness of the work performed it is Tait Walker Turnaround and Insolvency's normal policy to delegate certain tasks within the case to members of their staff subject to their experience and specialist skills with the provision of supervision as appropriate. Matters deemed to be complex or of significance will be dealt with by senior members of staff or the license holder.

Time Cost Basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case recorded in 6 minute units with supporting narrative to explain the work undertaken. All staff who work on this assignment, including case support (such as cashiers and secretarial staff etc) charge time directly to the assignment and are included within any analysis of time. The costs of any central Tait Walker administration or general Tait Walker overhead costs are not charged directly to the assignment but are reflected in the general level of charge out rates.

The rates vary between individuals of each grade reflecting experience and qualification. Charge out rates may be revised periodically to cover and are adjusted to take account of inflation and the firm's overheads. In cases deemed to be particularly complex revised rates will be presented to creditors. The current charge out rates per grade are currently

<u>Grade</u>	<u>Rate (£) per hour (effective from 1st November 2014)</u>
Partner	300
Associate Partner	275
Associate	270
Manager	260
Assistant Manager	200
Senior Case Administrator	170
Case Administrator	140
Case Support Staff	102

Up to November 2014 we referred to "maximum" rates, without specifying a minimum rate. We felt that this could be confusing and lower rates were rarely used, so we now just use the above rates.

<u>Grade</u>	<u>Rate (£) per hour (Previous maximum rate (£) from 1st June 2014)</u>	<u>Rate (£) per hour (Previous maximum rate (£) from 1st October 2013)</u>
Partner	300	300
Associate/Director	275	275
Manager	260	250
Case Handler/Administrator	170	160
Case support staff	102	100

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories including Administration and Planning, Investigations, Realisation of assets, Debtors, Creditors, Employee matters, and Trading.

Percentage Basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed Fee Basis

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All Bases

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate

AGENT'S COSTS

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors / Legal Advisors
- Auctioneers / Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

DISBURSEMENTS

As part of our disclosure requirements the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2

Category 1 expenses - are directly referable to an invoice from a third party, which is either in the name of the estate or Tait Walker LLP (or a partner / employee of the same), in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. These expenses may include, but are not limited to case advertising, money laundering fees, company search fees, specific penalty bond, identifiable telephone calls, postage at cost, external document storage, external room hire, external printing, invoiced travel, and properly reimbursed expenses incurred by Tait Walker and its employees in connection with the case. Obtaining a specific penalty bond and advertising are disbursements that are required in each case as a result of statutory obligations imposed on the Insolvency Practitioner

Category 2 expenses - are incurred by Tait Walker LLP and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, mileage at approved HMRC scale rates and internal storage. With the exception of photocopying, Tait Walker LLP do not typically recharge expenses and disbursements which include an element of shared or allocated costs of internal facilities such as stationery, room hire, communication facilities, printing, internal document storage etc. Tait Walker may recharge photocopying at up to 3p per sheet

TYPICAL TASKS UNDERTAKEN

Matters typically dealt with in the respective time breakdown categories during an insolvency procedure may include, but are not limited to, the following. It should be noted that every insolvency case is different, and certain items may not be applicable to this case

Administration & Planning

Cash strategy and planning, cashiering, banking, bank reconciliations, obtaining specific bond and ongoing bond maintenance, any general insurance, uplift and ongoing maintenance of company books and records, filing, internal case progression reviews, case updates, and internal case meetings

Correspondence

All general correspondence excluding specific correspondence relating to other categories

Investigations

Collation and review of directors questionnaires, review of any matters raised by the creditors concerning the conduct of the directors, review of all recent bank transactions undertaken by the company, review of any transactions between the company and associated parties, review of the assets listed in the statement of affairs with the last available statutory accounts, collation of information and submission of a report on all directors in the 3 years prior to liquidation under the Company Directors Disqualification Act 1986

Additional investigations may also be undertaken in specific items at the request of the creditors committee (if any), and antecedent transactions including preferences, transaction at undervalue, misfeasance, breach of fiduciary duties etc

Debtors

Transfer of debtors ledger onto our software, reconciliation of debtors ledger and identification of any refunds, claims, collection of supporting evidence including invoices, proof of delivery, orders etc, corresponding with debtors to collect debts, review and assessment of any responses and/or counterclaims / disputes, general contact with debtors, instruction, liaison and correspondence with solicitors or debt collection agents, liaison with any invoice discounter or factor, and negotiation of any settlement.

