

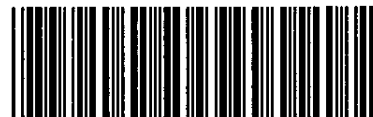
LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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09/02/2018

#383

COMPANIES HOUSE

1 Company details

Company number 0 2 4 1 9 5 6 1

Company name in full Piping Rock Limited (Formerly Harewood International Limited)

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Liquidator's name

Full forename(s) Gareth David

Surname Rusling

3 Liquidator's address

Building name/number Kendal House

Street 41 Scotland Street

Post town Sheffield

County/Region

Postcode S 3 7 B S

Country

4 Liquidator's name ①

Full forename(s) Gerald Maurice

Surname Krasner

① Other liquidator
Use this section to tell us about another liquidator.

5 Liquidator's address ②

Building name/number 4th Floor

Street Cathedral Buildings

Post town Dean Street

County/Region Newcastle Upon Tyne

Postcode N E 1 1 P G

Country

② Other liquidator
Use this section to tell us about another liquidator.

LIQ03

Notice of progress report in voluntary winding up


6 Period of progress report

From date	^d 0	^d 6	^m 0	^m 2	^y 2	^y 0	^y 1	^y 7	
To date	^d 0	^d 5	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
---	--

8 Sign and date

Liquidator's signature	Signature X  X								
Signature date	^d 0	^d 6	^m 0	^m 2	^y 2	^y 0	^y 1	^y 8	

LIQ03

Notice of progress report in voluntary winding up

**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	Kerry Norton
Company name	Begbies Traynor (SY) LLP
Address	Kendal House 41 Scotland Street
Post town	Sheffield
County/Region	
Postcode	S 3 7 B S
Country	
DX	
Telephone	0114 2755033

**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

Piping Rock Limited (Formerly Harewood International Limited)
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 06/02/2017 To 05/02/2018 £	From 06/02/2014 To 05/02/2018 £
ASSET REALISATIONS		
NIL	NIL	NIL
1,000.00	NIL	NIL
400.00	NIL	NIL
10,000.00	NIL	NIL
11,292.00	NIL	NIL
	NIL	10,461.82
648.00	NIL	NIL
	0.01	0.76
	0.01	10,462.58
COST OF REALISATIONS		
	NIL	54.00
	NIL	5,000.00
	NIL	4,150.00
	NIL	10.94
	NIL	100.00
	NIL	89.10
	NIL	36.59
	NIL	572.50
	NIL	243.38
	NIL	(10,256.51)
PREFERENTIAL CREDITORS		
(10,169.00)	NIL	NIL
(8,631.00)	NIL	NIL
	NIL	NIL
FLOATING CHARGE CREDITORS		
(8,919.00)	NIL	NIL
	NIL	NIL
UNSECURED CREDITORS		
(296,600.00)	NIL	NIL
(7,488.00)	NIL	NIL
(50,228.00)	NIL	NIL
(132,788.00)	NIL	NIL
(361,193.00)	NIL	NIL
(25,215.00)	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(401,000.00)	NIL	NIL
	NIL	NIL
(1,278,891.00)	0.01	206.07
REPRESENTED BY		
VAT Receivable		155.63
Bank Balance		50.44

206.07



Gareth David Rusling
Joint Liquidator

**Piping Rock Limited (Formerly
Harewood International Limited)
(In Creditors' Voluntary Liquidation)**

Progress report

Period: 6 February 2017 to 5 February 2018

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
- ❑ Estimated outcome for creditors
- ❑ Remuneration and disbursements
- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Piping Rock Limited (Formerly Harewood International Limited) (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 6 February 2014.
"the liquidator", "we", "our" and "us"	Gareth David Rusling of Begbies Traynor (SY) LLP, Kendal House, 41 Scotland Street, Sheffield, S3 7BS, Sheffield.North@Begbies-Traynor.com and Gerald Maurice Krasner of Begbies Traynor (Central) LLP, 4th Floor, Cathedral Buildings, Dean Street, Newcastle Upon Tyne, NE1 1PG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"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):	Harewood International Limited
Company registered number:	02419561
Company registered office:	Kendal House, 41 Scotland Street, Sheffield, S3 7BS
Former trading address:	2 Enfield Street, Roundhay Road, Sheepscar, Leeds, LS7 1RF

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	06 February 2014
Date of liquidators' appointment:	06 February 2014 – John Russell 06 February 2014 – Gareth David Rusling 24 April 2017 – Gerald Maurice Krasner

Changes in liquidator (if any):

John Russell has retired from office as joint liquidator of the Company. By an order of the High Court of Justice, dated 24 April 2017, Gerald Maurice Krasner of Begbies Traynor (Central) LLP was appointed joint liquidator in his place. Gerald Maurice Krasner is licenced as an Insolvency Practitioner by the Institute of Chartered Accountants England and Wales

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 6 February 2017 to 5 February 2018. Detailed below is an explanation of the transactions which have occurred during the period covered by this report.

