

# Joint Liquidators' progress report from 28 November 2020 to 27 November 2021

Lloyds British Testing Limited - in Liquidation

27 January 2022

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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
<b>Company</b>	Lloyds British Testing Limited – in creditors' voluntary liquidation
<b>Joint Liquidators/we/us/our</b>	Matthew Hammond and David Baxendale
<b>Firm</b>	PricewaterhouseCoopers LLP
<b>IR16</b>	Insolvency (England and Wales) Rules 2016
<b>IA86</b>	Insolvency Act 1986
<b>CVL</b>	Creditors' voluntary liquidation
<b>HMRC</b>	HM Revenue and Customs
<b>Prescribed part</b>	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
<b>Secured creditors</b>	Creditors with security in respect of their debt, in accordance with Section 248 IA86
<b>Preferential creditors</b>	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
<b>the Lenders</b>	RBS Invoice Finance Limited and Royal Bank of Scotland Plc
<b>RBSIF</b>	RBS Invoice Finance Limited
<b>Alfandari</b>	Alfandari Private Equities Limited
<b>Speedy</b>	Speedy Asset Services Limited
<b>TUPE</b>	Transfer of Undertakings Protection of Employment Regulations 2006
<b>Unsecured creditors</b>	Creditors who are neither secured nor 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.

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# 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 month period from 28 November 2020 to 27 November 2021.

You can still view our earlier reports on our website at [www.pwc.co.uk/lloydsbritishtesting](http://www.pwc.co.uk/lloydsbritishtesting). Please get in touch by emailing [uk\\_insolvencydocsrequests@pwc.com](mailto:uk_insolvencydocsrequests@pwc.com) if you need the password to access the reports.

## How much creditors have received

The following table summarises the possible outcome for creditors<sup>1</sup>, based on what we currently know.

Class of creditor	Forecast timing	Current estimate (p in £)	Previous estimate (p in £)	
Secured creditor		Paid	Paid in full	Paid in full
Preferential creditors		Paid	Paid in full	Paid in full
Unsecured creditors	October 2019: Paid 12p/£ September 2018: Paid 20p/£ Future dividend - Uncertain: Between 3-13p/£		35 - 45	35 - 45

1- Please note this guidance is only an indication and should not be used as the main basis of any bad debt provision or debt trading.

## What you need to do

We've asked for outstanding claims from unsecured creditors so that we can agree them for dividend purposes. As shown above, dividends totalling 32p/£ have already been paid to unsecured creditors. We expect there will be a future dividend however the timing of this is uncertain as it is wholly reliant on matters outside of our control. Further details are given later in this report.

If you haven't already done so, please send your claim to us so that we can review it, in readiness for the anticipated dividend. A claim form can be downloaded from our website at [www.pwc.co.uk/lloydsbritishtesting](http://www.pwc.co.uk/lloydsbritishtesting).

All creditors wishing to receive the anticipated dividend payment must submit a proof of debt.

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

The administration of the Company ended on 28 November 2017 when the Company went into CVL and we were appointed as Liquidators.

This is our fourth progress report on the liquidation. Creditors may wish to also refer to our previous reports in the administration or liquidation, which can be found at [www.pwc.co.uk/lloydsbritishtesting](http://www.pwc.co.uk/lloydsbritishtesting).

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

- awaiting the outcome of any claims made against a third party;
- distributing a final dividend to unsecured creditors; and
- completing the necessary ongoing statutory tasks and other matters in the wind-down of the Company's affairs.

More details on the actions we have taken in the period to progress the above matters can be found in the next sections of our report.

# Outcome for creditors

## Secured creditors

All secured creditors, with a combined indebtedness of over £2.5m, were repaid in full in the prior administration. A summary of all the secured creditors claims position can be found in our previous reports.

## Preferential creditors (mainly employees)

Preferential creditor claims totalled £18,297 and were paid in full on 16 January 2018. Further details regarding the preferential 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. The 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

Whilst the prescribed part applies in this case as there is a floating charge created after 15 September 2003, all secured debt was repaid from fixed charge realisations and book debts (as appropriate), such that there is no secured debt remaining that would be payable from any floating charge surplus.

Therefore, all funds held (after repayment of secured and preferential creditors) are available, after expenses of the liquidation, for unsecured creditors.

