

WU07

Notice of progress report in a winding-up by the court



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 5 2 7 1 8 6

Company name in full Worthington Group Plc

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Irvin

Surname Cohen

3 Liquidator's address

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

4 Liquidator's name ①

Full forename(s) Mark Robert

Surname Fry

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

② Other liquidator

Use this section to tell us about
another liquidator.

WU07

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6 Period of progress report

| | | | | | | | | |
|-----------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| From date | ^d <div>0</div> | ^d <div>4</div> | ^m <div>0</div> | ^m <div>1</div> | ^y <div>2</div> | ^y <div>0</div> | ^y <div>2</div> | ^y <div>1</div> |
| To date | ^d <div>0</div> | ^d <div>3</div> | ^m <div>0</div> | ^m <div>1</div> | ^y <div>2</div> | ^y <div>0</div> | ^y <div>2</div> | ^y <div>2</div> |

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

| | | | | | | | |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| ^d <div>2</div> | ^d <div>1</div> | ^m <div>0</div> | ^m <div>2</div> | ^y <div>2</div> | ^y <div>0</div> | ^y <div>2</div> | ^y <div>2</div> |
|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|

**Presenter information**

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

Contact name **Swedana Lobo**

Company name **Begbies Traynor (London) LLP**

Address **31st Floor**

40 Bank Street

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7516 1500**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Worthington Group Plc
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

| Statement of Affairs £ | From 04/01/2021 To 03/01/2022 £ | From 04/01/2017 To 03/01/2022 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Bank Interest Gross | 28.26 | 395.95 |
| Cash at Bank | NIL | 2,039.92 |
| Debtors | 47,541.59 | 127,541.59 |
| Freehold Property - Old Boiler House | NIL | 75,000.00 |
| Petitioner's Deposit | NIL | 1,600.00 |
| Rent | NIL | 2,550.00 |
| Wayleave Receipt | NIL | 50.00 |
| | 47,569.85 | 209,177.46 |
| COST OF REALISATIONS | | |
| Agents/Valuers Disbursements | NIL | 650.00 |
| Agents/Valuers Fees | NIL | 2,000.00 |
| Bank Charges | 88.00 | 418.00 |
| Corporation Tax | 14.44 | 60.80 |
| DBIS Cheque Fees | 1.35 | 4.25 |
| ISA Tax Deducted at Source | 5.65 | 79.19 |
| Legal Expenses & Disbursements | NIL | 58.00 |
| Legal Fees | NIL | 1,500.00 |
| Liquidators' Expenses | 76.98 | 5,443.99 |
| Liquidators' Fees | 22,843.20 | 118,950.40 |
| Official Receiver's Fees | NIL | 11,000.00 |
| Petitioners Costs | NIL | 25,695.58 |
| | (23,029.62) | (165,860.21) |
| | 24,540.23 | 43,317.25 |
| REPRESENTED BY | | |
| ISA (Interest Bearing) | | 36,800.00 |
| Vat Receivable | | 6,517.25 |
| | | 43,317.25 |

Worthington Group Plc
(In Compulsory Liquidation)

High Court of Justice No. 005275 of 2016

Progress report

Period: 4 January 2021 to 3 January 2022

Important Notice

This progress report has been produced solely to comply with our statutory duty to report to creditors and members of the Company on the progress of the liquidation. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors and members for any purpose other than this report to them, or by any other person for any purpose whatsoever.

Contents

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of liquidators
- ❑ Progress during the period
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 - 2. Time costs and expenses
 - 1. Begbies Traynor's Charging Policy;
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 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|---|--|
| "the Company" | Worthington Group Plc (In Compulsory Liquidation) |
| "the liquidation" | The appointment of liquidators by the Secretary of State pursuant to Section 137 of the Act on 4 January 2017. |
| "the liquidators", "we", "our" and "us" | Irvin Cohen and Mark Robert Fry of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR |
| "the Act" | The Insolvency Act 1986 (as amended) |
| "the Rules" | The Insolvency (England and Wales) Rules 2016 (as amended) |
| "secured creditor" and "unsecured creditor" | Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act) |
| "security" | (i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act) |
| "preferential creditor" | Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act |