Receipts

Bank Interest Gross

Funds totalling £0.01 have been realised in respect of bank interest which has accrued on the funds held within the liquidation bank account.

Payments

As can be seen from the attached receipts and payments account, no payments have been made during the period covered by this report.

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 this 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 costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our 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

The joint liquidators have completed works required to maintain the liquidation including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the liquidation. This has included updating both paper files and electronic diaries.

In addition, a full review of the case has been completed to ensure that all outstanding matters have been progressed.

There is no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be avoided.

Compliance with the Insolvency Act, Rules and best practice

The joint liquidators have prepared and submitted to all relevant parties the statutory liquidators' annual progress report and receipts and payments accounts pursuant to The Insolvency Act 1986 and have dealt with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

Also, general banking duties have been carried out including the raising and posting of income and expenditure onto the system when required and ensuring all cash functions are carried out periodically. In addition, periodic bond reviews have been carried out to ensure the case is adequately bonded.

Again, there will be no financial benefit to the creditors from the work carried out in this area. However, we have a duty to undertake this work and therefore, these costs cannot be avoided.

Investigations

The joint liquidators have spent time reviewing the Company's bank statements and requesting further statements from the Company's former bankers having particular regard to the Company's euro account.

In addition, time has been spent liaising with AIG with regard to Winterhill Largos professional indemnity insurance and whether any claim could be made.

The above work has not provided any financial benefit to the Company's creditors however, was necessary in order that the joint liquidators could carry out their investigations.

Realisation of assets

The joint liquidators have spent time writing to the director with regard to the overdrawn loan account and also the outstanding sales consideration following the disposal of the Company's chattel assets previously. This has involved both verbal and written communications with regard to the outstanding sums due.

In addition, time has been spent liaising with AIG with regard to whether a claim could be made under Winterhill Largos professional indemnity insurance as a result of Winterhill Largo entering insolvency proceedings.

Reviews of the Company's bank statements have been carried to establish whether any funds have been received from the purchasing company with regard to the sale of the assets.

To date, the above work has not provided any financial benefit to the Company's creditors as no realisations have been secured.

Trading

As the Company has not traded within the liquidation, no time has been spent on this particular matter by the joint liquidators.

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

Time has been spent by the joint liquidators arranging for creditor claims received during the period covered by this report to be entered onto the system.

No financial benefit has been achieved by the Company's creditors by carrying out such work.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

The joint liquidators have arranged for their VAT returns to be submitted and their corporation tax returns for the periods which have fallen due within the period covered by this report.

In addition, as the matter with regard to the outstanding director's loan account and sale of business was not progressing, the decision was taken to instruct solicitors to pursue this matter further. Therefore, time has been spent collating information and documentation for onwards transmission to the solicitors to assist them in pursuing this matter further. Also, draft letters have been reviewed from the solicitors prior to these being issued to the relevant parties. At present, the joint liquidators' solicitors are currently awaiting a response from the purchasers solicitors.

To date, this work has not provided any financial benefit to the Company's creditors however, we believe that realisations will be achieved from carrying out this work, in the future.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs and in our progress report for the period 6 February 2016 to 5 February 2017.

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

As reported previously, there are no outstanding secured creditors despite there being an unsatisfied charge registered at Companies House in favour of Bibby Financial Service Limited ("Bibby"). This is as a result of the Company no longer being indebted to Bibby upon appointment of the joint liquidators.

Preferential creditors

Based upon realisations to date and estimated future realisations, it is uncertain at present, whether there will be sufficient funds available to enable a dividend to be paid to the preferential creditors. This is entirely dependent upon the outcome on the directors overdrawn loan account and the recovery of the outstanding sale proceeds.

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Details of how the prescribed part for unsecured creditors is calculated were provided in our progress report for the period 6 February 2016 to 5 February 2017.

Despite there being an unsatisfied floating charge created and registered at Companies House on or after 15 September 2003, we have received confirmation that this has been repaid prior to the joint liquidators appointment however, the relevant satisfaction paperwork has not been filed. Consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a resolution of creditors at a meeting held pursuant to Section 98 of the Act 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 (SY) LLP in attending to matters arising in the winding up and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Our time costs for the period from 6 February 2017 to 5 February 2018 amount to £7,115.60 which represents 31.9 hours at an average rate of £223.06 per hour.