The level of asset realisations has been sufficient to enable c.£1.06m to be distributed to unsecured creditors so far, representing 32 pence in the pound of their total indebtedness.

We still anticipate that the overall return to unsecured creditors will be in the range of 35 - 45 pence in the pound. We expect to pay a final dividend, however the timing of this remains uncertain.

If you haven't already done so, please send your claim to us so that we can review it for dividend purposes. A claim form can be downloaded from our website [www.pwc.co.uk/lloydsbritishtesting](http://www.pwc.co.uk/lloydsbritishtesting).

# Progress since we last reported

## Ongoing enquiries

During the prior period, we completed a sale of rights to claims against a third party. An initial consideration of £12.5k was received in August 2020 from the purchaser of the claims (“the Purchaser”).

If claims against the third party are successful, any settlement will be split between the liquidation estate and the Purchaser. Due to the sensitive and confidential nature of this matter, we are unable to provide any further details at this stage. We will continue to consult and discuss progress with the creditors’ committee in this regard, and the Purchaser.

## Bank interest and other receipts

No interest was received during the period on the interest bearing bank accounts due to the current Bank of England base rate.

We have received £6 as a first and final dividend from the liquidation estate of Ham Baker Adams Limited. We do not anticipate any further realisations from this source.

In the period, have also received £4,500 as a contribution to legal costs in respect of the claim we have now sold to the Purchaser (prior to our claim being sold, the party to our claim was ordered to contribute towards the estate’s legal costs in respect of an application the Liquidators made to Court for delivery up of information).

## Statutory and compliance

As advised in our last report, the Company has been deregistered for VAT. In the period we have submitted a VAT 426 and subsequently received a refund of £29.8k. We will continue to reclaim VAT on an ad hoc basis.

## Liquidation committee

On appointment as Liquidators, the creditors’ committee formed in the preceding administration became the liquidation committee. We have continued to speak with the liquidation committee to discuss issues and outline key decisions where appropriate and provide the committee with updates on the progress made in the liquidation.

We still need to liaise with the committee to seek approval of a fees estimate for our work in the CVL.

## Investigations and actions

We have reviewed the Company’s affairs and taken into account any points raised by creditors in discharging 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 28 November 2020 to 27 November 2021.

## 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. The statement excludes any potential tax liabilities that we may need to pay as a liquidation expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## Our fees

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



## 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/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by emailing [uk\\_insolvencydocsrequests@pwc.com](mailto:uk_insolvencydocsrequests@pwc.com).

## What we still need to do

The remaining key tasks that we need to complete prior to concluding the liquidation are as follows:

- awaiting the outcome of any claims made against a third party;
- distributing a final dividend to unsecured creditors; and
- completing the necessary ongoing statutory tasks and other matters in the wind-down of the Company's affairs.

## 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 Charlotte Smith by emailing [charlotte.s.smith@pwc.com](mailto:charlotte.s.smith@pwc.com).

Yours faithfully



David Matthew Hammond  
Joint liquidator

# Appendix A: Receipts and payments

	28 November 2017 to 27 November 2020 £	28 November 2020 to 27 November 2021 £	28 November 2017 to 27 November 2020 £
<i>Receipts</i>			
Brought forward from administration	2,173,048.60	-	2,173,048.60
Bank Interest Gross	12,642.23	-	12,642.23
Book debts	66,372.44	-	66,372.44
Rent	15,833.34	-	15,833.34
Sundry debts and refunds	14,491.60	5.77	14,497.37
Contribution to legal costs	-	4,500.00	4,500.00
Trading Surplus / (Deficit)	8,096.77	-	8,096.77
Refund of bank charges	11.41	-	11.41
Sale of claim against third party	12,500.00	-	12,500.00
<b>Total receipts</b>	<b>2,302,996.39</b>	<b>4,505.77</b>	<b>2,307,502.16</b>
<i>Payments</i>			
Bank / Finance Charges	(154.00)	(25.75)	(179.75)
Book debt collection agents	(32,250.24)	-	(32,250.24)
Legal fees & Expenses	(67,013.73)	(2,242.50)	(69,256.23)
Administrators' fees	(728,000.00)	-	(728,000.00)
Professional Fees (Indian sub.)	(11,339.77)	-	(11,339.77)
Statutory advertising	(148.00)	-	(148.00)
Storage Costs	(767.55)	-	(767.55)
Third party funds	(947.03)	-	(947.03)
Corporation tax	(1,961.20)	-	(1,961.20)
Tax & NIC	(51.81)	-	(51.81)
<b>Total payments</b>	<b>(842,633.33)</b>	<b>(2,268.25)</b>	<b>(844,901.58)</b>
<b>Total receipts and payments</b>	<b>1,460,363.06</b>	<b>2,237.52</b>	<b>1,462,600.58</b>
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)
VAT Control Account (liquidation)	(13,575.93)	29,399.84	15,823.91
VAT Control Account (administration)	38,011.64	-	38,011.64
<b>Balance at Bank</b>	<b>407,525.23</b>	<b>31,637.36</b>	<b>439,162.59</b>