2. COMPANY INFORMATION

| | |
|----------------------------|---|
| Trading name(s): | Worthington Group Plc |
| Company registered number: | 00527186 |
| Company registered office: | 31st Floor, 40 Bank Street, London, E14 5NR |
| Former trading address: | 30 Great Guildford Street, London, SE1 0HS |

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

| | |
|-----------------------------------|------------------|
| Date of winding up order: | 21 November 2016 |
| Date of liquidators' appointment: | 4 January 2017 |
| Changes in liquidator (if any): | N/A |

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

This is our fifth progress report and should be read in conjunction with our previous progress reports.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 4 January 2021 to 3 January 2022.

Receipts

Bank Interest Gross

Bank interest in the sum of £28.26 has been earned from the Company's bank account in this reporting period.

Debtors

During the period of this report, funds of £47,541.59 have been received as the final payment in the Rangers FC Group settlement. Further details can be found in the 'Realisation of Assets' section of this report.

Payments

Bank Charges

The Insolvency Services has charged fees totalling £88.00 for operating the estate bank account.

Corporation Tax

HM Revenue & Customs have been paid £14.44 in respect of Corporation Tax.

DBIS Cheque Fee

The Insolvency Service charge a fee each time a cheque is drawn from the estate account. During the period of this report, charges incurred amount to £1.35.

ISA Tax deducted at Source

The sum of £5.65 has been deducted in respect of tax.

Liquidators' Expenses

We have been reimbursed expenses incurred of £76.98 plus VAT. A breakdown of these fees is at Appendix 3.

Liquidators' Fees

We have been paid £22,843.20 plus VAT in respect of our remuneration in the reporting period in accordance with our revised fees estimate dated 10 May 2018.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website – <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on the case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The cost incurred in relation to each heading are set out in the Time Cost Analysis which is attached at Appendix 2. There is an analysis for the period of the report and an analysis of time spent on the case since the date of appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

We have continued to carry out regular reviews of the case and update the case planning and strategy memorandum. We have dealt with routine correspondence and emails, maintained electronic records and maintained the liquidation bank account.

The majority of the above work derived no financial benefit to creditors; however, this work is necessary to ensure that the case is being efficiently and effectively progressed.

Compliance with the Insolvency Act, Rules and best practice

We have carried out the following work in respect of statutory compliance matters during the Period:

- 1) Preparation of the annual progress reports to members and creditors, as well as submissions to Companies House.
- 2) Other regulatory compliance matters including bonding reviews and periodical bank reconciliations.

Whilst these items of work are not of a direct financial benefit to creditors, it is either a statutory or regulatory requirement that we must adhere to in the conduct of the liquidation. It is also of benefit to creditors as it ensures that they are advised of matters arising and progress within the liquidation.

Investigations

As previously advised, investigations remain ongoing, and further information cannot be provided at this time due to confidentiality.

Realisation of assets

Debtors

Creditors will note from our progress report for the period ending 3 January 2020 that the Rangers FC Group claim was settled against RFC2012 plc in August 2019. Funds of £47,541.19 were received in the period to settle the amount which was outstanding. There will not be any further funds received in respect of this matter as the remaining funds were utilised to meet costs, including legal costs.

In addition, Henderson and Jones ("H&J") continue to be instructed to assist with the recovery of the remaining outstanding book debt. H&J have obtained judgment against a third party, Mr Moscicki, in relation to the repayment of a loan due to the Company. H&J have since commenced enforcement action in respect of the unsatisfied judgment, which has included the issuing of a bankruptcy petition. H&J and Mr Moscicki have since agreed settlement terms, the details of which are subject to confidentiality. A recovery from Mr Moscicki is expected, and H&J continue to liaise with Mr Moscicki with regards to payment in accordance with the terms of the settlement agreement. If this matter proceeds as hoped, this might enable the payment of a very small dividend to creditors but this is not likely to occur until 2024.

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

We have dealt with and recorded creditors' claims as received, as well as corresponding with them in respect of any queries they have raised.

