

Joint liquidators' progress report from 25 August 2019 to 24 August 2020

15 October 2020

**Excel (Portam) Limited - in creditors' voluntary
liquidation**

Table of contents

Abbreviations and definitions	3
Key messages	5
Overview of what we've done to date	6
Outcome for creditors	7
Progress since we last reported	8
Appendix A: Receipts and payments	11
Appendix B: Expenses	12
Appendix C: Remuneration update	13
Appendix D: Other information	19
Appendix E: Creditors' rights to opt out of receiving certain communications	
Appendix F: Fees resolution voting form	

Abbreviations and definitions

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

Abbreviation or definition	Meaning
Company / Excel	Excel (Portam) Limited
CVL	Creditors' voluntary liquidation
Clydesdale	Clydesdale Bank Plc
EBT	Employee Benefit Trust
firm / PwC	PricewaterhouseCoopers LLP
HMRC	HM Revenue & Customs
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
Liquidators / we / us / our	Zelf Hussain and David Robert Baxendale
Naismiths	Naismiths Limited
preferential creditors	Generally, claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances
Pythagoras	Pythagoras Capital Limited
prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
SHL	Spiralite Holdings Limited
unsecured creditors	Creditors who are neither secured nor preferential

This report has been prepared by Zelf Hussain and David Robert Baxendale as joint liquidators of the Company, solely to comply with their statutory duty to report to creditors under IR16 on the progress of the liquidation, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors.

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Liquidators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Liquidators' previous reports issued to the Company's creditors. If you require a copy of any of the previous reports, please email James Crowther at crowther.james@pwc.com. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Zelf Hussain and David Robert Baxendale have been appointed as joint liquidators of the Company. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Liquidators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

The Joint Liquidators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Liquidators. Personal data will be kept secure and processed only for matters relating to the Joint Liquidators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Liquidators.

PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Key messages

Why we've sent you this report

We're writing to update you on the progress of the liquidation of the Company in the 12 months since our last report dated 17 October 2019.

If you require a copy of any of the previous reports, please get in touch with James Crowther at crowther.james@pwc.com.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditor(s)	N/a	N/a
Preferential creditors	100 (paid)	100
Unsecured creditors	1.4	1.25

The estimated outcome for creditors has improved as a result of significant recoveries that have been achieved from contract debts during the past year. The increase takes into account the additional costs of (1) recovering the debts and (2) keeping the liquidation open for longer in order for this improvement to be obtained.

Later in this report we provide an explanation on the additional work we've done and you may also wish to refer to our previous reports for further details. As this necessitated us incurring costs in excess of our initial estimate, we are now seeking the approval of creditors to draw fees in excess of the amount previously approved.

What you need to do

We've previously asked for outstanding claims from unsecured creditors so that when we are in a position to do so, we can begin to agree them for dividend purposes. If you haven't already done so, please send your claim to us as soon as possible. You can get a claim form by telephoning James Crowther on 0113 289 4076.

If you have already submitted a claim, then this report is for your information and you don't need to do anything.

Notice regarding small debts

We may decide that some or all creditors who are owed £1,000 or less by the Company won't be required to submit a proof of debt in order to receive the anticipated dividend payment.

A creditor who we decide is not required to submit a proof of debt will be notified when we deliver notice of our intention to pay a dividend of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the liquidation or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

Overview of what we've done to date

This is our third progress report. You may wish to read this report in conjunction with our previous report, a copy of which can be obtained by telephoning James Crowther on 0113 289 4076. As explained in our previous report, we have:

- Appointed and monitored debt collection agents (Naismiths and Pythagoras) to pursue recovery of debts due on the Company's contracts (the Company had a contract debtor ledger of £2,940,252, with an estimated to realise value in the statement of affairs of £518,000);
- Completed sales of the Company's vehicles and plant and machinery;
- Complied with our initial and ongoing statutory obligations as joint liquidators of the Company;
- Began dealing with the Company's Employee Benefit Trust (EBT) and sought advice on the potential reduction in HMRC's unsecured claim;
- Agreed the basis of the liquidators' remuneration with the Company's creditors;
- Dealt with the Company's post appointment tax / VAT affairs and pre-appointment insurance claims;
- Completed a surrender of the lease of the Company's trading property back to the landlord;
- Resolved a number of retention of title claims received;
- Corresponded with the Company's creditors following our appointment and dealt with numerous queries from unsecured creditors in relation to the Company, the reasons for the Company's insolvency and transactions involving the Company and its directors; and
- Discharged our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

When we last reported to creditors, the key outstanding matters in the liquidation were as follows:

- Finalise the position in relation to contract debtor collections with the support of Pythagoras;
- Obtain confirmation that the EBT matter is settled, and review HMRC's claim;
- Complete the adjudication of unsecured creditor claims and distribute funds to unsecured creditors;
- Conclude the Company's VAT position prior to closure of the liquidation;
- Draw our final fees (subject to approval); and
- Deal with closure matters including drafting and issuing our final report, closure of our internal systems, obtaining clearances from third parties and removal of the Liquidators' bond.