## Notes to the accounts:

1. Amounts shown exclude VAT.
2. Funds are held in interest bearing accounts, although as at the date of this report, no interest has been accrued due to the Bank of England base rate.

# Appendix B: Expenses

Expenses are amounts properly payable by us as Liquidators from the estate, but excludes 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
<b>Category 1</b>	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
<b>Category 2</b>	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) also has the responsibility for agreeing the policies for payment of Category 2 expenses. The following table provides a breakdown of the Category 2 expenses have been incurred by us as Liquidators or our associates, together with details of the Category 1 expenses that have been incurred by PwC and will be recharged to the case:

Category	Cost incurred by	Policy	Costs incurred (£)
2	PwC	<b>Photocopying</b> – at 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	-
2	PwC	<b>Mileage</b> – At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	-
1	PwC	Storage and archiving	1,060
1	PwC	Postage	7
1	PwC	Transfer of Appointee	600
<b>Total</b>			<b>1,667</b>

The expense policy set out above was 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 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.

Costs relating to the Administration	Brought forward	Incurred in the period	Cumulative	Paid in the period	Remaining outstanding
	£	£	£	£	£
Administrators' disbursements	10,000	-	10,000	-	10,000
Administrators' fees	200,000	-	200,000	-	200,000
<b>Total</b>	<b>210,000</b>	<b>-</b>	<b>210,000</b>	<b>-</b>	<b>210,000</b>

Costs relating to the Liquidation	Brought forward	Incurred in the period	Cumulative	Estimated future	Anticipated total	Initial estimate *	Variance
	£	£	£	£	£	£	£
Bank / Finance Charges	45	26	71	52	123	1,800	1,677
Book debt collection agents	2,700	-	2,700	-	2,700	40,000	37,300
Legal fees & Expenses	13,971	2,243	16,214	2,000	18,214	41,000	22,786
Liquidators' fees**	407,587	110,566	518,572	tbc	tbc	tbc	tbc
Liquidators' disbursements	3,113	607	3,720	5,000	8,720	15,000	6,280
Storage Costs	147	1,060	1,207	500	1,707	400	-1,307
<b>Total</b>	<b>427563</b>	<b>114501.5</b>	<b>542484</b>	<b>7552</b>	<b>31464</b>	<b>98200</b>	<b>66736</b>

\* 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 current anticipated total expenses for the liquidation (in our remuneration report, issued with our proposals, whilst we anticipated moving to liquidation to pay a dividend we couldn't predict for how long the liquidation would last or how it would progress and so we did not include an estimate for liquidation expenses).

\*\*The figures provided for the officeholders' fees are based on the time costs we have incurred. Our fees are currently capped by the fees estimate agreed by the creditors' committee in the administration of £1,378k (which has been drawn in full for our administration time costs).

The amount of time costs incurred to date in the Liquidation does not necessarily reflect the level of approval we may seek from the creditors' committee.

To date we have not sought an uplift to the current fees from the creditors' committee in the liquidation, and therefore the outstanding expenses figure for our fees is subject to change.

# Appendix C: Remuneration update

During the administration, the creditors' committee fixed the basis of the administrators' fees by reference to time properly given by the administrators and their staff in dealing with the administration. The fee basis agreed in the administration continues to apply in the liquidation. More details on our remuneration in the liquidation and the preceding administration are provided below.