The majority of this work will be of a direct financial interest to creditors.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

We have made the necessary tax submissions in terms of Corporation Tax and submitted VAT returns to HM Revenue & Customs ("HMRC") as and when VAT was to be recovered.

Whilst this particular item of work is not of a direct financial benefit to creditors, it is a necessary requirement that we must adhere to in order to fulfil our duties and comply with prevailing tax legislation.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period from 4 January 2017 to 3 January 2018.

Based on current and future expected realisations, we consider that there are likely to be sufficient funds for a dividend to be paid to unsecured creditors. Should future realisations not be achieved, then the outcome for creditors will be adversely impacted.

6. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by a decision of creditors via a decision procedure by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP in attending to matters arising in the winding up as set out in our fees estimate. We are authorised to draw disbursements for services provided by our firm and entities within the Begbies Traynor group, in accordance with our firm's policy, details of which are contained in Appendix 2

As previously detailed, the majority unsecured creditor liaised with us to seek a reduction of our standard charge out rate. We agreed and subsequently revised the fee estimate. The revised fee estimate of £138,436 dated 10 May 2018 was then approved.

Our time costs for the period from 4 January 2021 to 3 January 2022 amount to £31,715.50 which represents 100.7 hours at an average rate of £314.95 per hour.

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

- ❑ Begbies Traynor (London) LLP's charging policy
- ❑ Time Costs Analysis for the period 4 January 2021 to 3 January 2022
- ❑ Cumulative Time Cost Analysis for the period 4 January 2017 to 3 January 2022

To 3 January 2022, we have drawn the total sum of £118,950.40 on account of our remuneration, against total time costs of £151,953.50 incurred since the date of our appointment. The total time costs are calculated using the standard charge out rates and not taking into account the reduction of 20%. Therefore, the time incurred since the date of appointment at the reduced rate totals £121,562.80.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

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

As can be seen from the information above, the level of our approved remuneration has been sufficient to cover the costs of the liquidation to date but we are likely to seek the approval of creditors to a further increase within the next 12 months.

Expenses

During the period of this report, we have drawn expenses in the sum of £76.98.

Category 1 Expenses

To 3 January 2022, we have also discharged expenses in the sum of £5,433.99.

Category 2 Expenses

No category 2 expenses have been charged to the case since the last report to creditors.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £36,555.00. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

Assets that remain to be realised

Debtors

We will continue to progress matters in relation to the outstanding debtor mentioned above and liaise with H&J as required.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

We will continue to maintain our case files and carry out regular compliance reviews of the case to ensure that any statutory requirements are being complied with and that the case is being efficiently and effectively progressed.

Whilst this work is not of a direct financial benefit to creditors, we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Act and Rules require us to produce regular progress reports to creditors. We will be obliged to deal with the following:

- Prepare a progress report within two months of each and every each twelve month anniversary of our appointment as Liquidator to apprise to creditors on the administration of the liquidation including asset realisations, costs and expenses incurred and the prospects of a return to creditors; and
- Once we are satisfied that all outstanding matters have been dealt with in the liquidation, including any distribution to creditors, if applicable, we will then prepare our draft final report to creditors on the progress of the liquidation giving at least 8 weeks' notice of our intention to resign from office as Liquidators and thereby obtain our release.

Investigations

We will continue to carry out investigations into the Company's affairs. These matters remain confidential.

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

We will continue to liaise with shareholders and creditors to deal with any queries raised. We will also continue to log any claims received on our systems.

Other matters which includes seeking decisions of creditors via the deemed consent procedure and/or decision procedures, tax, litigation, pensions and travel

We will ensure that VAT and corporation tax returns are filed with HMRC. In due course we will obtain clearance from HMRC to close the liquidation.

How much will this further work cost?

At this juncture, it is difficult to estimate with precision how much the further work required in this case will cost although we feel it is likely to be between £50,000 and £60,000 at the discounted rates agreed with the major unsecured creditor.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 10 May 2018 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £170,000, assuming creditors approve our further fees estimate and realisation are achieved in line with what is presently anticipated from the remaining debtor.