We remained in office mainly because we needed to finalise the collection of the Company's contract book debts and distribute available funds to unsecured creditors.

Outcome for creditors

Secured creditors

The Company does not have any secured creditors.

Clydesdale Bank Plc held a floating charge against the Company, however this debt was discharged by SHL following the sale of that company's intellectual property, immediately following the appointment of its administrators. There was no direct secured lending to the Company.

Preferential creditors (mainly employees)

In their statement of affairs, the directors thought that preferential claims would total around £89,200. Actual received claims totalled £48,585.92. We paid preferential creditors in full on 21 January 2019. We have had to reissue some preferential dividend cheques during this latest period. We will be paying any unbanked preferential dividend cheques to the Insolvency Services' Unclaimed Dividend Account imminently.

Unsecured creditors

Dividends become available for unsecured creditors when there are sufficient funds (after costs of the liquidation) to pay the secured and preferential creditors in full, with an amount left over. In certain circumstances, part of the amount available for secured creditors may be ring-fenced for the benefit of unsecured creditors. This prescribed part is paid out of 'net property', which is floating charge realisations after costs, and after paying – or setting aside enough to pay – preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

The amount of the prescribed part is:

- 50% of net property up to £10,000
- 20% of net property above £10,000
- Subject to a maximum of £600,000

The prescribed part provisions apply in this case as there is a floating charge created after 15 September 2003, however there is no longer any debt due to Clydesdale as this was paid in full by SHL. Therefore all funds remaining after the payment of costs, expenses and preferential creditors will be available for unsecured creditors.

At the moment we estimate available funds of £175k, which would allow a dividend in the region of 1.4 pence in the pound. This estimate depends on future realisations, liquidation costs and on the final level of claims admitted and is therefore only an indication. You shouldn't use it as the main basis for any bad debt provisions.

The estimate is based on the amount of unsecured creditors included in the statement of affairs and claims received to date, the latter of which total £11,681,115 (of which £2,832,630 has been admitted). The unsecured creditor balance in the statement of affairs is £7,833,216 not £2,373,088 as indicated previously. The difference between the statement of affairs value and the value of total claims received is largely due counter claims being received in respect of the contract debts.

We are now finalising the adjudication of claims in preparation of paying the dividend in due course.

Progress since we last reported

Realisation of assets

Contract debtor ledger

You may recall from our previous report that since our appointment, we have retained debt collection agents (Naismiths and Pythagoras) to pursue the recovery of debts due on the Company's contracts. At the time of our appointment, the Company had a contract debtor ledger of £2,940,252, with an estimated to realise value in the directors' statement of affairs of £518,000.

In the past year, Pythagoras has been successful in recovering amounts totalling £431k (before costs). The debt collection work has now been concluded and therefore we do not expect to receive any further contract debt realisations. The total amount recovered (before costs) is £585k, exceeding the amount estimated by the Company's directors.

Connected party transactions

There have been no connected party transactions during the current period and none are anticipated.

Other issues

Employee Benefit Trust (EBT)

As previously reported, we understand that HMRC is in contact with the EBT beneficiaries in respect of the benefits received by them. The level of HMRC's claim against the Company may reduce depending on the outcome of those discussions. Accordingly, we are still awaiting confirmation from HMRC as to the final level of its unsecured claim and this will be followed up as part of our work to finalise creditor claims.

Retention of Title claims

There have been no further retention of title matters during the period and none are expected going forward.

Statutory and compliance

Tax matters

There was no tax liability payable to HMRC in the previous period.

Whilst HMRC has given tax clearance (confirming that we have discharged all our obligations in respect of the Company's tax affairs), we have since been made aware of a Construction Industry Scheme tax matter that may require us to submit further tax returns and seek clearance again.