## Administrators' remuneration

Creditors may recall that the creditors' committee approved our fees estimate of £1,378k. Our total time costs for the administration were £1,578k and we therefore exceeded the fees estimate by £200k. Please refer to our final report on the administration for an explanation as to why the fee estimate was exceeded. During the liquidation we have drawn fees of £728k in relation to outstanding time costs from the administration.

This means we have drawn total remuneration in relation to the administration of £1,378k to date.

## Liquidators' remuneration

The time cost charges incurred in the period covered by this report are £110k, as shown in the table below.

Our total time costs since the liquidation commenced are now £518k. As previously advised, we'll provide an updated fees estimate to the creditors' committee in support of our request for further remuneration in the liquidation. However, the amount of time costs incurred to date does not necessarily reflect the level of approval we'll seek from the creditors' committee.

We set out later in this Appendix, more details of our work in the period, anticipated future work, disbursements, subcontracted work and payments to associates.

## Our hours and average rates

Aspect of assignment	Partner (Hrs)	Director (Hrs)	Senior Manager (Hrs)	Manager (Hrs)	Senior Associate (Hrs)	Associate (Hrs)	Total (Hrs)	Time cost £	Average hourly rate £
Accounting and Treasury	-	-	0.45	1.15	3.40	6.30	11.30	3,959.75	350.42
Assets	-	3.00	46.50	25.60	20.30	2.95	98.35	43,802.75	445.38
Creditors	-	-	0.50	1.70	7.90	3.35	13.45	5,138.25	382.03
Investigations	-	-	1.65	20.10	5.80	1.30	28.85	14,200.00	492.20
Reporting to committee	-	-	-	-	0.15	1.10	1.25	328.00	262.40
Statutory and Compliance	2.00	0.25	8.55	2.40	42.00	40.70	95.90	35,570.00	370.91
Strategy and Planning	0.25	-	-	0.05	1.50	1.60	3.40	1,258.75	370.22
Tax and VAT	-	-	1.20	1.00	9.80	2.95	14.95	6,089.25	407.31
Trading	0.25	-	-	-	-	-	0.25	218.75	875.00
<b>Total for the period</b>	<b>2.50</b>	<b>3.25</b>	<b>58.85</b>	<b>52.00</b>	<b>90.85</b>	<b>60.25</b>	<b>267.70</b>	<b>110,565.50</b>	<b>413.02</b>
<b>Brought forward at 28 November 2020 *</b>							<b>944.79</b>	<b>407,587.00</b>	
<b>Total</b>							<b>1,212.49</b>	<b>518,152.50</b>	

## 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 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 administration

Grade	Up to 30 June 2021 £/hour	From 1 July 2021 £/hour
Partner	850	875
Director	720	740
Senior Manager	585	625
Manager	475	525
Senior Associate	390	425
Associate	245	280
Support Staff	125	130

The charge-out rates in brackets represent rates applicable to staff based in London (or central functions) who charge a relatively small number of hours. 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	Up to 30 June 2021 £/hour	From 1 July 2021 £/hour
Partner	1200	1230
Director	975	1000
Senior Manager	850	890
Manager	630	675
Senior Associate	500	530
Associate	275	320
Support Staff	140	145

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

## Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

## Our work in the period

Earlier in this section we 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	What, if any, financial benefit the work provided to creditors or whether it was required by statute
<b>Strategy and planning</b>	<ul style="list-style-type: none"> <li>• Periodic review of the case progress by appointment takers;</li> <li>• Team strategy calls and discussions; and</li> <li>• Preparing and reviewing budgets and monitoring costs</li> </ul>	To ensure case progression and monitoring costs.	Controls efficiencies, time costs and ensures continued case progression towards closure.
<b>Accounting and treasury</b>	<ul style="list-style-type: none"> <li>• Dealing with receipts, payments and journals; and</li> <li>• Conducting periodic bank reconciliations</li> </ul>	To enable the proper functioning of the liquidation bank account.	Required by statute/regulations.
<b>Investigations</b>	<ul style="list-style-type: none"> <li>• Liaising with the Purchaser to provide information pertaining to the claim</li> <li>• Reviewing company books and records to understand the volume and access levels of such</li> <li>• Reviewing company books and records for full disclosure to the Purchaser</li> <li>• Liaising with our Forensic department to gain access to electronic company records</li> <li>• Arranging the provision of hard copy books and records to the Purchaser</li> <li>• Facilitating a review of the books and records at a PwC office for a third party, including supervision to meet risk and compliance regulations</li> </ul>	To potentially generate additional recoveries for the benefit of the estate.	To potentially realise funds for the benefit of creditors.
<b>Statutory and compliance</b>	<ul style="list-style-type: none"> <li>• Preparing and circulating the second progress report in the liquidation;</li> <li>• Filing relevant notices at Companies House;</li> <li>• Maintaining internal job management systems;</li> <li>• Ongoing filing of documents and records; and</li> <li>• Dealing with postal correspondence received.</li> </ul>	For the proper administration of the insolvency.	Required by statute/regulations.
<b>Creditors, claims and distributions</b>	<ul style="list-style-type: none"> <li>• Responding to unsecured creditor enquiries via email, telephone and post.</li> </ul>	To keep creditors informed of the progress of the liquidation.	Work is required by statute and for the proper administration of the case.