9. OTHER RELEVANT INFORMATION

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred during the period of this progress report are excessive or, in relation to the basis fixed for our remuneration, inappropriate.

CONCLUSION

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

A handwritten signature in black ink, appearing to read 'I. Cohen', with a stylized flourish at the end.

Irvin Cohen
Joint Liquidator

Dated: 21 February 2022

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 4 January 2021 to 3 January 2022

Worthington Group Plc
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

| Statement of Affairs £ | From 04/01/2021 To 03/01/2022 £ | From 04/01/2017 To 03/01/2022 £ |
|--------------------------------------|---------------------------------------|---------------------------------------|
| ASSET REALISATIONS | | |
| Bank Interest Gross | 28.26 | 395.95 |
| Cash at Bank | NIL | 2,039.92 |
| Debtors | 47,541.59 | 127,541.59 |
| Freehold Property - Old Boiler House | NIL | 75,000.00 |
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| Petitioners Costs | NIL | 25,695.58 |
| | (23,029.62) | (165,860.21) |
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| REPRESENTED BY | | |
| ISA (Interest Bearing) | | 36,800.00 |
| Vat Receivable | | 6,517.25 |
| | | 43,317.25 |

TIME COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy;
- b. Time Costs Analysis for the period from 4 January 2021 to 3 January 2022; and
- c. Cumulative Time Costs Analysis for the period from 4 January 2017 to 3 January 2022

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of their staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder, and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6 minute units at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either:
 - (i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ❑ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £150 per meeting;
- ❑ Car mileage which is charged at the rate of 45 pence per mile.

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by [an entity] [entities] within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited are who provided a valuation of the Old Boiler House and marketed the premises for sale. Eddisons estimate that their charges for providing the services will be £2,000 plus marketing costs, disbursements and VAT.

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

| Grade of staff | Charge-out rate (£ per hour) |
|----------------|------------------------------|
| Director | £275 |
| Associate | £180 |
| Surveyor | £120 |
| Graduate | £100 |
| Administration | £80 |
| Porters | £35 |

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a Category 1 expense:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows:

| Grade of staff | Charge-out rate (£ per hour) 1 January 2022 – until further notice |
|-----------------------|--|
| Consultant/Partner | 690 |
| Director | 580 |
| Senior Manager | 500 |
| Manager | 475 |
| Assistant Manager | 385 |
| Senior Administrator | 340 |
| Administrator | 260 |
| Trainee Administrator | 190 |
| Support | 175 |

Prior to 31 December 2021, the following rates applied:

| Grade of staff | Charge-out rate (£ per hour) 1 March 2019 – Until 31 December 2021 |
|-----------------------|---|
| Consultant/Partner | 645 |
| Director | 515 |
| Senior Manager | 440 |
| Manager | 410 |
| Assistant Manager | 315 |
| Senior Administrator | 290 |
| Administrator | 220 |
| Trainee Administrator | 160 |
| Support | 160 |

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

SIP9 Worthington Group Plc - Winding Up Compulsory - 01WO087.WUC : Time Costs Analysis From 04/01/2021 To 03/01/2022