VAT matters

We have continued to submit VAT returns to HMRC during the past year. Now that we have concluded the contract debt collections, we intend to deregister for VAT purposes at the appropriate time in anticipation of paying the unsecured dividend and closing the liquidation.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 25 August 2019 to 24 August 2020.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

Our fees

We set out in Appendix C an update on our fees, disbursements and other related matters.

We are asking creditors to agree that our remuneration can exceed the fees estimate previously approved by creditors, due to the additional work we have needed to do. We explain the reasons why the fees estimate has been exceeded and the action you need to take.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

http://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2015/guide_to_liquidators_fees_oct_2015.ashx?la=en

You can also get a copy free of charge by telephoning James Crowther on 0113 289 4076.

What we still need to do

The key areas of our ongoing work in order to bring the liquidation to a close, are as follows:

- Complete the adjudication of unsecured creditor claims (including the HMRC claim and EBT matter) and distribute funds to unsecured creditors;
- Finalise any issues relating to the director's pension scheme;
- Conclude the Company's VAT and tax positions;
- Draw our final fees (subject to approval); and
- Deal with closure matters including drafting and issuing our final report, closure of our internal systems, obtaining clearances from third parties and removal of the Liquidators' bond.

Next report

We expect to send our next report to creditors at the end of the liquidation or in about 12 months, whichever is the sooner. If you've got any questions, please get in touch with James Crowther, on 0113 289 4076 or by email at crowther.james@pwc.com.

Yours faithfully

Zelf Hussain
Joint liquidator

Appendices

Appendix A: Receipts and payments

Excel (Portam) Limited

Receipts and payments for the period 25 August 2019 to 24 August 2020

Directors' statement of affairs		25 August 2017 to 24 August 2019	25 August 2019 to 24 August 2020	25 August 2017 to 24 August 2020
£	Receipts	£	£	£
158,000.00	Pre appointment cash at bank	198,326.62	-	198,326.62
-	Vehicles	7,000.00	-	7,000.00
23,829.00	Plant & machinery	8,000.00	-	8,000.00
517,940.00	Book debts	153,832.20	431,474.00	585,306.20
-	Pre appointment insurance refund	1,340.90	-	1,340.90
-	Sundry debts and refunds	57.70	-	57.70
-	Bank interest	1,362.49	4,684.02	6,046.51
699,769.00		369,919.91	436,158.02	806,077.93
	Payments			
-	Agents' fees*	(3,343.75)	-	(3,343.75)
-	Agents' fees - sale of assets	(2,908.91)	-	(2,908.91)
-	Agents' fees and disbursements - contract debts	(60,691.32)	(218,698.96)	(279,390.28)
-	Legal fees and expenses	(3,000.00)	-	(3,000.00)
-	Storage costs	(167.92)	-	(167.92)
-	Insurance	(974.40)	-	(974.40)
-	Sundry Expenses	(1.00)	-	(1.00)
-	Bank charges	(2.78)	-	(2.78)
-	Preferential Dividend**	(48,585.92)	-	(48,585.92)
-	Liquidators fee - time cost basis	(148,365.25)	-	(148,365.25)
-		(268,041.25)	(218,698.96)	(486,740.21)
	VAT control account	(24,037.76)	43,150.59	19,112.83
	Funds available	77,840.90	260,609.65	338,450.55
	Uncashed dividend cheques	753.12	-	753.12
	Reissued dividend cheques	-	(249.26)	(249.26)
	Balance at Bank	78,594.02		338,954.41

Please note all amounts are stated net of VAT.

The funds are held in an interest bearing Barclays account.

*In respect of assistance in dealing with Company's books and records, provision of information to Naismiths, and ROT claims.

** Paid on 21 January 2019 at a rate of 100p in the £

Appendix B: Expenses

The following table provides details of our expenses. Expenses are amounts properly payable by us as liquidators from the estate and include our fees, but exclude distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as a liquidation expense because amounts becoming due will depend on the position at the end of the tax accounting period.

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

In our previous report, our total time costs were overstated by c£3k. This was due to an administrative error resulting in full time costs not showing under the relevant case code. The correct balance can be seen in the brought forward figure in the table below.

