

Joint liquidators' final account from 28 November 2024 to 25 November 2025

Lloyds British Testing Limited - in liquidation

25 November 2025

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Abbreviations and definitions

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

Abbreviation or definition	Meaning
BDR	Bad debt relief
Company	Lloyds British Testing Limited – in creditors’ voluntary liquidation
CVL	Creditors’ voluntary liquidation
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Joint Liquidators/we/us/our	Matthew Hammond and David Baxendale
Joint Administrators	Former Joint Administrators, Matthew Hammond, Michael Thomas Denny and David Baxendale appointed on 24 November 2016
Manolete	Manolete Partners plc
NOID	Notice of Intended Dividend
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
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
PwC/ Firm	PricewaterhouseCoopers LLP
Secured creditors	Creditors with security in respect of their debt, in accordance with Section 248 IA86
SIP 2	Statement of Insolvency Practice No. 2: Investigations by office holders in administrations and insolvent liquidations and the submission of conduct reports by office holders
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Creditors who are neither secured or preferential

This report has been prepared by Matthew Hammond and David Baxendale as Joint Liquidators of the Company, solely to comply with the Joint Liquidators’ 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, which can be found at <https://www.pwc.co.uk/lloydsbritishtesting>. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Matthew Hammond and David 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 tell you that the Company's affairs are now fully wound up and to provide our final account of the liquidation, including an update since our last progress report.

You can still view our earlier reports on our website at www.pwc.co.uk/lloydsbritishtesting. Please get in touch by emailing uk_insolvencydocsrequests@pwc.com if you need the password to access the reports.

How much creditors have received

The following table summarises the outcome for creditors.

Class of creditor	Distributed (p in £)	Previous estimate (p in £)
Secured creditors	Paid in full	Paid in full
Preferential creditors	Paid in full	Paid in full
Unsecured creditors	Paid: 32.88p	32.84p

All secured creditors, with total indebtedness exceeding £2.5 million, were repaid in full during the prior administration.

A first and final distribution to preferential creditors of 100p in the £, totalling £18,395.11 was paid on 16 January 2018.

The distributions to unsecured creditors were as follows:

- a first interim dividend of 20p in £, amounting to £650,821.04, was paid on 7 September 2018;
- a second interim dividend of 12p in £, totalling £408,057.39, was paid on 3 October 2019; and
- a final dividend of 0.88p in £, amounting to £49,561.77, was paid on 27 February 2025.

The final dividend included catch up amounts totalling £19,637.06 which were payable to unsecured creditors whose claims were admitted after the payment of the second interim dividend. The total amount of the third and final dividend after this was £29,924.71.

What you need to do

This report is for your information and you don't need to do anything.

The enclosed Notice of Final Account gives details of creditors' rights in relation to requesting further information, challenging the Joint Liquidators' remuneration and expenses and objecting to the Joint Liquidators' release from liability.

More information in relation to creditors' rights can also be found in the guide below:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/liquidations-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by telephoning Kate Fox on 0113 289 4000.

What we've done during the liquidation

The Company operated a specialist business, carrying out the inspection, testing and repair of lifting equipment. Its business model was based on offering a full-circle suite of services to its clients, encompassing design and manufacture, delivery and installation, client training, inspection and service and maintenance and repair. It employed approximately 200 employees, including 120 skilled engineers who were based at the Company's 11 branches across the UK, and who performed the Company's testing and inspection services. Its headquarters were in Sutton Coldfield, West Midlands.

The Company faced significant cash flow pressures due to a combination of one-off costs, trading losses (particularly in the oil and gas sector), and historic over-funding issues. These financial difficulties led to arrears with HMRC and, ultimately, a winding-up petition. Upon the petition being presented, the Company's directors invited the qualifying floating charge holder to appoint administrators in order to preserve value in the business and assets.

Former administration

On 24 November 2016, Michael Thomas Denny, David Baxendale and Matthew Hammond of PwC were appointed Joint Administrators of the Company.

The business continued to trade for a short period while a buyer was sought, resulting in a sale of the business and assets (and a transfer of employees) to Speedy Asset Services Limited for total consideration of £3.75 million.

The administration ended on 28 November 2017 when the Company went into CVL and Michael Thomas Denny, David Baxendale and Matthew Hammond were appointed as Joint Liquidators. Michael Thomas Denny ceased to act as Joint Liquidator on 4 January 2021.