## Our future work

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

Area of work	Work undertaken	Whether or not the work will provide a financial benefit to creditors
<b>Strategy and planning</b>	<ul style="list-style-type: none"><li>• Ongoing team meetings;</li><li>• Ongoing appointment taker review of case progression; and</li><li>• Preparation and review of budgets and monitoring costs.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to ensure the efficient oversight of the CVL.</li><li>• Necessary to comply with insolvency regulation and industry best practice.</li></ul>
<b>Accounting and treasury</b>	<ul style="list-style-type: none"><li>• Effecting payments and receipts and maintaining the CVL bank account.</li></ul>	<ul style="list-style-type: none"><li>• Necessary as a bank account needed to pay distributions to unsecured creditors and funds must be subject to proper stewardship and controls</li></ul>
<b>Creditors, claims &amp; distributions</b>	<ul style="list-style-type: none"><li>• Responding to creditor enquiries;</li><li>• Dealing with uncashed dividend cheques;</li><li>• Agreement of further claims received; and</li><li>• Preparing for and issuing final dividend to unsecured creditors.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to enable proper function of the CVL and to assist creditors.</li><li>• Financial benefit as will return monies to creditors.</li></ul>
<b>Tax &amp; VAT</b>	<ul style="list-style-type: none"><li>• Continued submission of corporation tax returns; and</li><li>• Submission of periodic VAT 426 forms.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to fulfil duties as agents of the Company for tax and VAT purposes.</li><li>• Potential benefit if tax liability can be reduced.</li><li>• Financial benefit to reclaim VAT from HMRC.</li></ul>
<b>Statutory and compliance</b>	<ul style="list-style-type: none"><li>• Preparation and circulation of annual reports to creditors;</li><li>• Filing of appropriate notices at Companies House; and</li><li>• Maintenance of internal filing systems.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to comply with insolvency legislation and industry practice.</li></ul>
<b>Creditors committee</b>	<ul style="list-style-type: none"><li>• Periodic updates and meetings with the creditors committee; and</li><li>• Agreement of a fees estimate in the liquidation.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to comply with insolvency legislation and industry practice.</li></ul>
<b>Closure procedures</b>	<ul style="list-style-type: none"><li>• Obtaining clearances in advance of ceasing to act;</li><li>• Completing closure checks; and</li><li>• Submitting notices to dissolve the Company.</li></ul>	<ul style="list-style-type: none"><li>• Necessary to formalise the CVL and dissolve the Company.</li></ul>

## 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

No work has been subcontracted in the period.



## 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"><li>• disclaiming lease;</li><li>• general legal advice;</li><li>• assistance with our investigations into the Company's affairs; and</li><li>• preparation of our application to the Court for delivery up of documents.</li></ul>	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

# Appendix D: Other information

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<b>Company's registered name:</b>	Lloyds British Testing Limited
<b>Trading name:</b>	Lloyds British Testing Limited
<b>Registered number:</b>	04444099
<b>Registered address:</b>	Central Square, 29 Wellington Street, Leeds, LS1 4DL
<b>Date of the Liquidators' appointment:</b>	28 November 2017
<b>Liquidators' names, addresses and contact details:</b>	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: [charlotte.s.smith@pwc.com](mailto:charlotte.s.smith@pwc.com)

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