| Staff Grade | | Consultant/Partner | Director | Sr Mngr | Mngr | Asst Mngr | Sr Admin | Admin | Jnr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|--|--------------------|-----------|-----------|--------|-----------|----------|--------|-----------|----------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | | | 2.4 | | 0.2 | 0.1 | | | | 2.7 | 958.00 | 354.81 |
| | Administration | 0.3 | 2.1 | 1.1 | 0.2 | 2.7 | 4.5 | | 7.0 | | 17.9 | 4,457.00 | 248.99 |
| | Total for General Case Administration and Planning: | 0.3 | 2.1 | 3.5 | 0.2 | 2.9 | 4.6 | | 7.0 | | 20.6 | 5,415.00 | 262.86 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | | | | | | | | | | | | 0.00 |
| | Banking and Bonding | | 0.7 | 0.4 | | 0.2 | 0.8 | | 0.6 | 9.6 | 12.3 | 2,311.50 | 187.93 |
| | Case Closure | | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | | 1.2 | | | 2.6 | | | | | 3.8 | 1,215.00 | 319.74 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | | 1.9 | 0.4 | | 2.8 | 0.8 | | 0.6 | 9.6 | 16.1 | 3,526.50 | 219.04 |
| Investigations | CDDA and investigations | | 22.8 | 24.9 | | | | | 2.7 | | 50.4 | 18,526.50 | 367.59 |
| | Total for Investigations: | | 22.8 | 24.9 | | | | | 2.7 | | 50.4 | 18,526.50 | 367.59 |
| Realisation of assets | Debt collection | | 4.3 | | | | | | | | 4.3 | 1,698.50 | 395.00 |
| | Property, business and asset sales | | | | | | 2.3 | | | | 2.3 | 575.00 | 250.00 |
| | Retention of Title/Third party assets | | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | | 4.3 | | | | 2.3 | | | | 6.6 | 2,273.50 | 344.47 |
| Trading | Trading | | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | | | | | 0.00 |
| | Others | | 1.6 | | | | 2.6 | 0.1 | | | 4.3 | 1,304.00 | 303.26 |
| | Creditors committee | | | | | | | | | | | | 0.00 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | | 1.6 | | | | 2.6 | 0.1 | | | 4.3 | 1,304.00 | 303.26 |
| Other matters which includes meetings, tax, litigation, pensions and travel | Seeking decisions of creditors | | | | | | | | | | | | 0.00 |
| | Meetings: | | | | | | | | | | | | 0.00 |
| | Other | | | | | | | | | | | | 0.00 |
| | Tax | | 0.4 | | | | 1.6 | | 0.7 | | 2.7 | 670.00 | 248.15 |
| | Litigation | | | | | | | | | | | | 0.00 |
| | Total for Other matters: | | 0.4 | | | | 1.6 | | 0.7 | | 2.7 | 670.00 | 248.15 |
| | Total hours by staff grade: | 0.3 | 33.1 | 28.8 | 0.2 | 5.7 | 11.9 | 0.1 | 11.0 | 9.6 | 100.7 | | |
| | Total time cost by staff grade £: | 148.50 | 13,074.50 | 10,512.00 | 63.00 | 1,624.50 | 2,975.00 | 22.00 | 1,760.00 | 1,536.00 | | 31,715.50 | |
| | Average hourly rate £: | 495.00 | 395.00 | 365.00 | 315.00 | 285.00 | 250.00 | 220.00 | 160.00 | 160.00 | | | 314.95 |

SIP9 Worthington Group Plc - Winding Up Compulsory - 01WO087.WUC : Time Costs Analysis From 04/01/2017 To 03/01/2022