Transition to liquidation

At the end of the previous administration the key outstanding matters were as follows:

- continued collection of book debts and trading sales;
- resolution of the pension scheme issue;
- disclaiming or surrendering the remaining leasehold property;
- collection of sums due from sub-tenants;
- ongoing enquiries into the Company's insolvency;
- submission of corporation tax returns;
- submission of VAT returns and a VAT bad debt relief claim;
- closure of the Indian branch; and
- payment of a dividend to preferential and unsecured creditors.

The following is brief summary of how we've dealt with each of these matters in the liquidation. Later in this report we focus specifically on what has been done since we previously reported to creditors.

Collection of book debts and trading sales

At the outset of the liquidation, a key focus was the recovery of outstanding book debts and residual trading sales. The Joint Liquidators engaged specialist debt collection agents (Shakespeare Martineau LLP) to pursue recoveries on their behalf. The majority of collectable balances were realised over the course of the liquidation, with only a small number written off following a cost-benefit assessment.

In later stages, the Joint Liquidators also received minor *ad hoc* dividends from the estates of insolvent debtors. By the conclusion of the liquidation, all practical avenues for recovery had been exhausted and this matter was brought to a close.

Pension scheme issue

During the previous administration, the independent trustees of the Company's pension scheme had resigned, leaving members unable to access their benefits. The Joint Liquidators liaised with The Pensions Regulator, who appointed Open Trustees Limited as the new independent trustee in December 2017. This enabled the scheme to operate for the benefit of its members. The Joint Liquidators continued to deal with *ad hoc* member queries and issued all relevant statutory notices, ensuring the pension scheme issue was fully resolved.

Leasehold property

The Company had several leasehold properties at the time of administration. During liquidation, the Joint Liquidators used their statutory powers to formally disclaim any remaining leases that were not required or could not be surrendered by agreement. This process was completed in the early stages of the liquidation, ensuring that the Company no longer held any property interests and mitigating the risk of further claims from landlords.

Collection of sums due from sub-tenants

The Joint Liquidators pursued outstanding amounts owed by sub-tenants, particularly in relation to rent and utilities paid by the Company as head tenant. These efforts included direct negotiations and, where necessary, legal action. The majority of recoverable sums were collected, and any remaining balances were written off where further pursuit was not cost-effective.

Ongoing investigations

The Joint Liquidators continued the investigatory work begun in administration, reviewing the conduct of directors prior to the Company's insolvency and investigating potential asset recoveries.

In August 2020, the Joint Liquidators assigned the Company's rights to pursue a potential claim against a third party to Manolete, a specialist insolvency litigation funder. Under the terms of the assignment, Manolete agreed to fund and pursue the claim on behalf of the liquidation estate, with any net recoveries shared between Manolete and the Company on a pre-agreed basis, after the deduction of legal costs.

Following protracted correspondence between the third party and Manolete, no settlement was reached. Consequently, legal proceedings were issued, and the matter was heard in the High Court on 15 to 17 August 2022, with judgment awarded in favour of Manolete. The Court ordered the third party to pay £657,000 plus interest and costs.

Following judgment, Manolete applied to the Court to compel the debtor to draw funds from a personal pension scheme to satisfy the judgment debt. The application was initially successful; however, the debtor appealed. The appeal was heard by the Court of Appeal on 4 July 2024, and judgment was handed down in November 2024. Unfortunately, the appeal was allowed, and the order requiring the pension drawdown was set aside. Manolete has confirmed that no further appeal will be pursued.

As a result, no funds will be received from this source, and the matter is now considered concluded.

Corporation tax

Throughout the liquidation, the Joint Liquidators prepared and submitted corporation tax returns for each period, including the final period to closure. They ensured all tax liabilities were settled and sought tax clearance from HMRC before proceeding to dissolve the Company. This workstream was completed in the final stages of the liquidation.

VAT returns and a VAT bad debt relief claim

The Company was deregistered for VAT during the liquidation. The Joint Liquidators submitted all required VAT returns, including a final VAT426 to recover any outstanding input tax. They also submitted a VAT bad debt relief claim, which resulted in a refund to the estate. All VAT matters have now been finalised, and no further returns are required.