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

- ☐ Begbies Traynor (SY) LLP's charging policy
- ☐ Time Costs Analysis for the period 6 February 2017 to 5 February 2018

To 5 February 2018, we have drawn the total sum of £4,150.00 on account of our remuneration, against total time costs of £27,906.20 incurred since the date of our appointment.

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.

Disbursements

To 5 February 2018, we have also drawn disbursements in the sum of £809.13.

Why have subcontractors been used?

The choice of agents and advisers was based on the joint liquidators' knowledge of the agents and advisers experience and known ability to perform the type of work to be undertaken and also taking into account the complexity and nature of the assignment and the basis of their fee arrangements. On this basis, Winterhill Largo were instructed to carry out a valuation and provide advice on the most appropriate route in which to enhance realisations within the liquidation, in respect of the Company's assets.

In addition, MD Law were instructed to pursue the outstanding director's loan account and outstanding sale proceeds due from the purchaser.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since our last report to creditors.

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Postage	21.20
TOTAL	21.20

A copy of 'A Creditors' Guide to Liquidators Fees (E&W)' 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.

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

The following assets remain to be realised within the liquidation proceedings:

Chattel Assets

As advised within our previous report, the joint liquidators were liaising with Winterhill Largos professional indemnity insurance providers with regard to an element of funds being received following the sale of the Company's chattel assets in the sum of £6,000.00. Upon liaising with the purchaser further, no evidence was provided to confirm that they had discharged the remaining outstanding chattel assets invoice in full despite advising that they had previously.

Despite entering into correspondence with the purchaser and, requesting proof of payment, no supporting documentation was received. On this basis the joint liquidators instructed solicitors MD Law to enter into correspondence to pursue the outstanding consideration following the sale of the Company's assets.

MD Law are currently awaiting correspondence from the purchasers solicitors, in answer to their letters issued previously. The outstanding balance due in this respect totals £24,000.00.

Directors Overdrawn Loan Account

As advised previously, the joint liquidators have written to Mr R Dhir requesting his repayment proposals in respect of the outstanding balance due to the Company, in the sum of £11,291.88. As no correspondence was received, the joint liquidators passed this matter to their solicitors, MD Law, to pursue further. Again, they are currently awaiting a response in this regard.

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

The joint liquidators will continue to complete works required to maintain the liquidation including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the liquidation and, in readiness for closure as and when required.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the liquidation will be compiled and issued on the statutory due dates.

There will be no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be avoided.

Compliance with the Insolvency Act, Rules and best practice

The joint liquidators will prepare and submit to all relevant parties the statutory liquidators' annual progress reports and final report and receipts and payments account pursuant to The Insolvency Act 1986 and deal with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

Reviews will continue to be carried out together with a final review of the case to ensure that all matters have been concluded in order that the case can proceed to closure when applicable.

In addition, banking duties will be carried out by way of reconciliations and the processing of bank statements etc, together with periodic bond reviews.

Again, there will be no financial benefit to the creditors from the work carried out in this area. However, we have a duty to undertake this work and therefore, these costs cannot be avoided.

Investigations

The joint liquidators believe that all investigation work has been carried out and that no further work will be required in this regard.

However, should information be brought to the attention of the joint liquidators that may require further investigation, such work which is deemed necessary will of course be carried out.

Realisation of assets

As detailed below, the joint liquidators will continue to pursue the outstanding directors loan account and outstanding sales consideration in conjunction with their solicitors.

Trading

As the joint liquidators did not trade the Company, no time will be spent on this particular matter.

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

The joint liquidators will continue to correspond with the Company's creditors by way of verbal and written communications following receipt of any claims or queries that may be received.

It is uncertain at present as to whether there will be sufficient funds achieved to enable a distribution to be made to the Company's preferential creditors therefore, we are unable to confirm whether this work will provide any financial benefit to this class of creditor. However, it is highly unlikely that any financial benefit will be received by the Company's unsecured creditors in this matter.

In the event there are insufficient funds received to enable a dividend to be issued, there will be no work carried out with regard to agreeing creditor claims.

Other matters which includes seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel)

The joint liquidators will continue to correspond with HM Revenue & Customs with regard to the submission of their VAT returns as and when these fall due. This will include the submission of the final VAT return as and when this is applicable.

In addition, the joint liquidators will continue to correspondence with HM Revenue & Customs with regard to the submission of any corporation tax returns which fall due.