Realisation of Assets

All other assets excluding debtors including property (freehold and leasehold), intangible assets (intellectual property, patents, goodwill, copyrights etc) and chattel assets (e.g. furniture & equipment, stock, cash at bank, plant & machinery, work in progress, vehicles, computer equipment etc). Our work includes the preservation of such assets (arranging insurance, security etc), site visits, complying with fire brigade and insurer requirements (e.g. draining of heating system), arranging collection, preparation of sales particulars, liaising with valuers and agents, assessing and negotiating potential offers, and instructing and liaising with solicitors and reviewing any sale contract,

Reservation of Title

Dealing with all third party assets (including reservation of title, hire purchase, consignment stock, leased assets etc). Our work includes identification of third party assets, reviewing any agreement associated with the assets, corresponding with the claimant, stock taking, arranging and managing uplift of the assets, surrender or disclaiming onerous leases / assets, submission of returns to Registrar of Companies and third parties following disclaimer, and, instructing and liaising with solicitors re challenged claims

Statutory Matters

Undertaking and dealing with statutory matters required to comply with the various legislation concerning an insolvency including preparation and holding of creditors meeting, preparation of report/letters to creditors following appointment, submission of returns to Registrar of Companies and/or Court, preparation of adverts for insert in Gazette / newspaper, preparation of proposals, preparation of progress reports for creditors including receipts and payments, preparation of final reports including receipts and payments, together with the holding of final meetings, preparation of reports and updates for the Creditors Committee, together with any meetings required therein

Creditors

Dealing with all classes of creditors

Secured confirming validity of security, reporting to secured creditor, ongoing communication with secured creditor, review of any claim and distribution thereunder, and instructing and dealing with solicitors

Preferential identifying and notifying potential preferential creditors of ability to claim, review of calculation of preferential claim, ongoing communication with preferential creditors, review and adjudication of preferential claims, and, calculation and payment of dividend (if applicable)

Unsecured identifying and notifying unsecured creditors of ability to claim, submission of pre appointment VAT returns, ongoing communication with unsecured and potential unsecured creditors, dealing with potential pension creditor; recording of unsecured claims, review and adjudication of unsecured claims, and, calculation and payment of unsecured dividend (if applicable)

Employees

Notifying of appointment, issuing redundancy notices, and making employees redundant, assistance in completion of relevant forms to make claim from National Insurance Fund, calculation of outstanding entitlement, collation of claim forms and submission to National Insurance Fund, and ongoing employee correspondence.

Trading

Assessment of suitability to trade including preparation of profit and cash flow forecasts, company resources, risk analysis etc, assessing ongoing terms of trade with customers and suppliers, ongoing site presence to monitor and supervise trading, dealing with employees, customers and suppliers, internal reviews to assess ongoing trading, dealing with duress creditors, dealing with health & safety and legislative issues, liaising with insurers, instructing and liaising with solicitors, preparation of trading reports, reporting to funders / secured creditors, and dealing with trading compliance such as VAT, PAYE etc

Other Matters

Items which would not normally fall into any of the above categories including travel, taxation (including processing of any post appointment returns to HMRC in respect of VAT, Corporation Tax etc), director correspondence (to the extent it is not within the other categories), general government returns, and miscellaneous items

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company G T Contracts Limited
--

Company number 01906302

In the Newcastle upon Tyne District Registry of the High Court Chancery Divi (full name of court)
--

Court case number 0389 of 2012

(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)
Gordon Smythe Goldie
Tait Walker
Bulman House
Regent Centre, Gosforth
Newcastle upon Tyne
NE3 3LS

Andrea Lynn Marshall
Tait Walker
Bulman House
Regent Centre, Gosforth
Newcastle upon Tyne
NE3 3LS

administrators of the above company attach a progress report for the period

(b) Insert date	From (b) 13 September 2014	To
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(b) 12 March 2015

Signed L Marshall
Joint / Administrator(s)

Dated 9th April 2015

Contact Details.

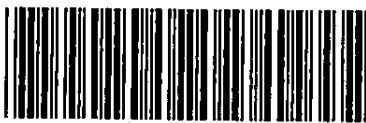
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

Gordon Smythe Goldie
Tait Walker
Bulman House
Regent Centre, Gosforth
Newcastle upon Tyne
NE3 3LS

The contact information that you give will be visible to searchers of the public record

DX Number 0191 285 0321
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff



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COMPANIES HOUSE

FRIDAY