Closure of the Indian Branch

As part of the liquidation process, the Company's Indian branch, which had been responsible for marketing operations in India, was formally closed. The Joint Liquidators engaged local advisers to ensure that all legal, regulatory, and procedural requirements under Indian jurisdiction were fully satisfied. The process proved complex and protracted due to jurisdictional differences; however, the formal closure of the branch has now been confirmed as complete. No further action is required in respect of this matter.

Payment of dividends to preferential and unsecured creditors

Preferential creditors with claims for unpaid wages and holiday pay, were paid in full early in the liquidation. The Joint Liquidators issued a NOID and, following the statutory process, distributed £18,395 to Preferential creditors on 16 January 2018.

The agreement and payment of dividends to unsecured creditors represented a key workstream throughout the liquidation. The Joint Liquidators invited proofs of debt, adjudicated submitted claims, and declared two substantial interim dividends of 20p in the £ in September 2018 and 12p in the £ in October 2019. The potential for a final distribution was contingent upon the outcome of a major legal claim and the resolution of all remaining matters. Once it was confirmed that no further recoveries would be achieved from the legal proceedings, the Joint Liquidators issued a final NOID and completed the final distribution. In total, unsecured creditors received cumulative payments amounting to 32.88p in the £.

Statutory and compliance

In addition to the key asset realisations and recoveries outlined above, the Joint Liquidators undertook all statutory and administrative functions required during the course of the liquidation. This included maintaining the liquidation committee, convening periodic meetings to provide updates on case progress, and obtaining approval for the Joint Liquidators' remuneration and fees estimates, most recently in July 2023. Routine accounting and treasury functions were carried out throughout, including the management of estate bank accounts, reconciliation of funds, and receipt of bank interest. The Joint Liquidators also ensured full compliance with all statutory and regulatory obligations, including the preparation and submission of annual progress reports, statutory notices and returns, and the completion of final reporting and closure procedures.

Outcome for creditors

Secured creditors

All secured creditors, with combined indebtedness exceeding £2.5 million, were repaid in full during the prior administration. A summary of the secured creditors' claim positions is provided in our previous reports.

Preferential creditors

Preferential creditor claims totalled £18,395 and were paid in full on 16 January 2018. Further details regarding the preferential creditor claims can be found in our previous progress reports.

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 applied in this case, as a floating charge had been created after 15 September 2003. However, all secured debt was repaid in full from fixed charge realisations, including those arising from book debts under the invoice financing arrangement. As a result, there were no remaining secured liabilities payable from any floating charge surplus.

Accordingly, all remaining funds - after repayment of secured and preferential creditors and deduction of the liquidation expenses - were available for distribution to unsecured creditors. The level of asset realisations was sufficient to enable a total distribution of approximately £1.1 million to unsecured creditors, representing 32.88p in the £ of their admitted claims.

Progress since we last reported

Final distribution

Following the outcome of the claim against a third party, we decided to proceed with declaring our final dividend and proceeding to close the case. On 27 February 2025, we paid a final dividend of 0.88 p in £, amounting to £49,561.77.

Statutory and compliance

During the period, the Joint Liquidators completed all remaining statutory and compliance obligations in preparation for closure of the liquidation. This included the preparation and circulation of the seventh annual progress report to creditors, the filing of statutory notices at Companies House, and the maintenance of case records and internal systems. In addition, the Joint Liquidators finalised the VAT position, including the submission of a final VAT426 on 13 March 2025.

Liquidation committee

Upon appointment as Joint Liquidators, the creditors' committee established during the preceding administration became the liquidation committee. The Joint Liquidators have continued to engage with the committee throughout the liquidation, discussing key issues, seeking input on significant decisions where appropriate, and providing regular updates on the progress of the case.

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 SIP 2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the liquidation from 28 November 2024 to 25 November 2025 and for the duration of the liquidation.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred in the period since our last report.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, expenses and other related matters in this case.

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:

<https://www.icaew.com/-/media/corporate/files/regulations/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx>

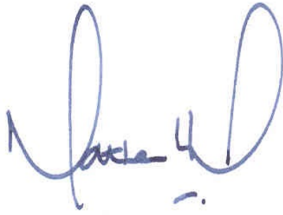
You can also get a copy free of charge by emailing uk_insolvencydocsrequests@pwc.com.