| Staff Grade | | Consultant/Partner | Director | Snr Mngr | Mngr | Asst Mngr | Snr Admin | Admin | Jnr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|--|--------------------|-----------|-----------|--------|-----------|-----------|-----------|-----------|----------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | 2.4 | 2.1 | 6.8 | | 2.0 | 3.0 | 14.2 | | | 30.5 | 9,075.50 | 297.56 |
| | Administration | 1.2 | 9.7 | 5.9 | 0.2 | 6.8 | 22.4 | 52.1 | 21.6 | 6.9 | 128.8 | 30,772.00 | 238.91 |
| | Total for General Case Administration and Planning: | 3.6 | 11.8 | 12.7 | 0.2 | 10.8 | 25.4 | 66.3 | 21.6 | 6.9 | 159.3 | 39,847.50 | 250.14 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | | 2.9 | 7.6 | | | | 11.3 | | | 21.8 | 6,405.50 | 293.83 |
| | Banking and Bonding | | 2.2 | 0.4 | | 0.3 | 0.8 | 1.8 | 8.2 | 22.4 | 36.1 | 6,592.50 | 182.62 |
| | Case Closure | | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | 1.1 | 5.9 | 4.7 | | 6.0 | 5.8 | 4.6 | | | 28.1 | 8,762.50 | 311.83 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | 1.1 | 11.0 | 12.7 | | 6.3 | 6.6 | 17.7 | 8.2 | 22.4 | 96.0 | 21,760.50 | 253.03 |
| Investigations | CDDA and investigations | | 41.9 | 42.8 | 1.0 | 0.4 | | 14.2 | 2.7 | | 103.0 | 36,157.50 | 351.04 |
| | Total for Investigations: | | 41.9 | 42.8 | 1.0 | 0.4 | | 14.2 | 2.7 | | 103.0 | 36,157.50 | 351.04 |
| Realisation of assets | Debt collection | | 25.3 | 6.3 | | | | 5.0 | | | 36.6 | 13,393.00 | 365.93 |
| | Property, business and asset sales | | 2.9 | 6.9 | | | 2.3 | 3.6 | | | 15.7 | 5,031.00 | 320.45 |
| | Retention of Title/Third party assets | | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | | 28.2 | 13.2 | | | 2.3 | 8.6 | | | 52.3 | 18,424.00 | 352.28 |
| Trading | Trading | | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | 0.5 | | | 0.5 | 110.00 | 220.00 |
| | Others | | 10.9 | 3.7 | | 0.2 | 3.2 | 8.7 | 0.9 | | 27.6 | 6,571.00 | 310.54 |
| | Creditors committee | 0.5 | | | | | | | | | 0.5 | 275.00 | 550.00 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | 0.5 | 10.9 | 3.7 | | 0.2 | 3.2 | 9.2 | 0.9 | | 28.6 | 8,956.00 | 313.15 |
| Other matters which includes meetings, tax, litigation, pensions and travel | Seeking decisions of creditors | | 0.3 | | | 0.5 | | | | | 0.8 | 261.00 | 326.25 |
| | Meetings | 2.8 | 14.7 | 14.1 | | | 1.4 | 10.0 | 1.5 | | 44.5 | 15,283.00 | 343.44 |
| | Other | | | 5.9 | | | | 8.5 | | | 14.4 | 4,023.50 | 279.41 |
| | Tax | | 8.0 | 0.3 | | 1.8 | 6.1 | 1.5 | 0.7 | | 18.4 | 5,749.50 | 312.47 |
| | Litigation | | 0.3 | 3.7 | | | | 0.1 | | | 4.1 | 1,491.00 | 363.66 |
| | Total for Other matters: | 2.8 | 23.3 | 24.0 | | 2.3 | 7.5 | 20.1 | 2.2 | | 82.2 | 26,808.00 | 326.13 |
| | Total hours by staff grade: | 8.0 | 127.1 | 109.1 | 1.2 | 20.0 | 45.0 | 136.1 | 35.6 | 29.3 | 511.4 | | |
| | Total time cost by staff grade £: | 4,273.50 | 50,204.50 | 39,821.50 | 376.00 | 5,700.00 | 11,250.00 | 29,942.00 | 5,696.00 | 4,688.00 | | 151,953.50 | |
| | Average hourly rate £: | 534.19 | 395.00 | 355.00 | 315.00 | 285.00 | 250.00 | 220.00 | 160.00 | 160.00 | | | 297.13 |
| | Total fees drawn to date £: | | | | | | | | | | | 118,950.40 | |

STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ | Amount discharged £ | Balance (to be discharged) £ |
|--|--|----------------------|------------------------|---------------------------------|
| Expenses incurred with entities not within the Begbies Traynor Group | | | | |
| Postage | Royal Mail | 2.07 | 0.69 | 1.29 |
| Storage | Restore plc | 75.60 | 75.60 | Nil |

CUMULATIVE STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ |
|------------------------|---|----------------------|
| Land Registry Searches | Land Registry | 9.00 |
| Postage | Royal Mail | 152.73 |
| Postage | The Colour Company | 3,899.37 |
| Storage Costs | Archive Solutions Restore Records Management | 306.40 |
| Travel | Various | 88.07 |
| Bond | Insolvency Risk Service | 864.00 |
| Legal Fees | Veale Wasbrough Vizards LLP | 1,558.00 |
| Agents Fees | Eddisons Commercial Limited | 2,650.00 |
| Statutory Advertising | Courts Advertising | 84.60 |
| Subsistence | Various | 34.21 |