	Brought forward from preceding period	Incurred in the period under review	Cumulative	Estimated future	Anticipated total
	£	£	£	£	£
Agents' fees	3,343.75	-	3,343.75	-	3,343.75
Agents' fees - sale of assets	2,908.91	-	2,908.91	-	2,908.91
Agents' fees - contract debt related	75,980.32	218,698.96	294,679.28	-	294,679.28
Legal fees and expenses	3,000.00	-	3,000.00	-	3,000.00
Liquidator's fees	185,045.50	54,934.00	239,979.50	53,876.65	293,856.15
Liquidator's disbursements (category 1)	2,356.30	1,426.94	3,783.24	500.00	4,283.24
Storage costs	167.92	-	167.92	4,914.35	5,082.27
Bank charges	2.78	-	2.78	50.00	52.78
Insurance	974.40	-	974.40	-	974.40
Sundry Expenses	1.00	-	1.00	-	1.00
Total	277,081.38	275,059.90	548,840.78	59,341.00	608,181.78

Initial estimate	Variance	Notes
£	£	
250.00	3,093.75	1
1,600.00	1,308.91	2
1,000.00	293,679.28	
3,000.00	0.00	
148,365.25	(145,490.90)	3
-	4,283.24	4
5,082.27	0.00	
60.00	7.22	
1,000.00	25.60	
-	(1.00)	
160,357.52	156,906.10	

1. The variance between the estimated fee and actual fee was due to extra work we requested from former Company staff.
2. The variance between the estimated fee and the actual fee was due to extra work involved in relation to wiping data from the Company's systems following the sale of assets.
3. Our final costs have exceeded the initial fees estimate. We are now seeking approval of our fees from the general body of creditors.
4. An initial estimate relating to our disbursements was omitted from the remuneration report.

Appendix C: Remuneration update

Our hours and average rates

The table below shows our time costs incurred in the period from 25 August 2019 to 24 August 2020:

Work Type Group	Hours					Grand Total	Total Cost (£)	Average Hourly Rate (£)
	Partner	Senior Manager	Manager	Senior Associate	Associate/Other			
Accounting & Treasury			0.10	5.45	3.50	9.05	2,059	227.51
Assets		0.15	32.55	7.60	0.30	40.60	15,208	374.57
Creditors			1.40	7.85	3.70	12.95	2,950	227.80
Employees & Pensions		0.90	1.95	1.20		4.05	2,055	507.47
Statutory & Compliance	4.70	1.80	13.20	36.20	0.10	56.00	19,130	341.60
Strategy & Planning			0.30			0.30	122	405.00
Tax & VAT		2.70	12.95	4.20		19.85	13,411	675.60
Grand Total	4.70	5.55	62.45	62.50	7.60	142.80	54,934	384.69

The table below shows our cumulative time costs incurred from our appointment to 24 August 2020:

Work Type Group	Hours						Grand Total	Total Cost (£)	Average Hourly Rate (£)
	Partner	Director	Senior Manager	Manager	Senior Associate	Associate/O..			
Accounting & Treasury				1.10	50.65	17.40	69.15	14,134	204.40
Assets	0.50		14.50	65.65	52.95	5.55	139.15	46,623	335.06
Creditors			3.20	13.75	62.15	14.90	94.00	23,907	254.33
Employees & Pensions			1.70	12.95	64.55	15.85	95.05	24,935	262.34
Investigations	1.00		0.60	8.90	45.45	5.75	61.70	14,209	230.29
Statutory & Compliance	12.70	0.50	5.05	54.90	113.85	21.10	208.10	64,890	311.82
Strategy & Planning	5.00		5.15	5.90	19.30	4.90	40.25	14,820	368.19
Tax & VAT		6.50	5.40	20.65	32.30	9.40	74.25	36,461	491.05
Grand Total	19.20	7.00	35.60	183.80	441.20	94.85	781.65	239,979	307.02

In our remuneration report dated 19 September 2019, we initially estimated our fees for the liquidation would be £148,365.25. We comment below on the key reasons why our initial estimate has been exceeded and the additional work we have done.

Assets – This is due to increased costs associated with the collection of the contract debt ledger such as liaising with the quantity surveyors and the book debt collection agents. After a review of progress and strategy, we changed agents part way through the liquidation which incurred further costs. However, this did successfully result in unlocking significant recoveries in the past year and improving the outcome for creditors, even after taking the additional costs into account. Work relating to ROT claims received is also included within this category. Two of the claims had a greater degree of complexity and required further investigation work before they could be resolved.

Employees and pensions – Additional work was needed particularly in relation to the pension scheme's claim to the Redundancy Payments Service.

Investigations – The volume and extent of queries from unsecured creditors in relation to the Company, its directors and the reasons behind the Company's insolvency was higher than anticipated.