What we still need to do

The winding up of the Company is now complete. Following the end of the period within which creditors may object to our release, we will send a copy of this final account to the Registrar of Companies with a statement of whether any creditors of the Company objected. We will vacate office on sending the copy report and statement.

If you've got any questions, please get in touch with Kate Fox on 0113 289 4000.

Yours faithfully

A handwritten signature in blue ink, appearing to be 'Kate Fox', written in a cursive style.

Joint Liquidator

Appendices

Appendix A: Receipts and payments

	28 November 2017 to 27 November 2024	28 November 2024 to 25 November 2025	28 November 2017 to 25 November 2025
	£	£	£
Receipts			
Brought forward from administration	2,173,048.60	-	2,173,048.60
Bank interest gross	37,038.56	-	37,038.56
Book debts	67,416.97	-	67,416.97
Rent	15,833.34	-	15,833.34
Sundry debts & refunds	13,457.20	-	13,457.20
Contribution to legal costs	4,500.00	-	4,500.00
Trading surplus	8,096.77	-	8,096.77
Pre-appt VAT BDR claim	10,346.41	-	10,346.41
VAT refund from administration	43,937.64	-	43,937.64
Refund of bank charges	11.41	-	11.41
Sale of claim against third party	12,500.00	-	12,500.00
Total receipts	2,386,186.90	-	2,386,186.90
Payments			
Bank / finance Charges	(179.75)	(21.00)	(200.75)
Book debt collection agents	(32,250.24)	-	(32,250.24)
Legal fees & expenses	(69,256.23)	-	(69,256.23)
Administrators' fees	(728,000.00)	-	(728,000.00)
Liquidators' fees	-	(408,979.00)	(408,979.00)
Professional fees (Indian subsidiary)	(11,339.77)	-	(11,339.77)
Statutory advertising	(148.00)	(99.00)	(247.00)
Storage costs	(767.55)	(2,161.00)	(2,928.55)
Third party funds	(947.03)	-	(947.03)
ISA fee	-	(25.75)	(25.75)
General expenses	-	-	-
Corporation tax	(5,125.46)	-	(5,125.46)
Tax & NIC	(51.81)	-	(51.81)
Total payments	(848,065.84)	(411,285.75)	(1,259,351.59)
Total receipts and payments	1,538,121.06	(411,285.75)	1,126,835.31
Preferential distribution (100p / £ paid on 16 January 2018)	(18,395.11)	-	(18,395.11)
Unsecured creditors (20p / £ paid on 7 September 2018)	(650,821.04)	-	(650,821.04)
Unsecured creditors (12p / £ paid on 3 October 2019)*	(408,057.39)	-	(408,057.39)
Unsecured creditors (0.88p / £ paid on 27 February 2025)	-	(49,561.77)	(49,561.77)
VAT Control Account	(448.50)	448.50	-
Balance at Bank	460,399.02	(460,399.02)	-

Notes to the R&P

1. Amounts shown exclude VAT.
2. As explained further in Appendix C, our fees are based on time costs. The receipts and payments account shows the amounts paid in the period and total to date.
3. Funds were held in an interest-bearing account, however the account was removed from interest-bearing on 13 December 2023 and final interest was applied to enable the calculation of final tax and progression to closure.
4. The balance of funds transferred from the administration estate, together with amounts realised during the liquidation, are uncharged. As the secured creditors were repaid in full from fixed charge realisations in the prior administration, there is no remaining secured debt or entitlement to floating charge assets.
5. There have been no payments made to us, our Firm or our associates other than from the insolvent estate as shown in the receipts and payments account provided above.
6. Included within professional fees is £4,080 paid in total, in relation to payments to associates in accordance with the policy explained in our previous correspondence.
7. In previous reports we have explained what work has been subcontracted out (that would otherwise have been done by us). The amounts paid for those services during the period were £nil and in total are £32,250 and are included in book debt collection agents above.

Appendix B: Expenses

Expenses are amounts properly payable by us as Joint Liquidators from the estate but exclude our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our Firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the creditors committee, which became the liquidation committee) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Joint Liquidators' own Firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the liquidation. All other disbursements to be charged at cost.

The following table provides a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by PwC and will be recharged to the case.