Also, correspondence will continue to be entered into with the joint liquidators solicitors, MD Law, with regard to the outstanding director's loan account and outstanding sales consideration which will consist of reviewing correspondence received from the parties being pursued and agreeing the most appropriate course of action to pursue the outstanding balances further.

It is uncertain at present whether the above work will provide a financial benefit to the Company's creditors as this entirely depends on whether realisations are achieved from the matters being pursued by MD Law.

How much will this further work cost?

We anticipate that further costs will be incurred in the approximate sum of £2,140.30 in relation to carrying out the above works. However, please note, that it is uncertain at present as to whether the above work will provide a financial benefit to the Company's creditors as this is purely dependent upon any realisations being achieved from the director's loan account and recovery of the outstanding sale proceeds.

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 follows:

Outstanding postage	-	£59.24
Outstanding storage	-	£2,735.00
Outstanding Specific bond	-	£10.00
Future postage	-	£45.60
Final postage	-	£22.80
Future storage	-	£268.80 (estimate)

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Investigations carried out to date

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect.

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we are obliged to inform creditors of any sale of the Company's business or assets which involves a party connected to the Company. We confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
11 February 2014	Fixtures & Fittings, Motor Vehicles and Stock by way of a private treaty sale	£25,000.00 plus VAT	Harewood International Products LLP ("HIP"), directors, Miss Reena Dhir and Miss Ruchi Dhir	Relations of Mr Raj Dhir and Miss Sunita Dhir who are directors and shareholders of the Company and also directors of HIP.

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, the basis fixed for our remuneration is inappropriate.

11. 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 be 'Gareth David Rusling', written in a cursive style.

Gareth David Rusling
Joint Liquidator

Dated: 6 February 2018

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 6 February 2017 to 5 February 2018

Piping Rock Limited (Formerly Harewood International Limited)
(In Liquidation)
Joint Liquidator's Summary of Receipts & Payments

Statement of Affairs £		From 06/02/2017 To 05/02/2018 £	From 06/02/2014 To 05/02/2018 £
	ASSET REALISATIONS		
NIL	Leasehold Property	NIL	NIL
1,000.00	Fixtures & Fittings	NIL	NIL
400.00	Motor Vehicles	NIL	NIL
10,000.00	Stock	NIL	NIL
11,292.00	Directors Loan Account	NIL	NIL
	Cash at Bank	NIL	10,461.82
648.00	Cheque Held	NIL	NIL
	Bank Interest Gross	0.01	0.76
		0.01	10,462.58
	COST OF REALISATIONS		
	Specific Bond	NIL	54.00
	Statement of Affairs Fee	NIL	5,000.00
	Office Holders Fees	NIL	4,150.00
	Disbursements		
	Money Laundering Searches	NIL	10.94
	Room Hire	NIL	100.00
	Mileage	NIL	89.10
	Postage	NIL	36.59
	Storage	NIL	572.50
	Statutory Advertising	NIL	243.38
		NIL	(10,256.51)
	PREFERENTIAL CREDITORS		
(10,169.00)	BIS RPO - National Insurance Fund	NIL	NIL
(8,631.00)	Employees - Preferential Creditors	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(8,919.00)	HSBC Bank	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(296,600.00)	Trade & Expense Creditors	NIL	NIL
(7,488.00)	Employees - Unsecured Creditors	NIL	NIL
(50,228.00)	BIS RPO - National Insurance Fund	NIL	NIL
(132,788.00)	HM Revenue & Customs - PAYE/NIC	NIL	NIL
(361,193.00)	HM Revenue & Customs - VAT	NIL	NIL
(25,215.00)	Harewood Inter Prod LLP	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(401,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(1,278,891.00)		0.01	206.07
	REPRESENTED BY		
	VAT Receivable		155.63
	Bank Balance		50.44

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 6 February 2017 to 5 February 2018; and
- c. Cumulative Time Costs Analysis for the period from 6 February 2014 to 5 February 2018.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note 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 passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note 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. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving 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 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 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

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (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 disbursements (approval required)* - items of expenditure that are directly related to the case which 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.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;
- Postage charged at the actual rate incurred.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

(B) 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 disbursement*.

- 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 Sheffield office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
Directors & Office Holders	365
Senior Managers	325
Managers	305
Senior Administrators	230
Administrators	191
Junior Administrators	80
Support	40

Prior to 1 February 2015 the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Insolvency Practitioner/Director	335-450
Senior Manager/Manager	230-305
Senior Administrator/Administrator	191-230
Junior Administrator/Support	40-191

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

Time is recorded in 6 minute units.