Statutory and Compliance / Strategy and Planning / Tax & VAT – Due to the prolonged period of the liquidation (due to the extended period of collection of the contract debts), we have had to complete more statutory reports, compliance work and VAT returns than first anticipated. Dealing with the EBT issue has taken significantly longer than first anticipated and the matter remains outstanding.

Accounting and Treasury - Also due to the extended period of the liquidation and the additional book debt receipts, there have been more accounting transactions to deal with, together with additional bank reconciliations and general bank account management.

The table below shows our initial estimate compared to actual time costs incurred and our future estimated costs.

Work Type	Initial Estimate	Total cost to date	Estimated future costs	Total Costs	Variance
Accounting & Treasury	10,857.60	14,134.05	2,000.00	16,134.05	(5,276)
Assets	13,994.55	46,623.35	1,500.00	48,123.35	(34,129)
Creditors	40,089.00	23,907.35	16,181.65	40,089.00	-
Employees & Pensions	12,442.90	24,935.20	-	24,935.20	(12,492)
Investigations	8,920.00	14,208.95	-	14,208.95	(5,289)
Statutory & Compliance	23,264.80	64,890.10	10,000.00	74,890.10	(51,625)
Strategy & Planning	16,427.40	14,820.00	5,000.00	19,820.00	(3,393)
Tax & VAT	18,174.00	36,460.50	15,000.00	51,460.50	(33,287)
Closure Procedures	4,195.00	-	4,195.00	4,195.00	-
Grand Total	148,365.25	239,979.50	53,876.65	293,856.15	(145,491)

Our time charging policy and hourly rates

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

All of our staff who work on the liquidation (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. For the avoidance of doubt, work carried out by our cashiers, support and secretarial staff is charged on a time costs basis and is included in the analysis of hourly rates charged by partners or other staff members. Time is charged in three minute units (i.e. 0.05 hours). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the liquidation.

Grade	From 1 July 2019 to 30 June 2020	From 1 July 2020 (£)
Partner	910	955
Director	800	840
Senior Manager	605	665
Manager	525	575
Senior Associate	435	465
Associate	270	297
Support Staff	140	155
Offshore Professionals	-	210

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	From 1 July 2019 to 31 August 2020 (£)	From 1 September 2020 (£)
Partner	1,385	1,600
Director	1,275	1,465
Senior Manager	1,290	1,355
Manager	775	815
Senior Associate / consultant	575	605
Associate / assistant consultant	285	325
Support Staff	140	230
Offshore Professionals	-	210

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

Payments to associates

In the period covered by this report, there were no payments made to associates of PwC.

Our work in the period

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

Area of work	Work undertaken	Why the work was necessary and what, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting & treasury	<ul style="list-style-type: none"> Dealing with receipts, payments and journals. Carrying out bank reconciliations and managing investment of funds. Bank account management. 	<ul style="list-style-type: none"> Statutory duty to keep proper records to demonstrate transactions, assets and liabilities.
Assets – Contract debts	<ul style="list-style-type: none"> Regular contact with Pythagoras to monitor progress of debt collections. 	<ul style="list-style-type: none"> Benefit to creditors due to funds recovered to enable distribution.
Creditors	<ul style="list-style-type: none"> Dealing with general creditor correspondence via telephone, email and post. Filing proofs of debt. Adjudication of unsecured creditor claims. Updating and maintaining an estimated outcome statement. 	<ul style="list-style-type: none"> Benefit to creditors due to distribution.
Employees and pensions	<ul style="list-style-type: none"> Dealing with the unsecured element of employees' claims. Reissuing preferential dividend cheques and chasing up unbanked cheques. 	<ul style="list-style-type: none"> Benefit to creditors due to distribution.

Statutory & compliance	<ul style="list-style-type: none"> Preparing and delivering second liquidators' annual report to creditors. Filing report at Companies House. Periodic case and file reviews. Case file maintenance and filing. 	<ul style="list-style-type: none"> Required by statute.
Strategy and planning	<ul style="list-style-type: none"> Case progression meetings. Updating estimated outcome statement. Monitoring costs. 	<ul style="list-style-type: none"> Statutory duty to keep proper records and progress the liquidation.
Tax & VAT	<ul style="list-style-type: none"> Preparing and filing quarterly VAT returns. General correspondence with HMRC. 	<ul style="list-style-type: none"> No direct benefit to creditors. In compliance with duties as proper officers for tax and VAT.