Category	Provided by	Basis of cost	Costs incurred (£)
Brought forward from previous periods:			
1	PwC	Storage and archiving	4,592
2	PricewaterhouseCoopers Private Limited	Professional fees	4,080
1	PwC	Postage	1,497
2	PwC	Printing	224
2	Mileage	Mileage	58
1	PwC	Other	422
Total brought forward from previous periods:			10,873
In the reporting period:			
1	PwC	Storage and archiving	129
2	PwC	Printing	97
Total in the reporting period			226
Total in the CVL			11,099

The expense policy set out above has been approved by the creditors' committee in the preceding administration and applies to the liquidation also.

The table below provides details of the expenses incurred in the liquidation. 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.

The table does not include any tax liabilities and, as explained on our previous progress report, we have now brought the Company's tax affairs up to date and no further tax liabilities are expected.

Costs relating to the Liquidation	Brought forward	Incurred in the period	Cumulative	Initial estimate*	Variance
	£	£	£	£	£
Bank / Finance Charges	180	21	201	1,800	1,599
Book debt collection agents	32,250	-	32,250	40,000	7,750
Legal fees & Expenses	69,256	-	69,256	41,000	(28,256)
Professional fees	11,340	-	11,340	-	(11,340)
Stat advertising	148	99	247	-	(247)
Joint Liquidators' disbursements	6,793	225	7,018	15,000	7,982
ISA fee	-	26	26	-	(26)
Storage Costs	768	2,161	2,929	400	(2,529)
Total	120,735	2,532	123,267	98,200	(25,067)

The table above provides details of the expenses incurred in the liquidation.

- 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 final administration report, we included an estimate for future expenses and, as the Company moved into liquidation shortly thereafter, we have included this estimate for comparison purposes against the anticipated total expenses for the liquidation. In our remuneration report which was issued with our proposals, whilst we anticipated moving to liquidation to pay a dividend, we couldn't predict how long the liquidation would last or how it would progress and so we did not include an estimate for liquidation expenses.
- You will notice that we have exceeded our estimates for professional fees, legal fees and storage costs. The legal fees and storage costs estimates were exceeded due to costs associated with the third party claim, and the professional fees relate to the closure of the Indian branch, which weren't accounted for in the initial estimate.

Appendix C: Remuneration update

During the administration, the creditors' committee fixed the basis of the Joint Administrators' remuneration by reference to the time properly given by the Joint Administrators and their staff in dealing with the administration.

The fee basis agreed in the administration continues to apply in the liquidation. This means that our fees as Liquidators will be calculated by reference to the time properly given by the Joint Liquidators and their staff.

Joint Administrators' remuneration

Creditors may recall that the creditors' committee approved our fees estimate of £1,378k. Our total time costs for the administration were £1,552k, therefore we exceeded the fees estimate by £174k. Please refer to our final report on the administration for an explanation as to why the fees estimate was exceeded.

In the administration, we drew £650k and a further £728k in the liquidation.

Joint Liquidators' remuneration

We issued a remuneration letter on 10 January 2024 to all creditors setting out a revised fees estimate to include an additional £752,535 for the liquidation, bringing the revised fees estimate for the administration and liquidation to a total of £2,130,535.

However, at the time of issuing our revised fees estimate, we informed creditors that we only intended to seek approval to draw an additional £409k, meaning if approved the maximum we could draw across the administration and liquidation was £1,787k.

Shortly after issuing our remuneration report, we sought the approval of the liquidation committee to draw the further amount of £409k. The liquidation committee voted in favour of the increase. The time cost charges incurred in the period covered by this report are £100,109. This amount does not reflect how much was drawn as fees for this period.

Our time costs exceeded our initial estimate of £752,535.75, the amount approved by the liquidation committee as fee approving body. This was exceeded due to the investigations into the third party requiring more work than was expected, for a longer period of time. As the liquidation needed to be kept open whilst awaiting a resolution of this matter, we incurred ongoing statutory costs.

We set out later in this Appendix details of our work to date, subcontracted work and payments to associates.

Our hours and average rates

Below we set out our SIP9 time analysis covering the reporting period and the period 28 November 2017 to 25 November 2025.