Staff Grade	Consulant/Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning					3.2				3.2	736.00	230.00
	Administration	1.4				1.9	0.6			3.9	965.50	265.97
Compliance with the Insolvency Act, Rules and best practice	Total for General Case Administration and Planning:	1.4				6.1	0.6			7.0	1,731.50	247.36
	Appointment											0.00
	Banking and Bonding					0.6	1.7		1.6	4.1	577.70	139.68
	Case Closure											0.00
	Statutory reporting and statement of affairs					4.1			0.2	4.3	551.00	221.16
	Total for Compliance with the Insolvency Act, Rules and best practice:					4.9	1.7		1.8	8.4	1,523.70	181.39
	Investigations											
	CCDA and investigations					1.8				1.8	414.00	230.00
	Total for investigations:					1.8				1.8	414.00	230.00
	Debt collection					6.6				6.6	1,564.00	230.00
Realisation of assets	Property, business and asset sales					1.7				2.7	756.00	280.00
	Retention of Third/Third party assets											0.00
	Total for Realisation of assets:					8.5				8.5	2,320.00	244.21
	Trading											
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others							0.1		0.1	6.00	60.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:							0.1		0.1	6.00	60.00
	Seeking decisions of creditors including meetings											0.00
Other matters which include meetings, tax, litigation, pensions and travel	Other											0.00
	Tax						1.4			1.4	267.40	197.00
	Litigation					3.7				3.7	551.00	230.00
	Total for Other matters:					3.7	1.4			5.1	1,118.40	219.29
	Total hours by staff grade:	1.0	1.4			24.0	3.6	0.1	1.8	31.9		
	Total time cost by staff grade:	385.00	463.00			5,520.00	687.60	6.00	72.00	7,115.60		
	Average hourly rate £:	385.00	330.71	0.00	0.00	230.00	191.00	60.00	40.00		0.00	223.06
	Total fees given to date £:											

Staff Grade	Consultant/Partner	Director	Sr Mngt	Mngt	Asst Mngt	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Cost planning	2.8		0.5		12.0				15.4	3,258.80	211.66
	Administration	2.8	1.4	0.3		7.0	0.6			12.3	3,045.30	247.59
	Total for General Case Administration and Planning	6.7	1.4	0.8		19.0	0.8			27.7	6,305.10	227.42
	Compliance with the Insolvency Act, Rules and best practice											0.00
	Appointment											0.00
	Banking and Bonding			0.4		11.4	2.2		2.6	16.6	2,982.60	172.45
	Case Closure											0.00
	Statutory reporting and statement of affairs	1.3				5.9	2.0		1.4	14.6	2,982.80	204.30
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.3		0.4		21.3	4.2		4.0	31.2	5,945.40	197.25
	Investigations											
Realisation of assets	GDCA and investigations	4.2				6.6				10.8	2,760.70	257.47
	Total for investigations:	4.2				6.6				10.8	2,760.70	257.47
	Debt collection	0.4				6.6				7.2	1,898.00	235.53
	Property, business and asset sales	1.2				7.8	2.6			11.6	2,484.70	214.20
	Retention of Third/Third party assets											0.00
	Total for Realisation of assets:	1.6				14.6	2.6			18.8	4,185.70	222.48
	Trading											0.00
	Total for Trading:											0.00
	Dealing with all creditors claims (including employees), correspondence and distributions											0.00
	Secured											0.00
Other matters which includes meetings, tax, litigation, pensions and travel	Others	5.6		0.2		20.0		0.1	3.0	26.9	6,485.30	224.75
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	5.6		0.2		20.0		0.1	3.0	28.9	6,485.30	224.75
	Seeking decisions of creditors including meetings											0.00
	Other					0.5				0.5	95.50	191.00
	Tax			0.8		2.8	1.9		0.8	5.9	1,166.50	197.71
	Litigation					4.5				4.5	1,032.00	230.00
	Total for Other matters:			0.8		7.6	1.9		0.8	10.8	2,297.00	210.23
	Total hours by staff grade:	18.4	1.4	2.2		89.1	9.5	0.1	7.8	128.3		
	Total time cost by staff grade:	6,190.00	483.00	671.00		18,455.70	1,814.50	8.00	304.00	27,906.20		
	Average hourly rate £:	338.41	350.71	305.00	0.00	207.13	191.00	80.00	40.00			217.51
	Total fees drawn to date £:										4,150.00	

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				
Specific bond	Marsh	10.00	-	10.00

As a result of the change in liquidator, the sum of £10.00 has been incurred in securing the statutory bond cover.

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Specific bond	Willis Limited	54.00
Statement of affairs fee	The P&A Partnership Limited	5,000.00
Statutory advertising	TMP (UK) Limited	243.88