Our future work

We still need to do the following work in the liquidation.

Area of work	Work we need to do	Estimated cost (£)	Why the work was necessary and what, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting & treasury	<ul style="list-style-type: none"> Deal with receipts, payments and journals. Carry out bank reconciliations and managing investment of funds. Closure of bank account and payment of any uncashed dividend cheques to the Insolvency Services Account. 	<ul style="list-style-type: none"> 2,000 	<ul style="list-style-type: none"> Statutory duty to keep proper records to demonstrate transactions, assets and liabilities.
Assets – Contract debts	<ul style="list-style-type: none"> Final correspondence with agents regarding debt collection process and recovery action. Finalising any outstanding matters in regards to contract debts. 	<ul style="list-style-type: none"> 1,500 	<ul style="list-style-type: none"> Benefit to creditors due to funds recovered to enable distribution.
Creditors	<ul style="list-style-type: none"> Review creditors' claims and prepare for distribution. Adjudicate upon claims received. Deal with pension scheme claim. Issue notice of intended dividend to all creditors where claims not received. Advertise for claims. Declare dividend to creditors. Issue dividend cheques to creditors. Deal with uncashed dividend cheques. Deal with general creditor correspondence. 	<ul style="list-style-type: none"> 16,182 	<ul style="list-style-type: none"> Benefit to creditors due to distribution.
Statutory & compliance	<ul style="list-style-type: none"> Prepare and deliver liquidators' third annual report to creditors. Monitoring case diary system. Drafting and delivering liquidators' final report. Request further fee approval. Periodic case compliance reviews. File correspondence 	<ul style="list-style-type: none"> 10,000 	<ul style="list-style-type: none"> Required by statute.

Strategy and planning	<ul style="list-style-type: none"> • Case progression meetings. • Update estimated outcome statement. • Record decisions / strategy considerations. 	• 5,000	• Statutory duty to keep proper records and progress the liquidation.
Tax & VAT	<ul style="list-style-type: none"> • Complete future quarterly VAT returns. • De-register Company for VAT matters. • General correspondence with HMRC. • Reconciliation of final VAT account. • Claim any final VAT post-deregistration. 	• 15,000	• No direct benefit to creditors. In compliance with duties as proper officers for tax and VAT.
Closure	<ul style="list-style-type: none"> • Removal of liquidators' bond. • Request clearances from third parties. • Review of case file by manager and liquidator. • Closure of internal systems. 	• 4,195	• No direct benefit to creditors. Statutory duty to end insolvency proceedings in a proper manner.

Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the liquidation but has not been approved by the general body of creditors, therefore any Category 2 disbursements incurred will be written off and not recharged by the liquidation estate.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred (£)
2	Photocopying – at 10 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	Mileage – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	Analyse all other disbursements reimbursed at cost	
	Postage	1,061.52
	Storage / archiving costs	134.16
	Insurance	231.26
	Total this period	1,426.94
	Brought forward from previous periods	2,356.30
	Total	3,783.24

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the liquidation where the relationship could give rise to a conflict of interest.

Legal and other professional firms

We instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including drafting the Sale and Purchase Agreement	• Gateley LLP	• Legal expertise	• Time costs and disbursements
Review of Company contracts by quantity surveyors and collection of debts.	• Naismiths	• Industry knowledge and expertise	• Combination of fixed fee and % of realisations
Property agents, including valuation of the assets of the Company.	• Hilco Global	• Industry knowledge	• Fixed fee
Review of Company contracts by quantity surveyors and collect contract book debts	• Pythagoras	• Industry knowledge and expertise	• % of realisations

We require all third party professionals to submit time cost analyses and narrative; or alternatively a schedule of realisations achieved in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Review invoices to the terms agreed at the outset; and
- Where fees are charged on a time cost basis, a breakdown of such costs is requested and reviewed before payment.

Appendix D: Other information

Company's registered name: Excel (Portam) Limited

Trading name: Excel (Portam) Limited

Registered number: 02232405

Registered address: Central Square, 29 Wellington Street, Leeds, LS1 4DL

Date of the Liquidators' appointment: 25 August 2017

Liquidators' names, addresses and contact details: Zelf Hussain and David Robert Baxendale of PwC, 7 More London, Riverside, London, SE1 2RT

Email: crowther.james@pwc.com

Telephone: 0113 289 4076

Appendix E: Creditors' rights to opt out of receiving certain communications

Appendix F: Fees resolution voting form