Reporting period - 28/11/2024 to 25/11/2025

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Overseas professionals (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
Accounting and Treasury	-	-	-	2.90	20.70	16.80	-	40.40	20,350.00	503.71
Assets	-	-	0.55	0.20	-	-	-	0.75	631.25	841.67
Creditors	-	-	7.10	18.10	24.70	0.75	-	50.65	33,978.50	670.85
Reporting to committee	-	-	0.80	-	0.75	-	-	1.55	1,131.25	729.84
Statutory and Compliance	5.30	-	6.60	5.30	33.25	4.15	-	54.60	36,872.25	675.32
Strategy and Planning	-	-	0.80	1.70	3.55	4.30	-	10.35	5,793.15	559.72
Tax and VAT	-	-	-	0.40	1.70	0.50	-	2.60	1,352.50	520.19
Total for the period	5.30	-	15.85	28.60	84.65	26.50	-	160.90	100,108.90	622.18

Full period from 28/11/2017 - 25/11/2025

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Overseas professionals (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
Accounting and Treasury	-	0.75	0.95	17.00	77.60	72.78	12.70	181.78	60,339.85	331.94
Assets	-	3.00	53.70	104.15	58.65	6.35	-	225.85	89,110.90	394.56
Creditors	-	3.50	41.30	79.80	285.70	35.00	38.25	483.55	170,089.65	351.75
Reporting to Committee	-	-	27.55	58.20	47.20	1.50	2.00	136.45	71,429.55	523.49
Statutory and Compliance	42.95	50.25	40.15	158.65	309.90	135.05	21.25	758.20	345,939.90	456.26
Strategy and Planning	0.75	-	24.25	15.75	55.50	14.05	2.55	112.85	57,452.65	509.11
Tax and VAT	3.00	0.25	32.80	58.50	111.96	34.65	-	241.16	124,340.10	515.59
Total	46.70	57.75	220.70	492.05	946.51	299.38	76.75	2,139.84	918,702.60	429.33

CVL time costs to 11/11/2025 compared to revised fee estimate

Work category	Hours incurred to date	Time costs to date	Average rate	Estimated total Hours	Estimated total costs	Average rate	Variance Hrs	Variance cost £	Variance hourly rate
Accounting and Treasury	181.78	60,339.85	331.94	134.28	38,956.55	290.11	(47.50)	(21,383.30)	(41.83)
Assets	225.85	89,110.90	394.56	227.05	89,509.28	394.23	1.20	398.38	(0.33)
Creditors	483.55	170,089.65	351.75	458.45	151,463.10	330.38	(25.10)	(18,626.55)	(21.37)
Reporting to committee	136.45	71,429.55	523.49	139.50	73,116.15	524.13	3.05	1,686.60	0.64
Statutory and Compliance	758.20	345,939.90	456.26	610.60	243,578.05	398.92	(147.60)	(102,361.85)	(57.34)
Strategy and Planning	112.85	57,452.65	509.11	93.30	45,484.10	487.50	(19.55)	(11,968.55)	(21.61)
Tax and VAT	241.16	124,340.10	515.59	222.21	110,428.53	496.96	(18.95)	(13,911.57)	(18.63)
Total for the period	2,139.84	918,702.60	429.33	1,885.39	752,535.75	399.14	(254.45)	(166,166.85)	(30.19)

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 the Joint Liquidators.

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. The minimum time chargeable is three minutes (i.e. 0.05 units). 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	Up to 30 June 2025 £	From 1 July 2025 £
Partner	1,050	1,110
Appointment taking director	1,000	1,060
Director (not appointee)	950	980
Assistant director	920	980
Senior manager	875	900
Manager	750	790
Senior associate	575	600
Associate	400	420
Offshore professionals	400	420

We call on colleagues such as those in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. We may also utilise Technology Specialists from the wider Business Restructuring Services team or other parts of our firm. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

Grade	Up to 30 June 2025 £	From 1 July 2025 £
Partner	1,965	2,065
Director	1,815	1,910
Senior manager	1,485	1,560
Manager	1,080	1,135
Senior associate/consultant	765	520-805
Associate/assistant consultant	350-515	370
Support staff	235	235
Offshore professionals	-	-

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

Our work in the period since our last report

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

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury		
<ul style="list-style-type: none"> Dealing with receipts and payments; and Conducting periodic bank reconciliations 	<ul style="list-style-type: none"> To enable the proper functioning of the liquidation bank account 	<ul style="list-style-type: none"> Required by statute/regulations
Assets		
<ul style="list-style-type: none"> Liaising with Manolete regarding the appeal outcome and closure of the assigned claim; Reviewing correspondence from counsel and updating creditors' committee members; and Recording and documenting the conclusion of the litigation for statutory records 	<ul style="list-style-type: none"> To realise all available assets 	<ul style="list-style-type: none"> Work was required to potentially realise funds for the benefit to creditors
Creditors		
<ul style="list-style-type: none"> Dealing with correspondence received in respect of potential claims; Requesting further information in relation to one unadjudicated Unsecured creditor claim; Issuing notice of intended dividend to Unsecured creditors; Calculation and payment of dividend to Unsecured creditors; Reissuing dividend cheques where required; and Payment of unclaimed dividends to the Insolvency Services Account. 	<ul style="list-style-type: none"> To keep creditors informed of the progress of the liquidation. To keep the committee informed of the progress of the liquidation 	<ul style="list-style-type: none"> Work is required by statute and for the proper administration of the case
Statutory and compliance		
<ul style="list-style-type: none"> Preparing and circulating the seventh progress report in the liquidation; Filing relevant notices at Companies House; Maintaining internal job management systems; Ongoing filing of documents and records; and Dealing with postal correspondence received. 	<ul style="list-style-type: none"> For the proper administration of the insolvency 	<ul style="list-style-type: none"> Required by statute/regulations

Strategy and Planning

- Periodic review of the case progress by appointment takers;
- Team strategy calls and discussions;
- Maintaining an estimated outcome statement to assess the funds held within the case and future strategy; and
- Reviewing budgets and monitoring costs.
- To ensure case progression and monitoring costs
- Controls efficiencies, time costs and ensures continued case progression towards closure

Tax and VAT

- Reconciling VAT accounts; and
- Completing final VAT426.
- For the proper administration of the insolvency
- Required by statute/regulations

Closure

- Completing the permanent file;
 - Closing down internal systems;
 - Arranging closure of the bank account;
 - Requesting clearance from third parties; and
 - Drafting the final report to creditors.
 - For the proper administration of the insolvency
 - Required by statute/regulations
-

Payments to associates

We paid £4,080 to PricewaterhouseCoopers Private Limited, which is the Indian branch of the PwC network, which was discussed in prior reports. This payment was for assistance in relation to the closure of the Company's Indian branch. These payments were ratified by the committee as a category 2 expense.

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.

Details of subcontracted work

The only work which we or our staff would normally do that has been done by subcontractors, is the book debt collection by Shakespeare Martineau. This work was carried out in prior periods (pre-2021) and was subcontracted to achieve greater efficiency and cost-effectiveness, and to utilise the specialist expertise of the appointed firm.

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: <ul style="list-style-type: none">• disclaiming lease;• general legal advice;• assistance with our investigations into the Company's affairs; and• preparation of our application to Court for delivery of documents.	Addleshaw Goddard LLP	Industry knowledge/insolvency expertise	Time costs and disbursements
Collection of outstanding book debts and trading sales	Shakespeare Martineau LLP	Industry knowledge/insolvency expertise	20% of realisations

We require all third party professionals to submit time costs analyses and narrative in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Confirm the Joint Liquidators issued the instructions listed on the invoice;
- Detailed review of narrative provided in support of the time charged;
- Assess whether the work was undertaken in line with our expectations, in respect of the quality and amount of time taken;
- Assess the reasonableness of the fees charged in the context of the advice sought and complexity of the matter; and
- Reviewing asset realisations inventories and sale values against the agreed percentage of realisations where relevant.

Appendix D: Other information

Company's registered name:	Lloyds British Testing Limited
Trading name:	Lloyds British Testing Limited
Registered number:	04444099
Registered address:	Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Joint Liquidators' appointment:	28 November 2017
Liquidators' names, addresses and contact details:	David Matthew Hammond of PricewaterhouseCoopers LLP, One Chamberlain Square, Birmingham, B3 3AX and David Robert Baxendale of PricewaterhouseCoopers LLP, 7 More London, Riverside, London, SE1 2RT Contact email: kate.fox@pwc.com
