

The Insolvency Act 1986

Administrator's progress report

| | |
|---|------------------------------------|
| Name of Company Abdulla's Horticulture Limited T/as Carpenders Park Nursery | Company number 02475506 |
| In the High Court of Justice [full name of court] | Court case number 22190 of 2009 |

(a) Insert full name(s) and address(es) of the administrator(s)

We (a) Louise Donna Baxter and Jamie Taylor of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea SS1 2EG

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert dates

(b) 07 January 2015

(b) 2 February 2015

Signed

Joint Administrator

Dated

2/2/15

Contact Details:

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

| | |
|--|-------------------------|
| Begbies Traynor (Central) LLP | |
| The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG | |
| | Tel Number 01702 467255 |
| Fax Number 01702 467201 | DX Number |

If you have completed and signed this form please send it to the Registrar of Companies at Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

FRIDAY



A21 *A40NV01T* #281
06/02/2015
COMPANIES HOUSE

Louise Donna Baxter and Jamie Taylor appointed joint administrators on 7 January 2010

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

Abdulla's Horticulture Limited T/as Carpenders Park Nursery (In Administration)

Final Progress Report of the joint administrators pursuant to Rules 2.47 and 2.110 of The Insolvency Rules 1986

Period: 7 January 2015 to 2 February 2015

Important Notice

This final progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. 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 for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|---|---|
| "the Company" | Abdulla's Horticulture Limited T/as Carpenders Park Nursery (In Administration) |
| "the administration" | The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 7 January 2010 |
| "the administrators", "we", "our", "us" | Louise Donna Baxter and Jamie Taylor of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG |
| "the Act" | The Insolvency Act 1986 (as amended) |
| "the Rules" | The Insolvency Rules 1986 (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" | <ul style="list-style-type: none">(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. STATUTORY INFORMATION

| | |
|---------------------------|---|
| Name of Company | Abdulla's Horticulture Limited |
| Trading name | CarpendersPark Nursery |
| Date of Incorporation | 28 February 1990 |
| Company registered number | 02475506 |
| Company registered office | Carpenders Park Nursery, Little Oxhey Lane, Watford, WD19 5BA |

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

| | |
|---|--|
| Names of administrators | Louise Donna Baxter and Jamie Taylor, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG |
| Date of appointment | 7 January 2010 |
| Date of resignation | N/A |
| Court | High Court of Justice |
| Court Case Number | 22190 of 2009 |
| Persons making appointment | The directors |
| Acts of the administrators | The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time. |
| EC Regulation on Insolvency Proceedings | The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation. |

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 7 January 2015 to 2 February 2015

Sale of the Business

At the outset of the Administration the company's assets were valued by independent agents Edward Symmons & Partners on both a 'going concern' basis and also a 'limited disposal period' basis. The agents anticipated the following values

| | <u>Going Concern</u> | <u>Limited Disposal Period</u> |
|-------------------------|----------------------|--------------------------------|
| Garden Centre Equipment | 42,000 | 7,200 |
| Motor Vehicle | 2,200 | 1,600 |
| Stock | 130,000 | 62,000 |
| Goodwill | 25,000 | - |

The estimate with regard to the Goodwill was stated to be highly speculative as the tenancy relating to the premises was thought to be non assignable since the Landlord is owed a considerable sum in respect of back rent

However, an offer was received in the sum of £50,000 in respect of the company's physical assets and an additional deferred consideration for the company's Goodwill which would equate to 4% of the purchasing company's turnover relating to its first 12 months of trade at the Garden Centre

This offer was initially not recommended by the agents as it fell short of the valuation. However numerous claims were made by suppliers in respect of Retention of Title over the stock and many of these proved to be valid claims. A large volume of the stock has subsequently been returned to suppliers

The adverse weather conditions in January 2010 also ruined a considerable portion of the company's outdoor stock. Owing to these factors, the estimated realisable figure which might be achieved by the Administrators in respect of stock was subsequently reduced significantly

The proposed purchaser was willing to take on the liabilities which might arise from further Retention of Title claims and therefore, the agents recommended that the offer should now be accepted

Solicitors were then instructed to prepare the necessary sale agreement however the purchaser changed the proposed terms of payment and therefore the finalisation of the sale was delayed pending further negotiations

During this process, there was further consideration of the company's tenancy agreement which, it was understood, was held in the directors' names on trust for the company. Various third parties had shown an interest in acquiring use of the site and expert advice was sought in relation to the value of the Business Farm Tenancy. Specialist agents advised that they considered the tenancy agreement to have no value however an offer in the sum of £175,000 was received from a third party to purchase the assets and gain an assignment of the tenancy

However, the directors subsequently disputed the fact that the tenancy was held on trust and the landlord, who had been assisting, withdrew support for a potential assignment of the tenancy. These factors scuppered any deal concerning the tenancy, with no other parties interested in purchasing only the assets, it was necessary to return to the initial offer which had been received

Several weeks had passed since the initial offer was received and the purchaser subsequently revised his offer as follows

| | <u>£</u> |
|-----------------------|---------------|
| Stock | 30,000 |
| Goodwill | 10,000 |
| Equipment and Vehicle | <u>10,000</u> |
| | <u>50,000</u> |

Since the business had been closed for some time by this stage, the value of Goodwill had eroded significantly. Further Retention of Title claims had been agreed which reduced the value of stock available

for sale. Therefore, on the advice of the instructed agents, Edward Symmons and Partners this revised offer was accepted

The sale completed on 17 June 2010 and the sale proceeds have been received

Book Debts

The company's book debt ledger reflected the sum of £2,144.29 owed to the company at the date of our appointment. This relates to eight separate debts each for small amounts. These have been pursued and the sum of £539.54 has been received. Owing to a lack of information available to support the sums owed, no further recoveries are anticipated to be made.

Preference Claim against Directors

During the course of my investigations, it became apparent that each of the two directors had received £24,000 from the company over an eight month period prior to the Administration. It appeared that these payments could be challenged as 'preference' payments in accordance with Section 239 of the Insolvency Act 1986 and I wrote to the directors accordingly.

They advised however that they had both entered into Individual Voluntary Arrangements owing to their personal financial situations. The Arrangements were approved by the directors' creditors on 26 July 2010 and the Supervisor has admitted our claims in each Arrangement in full. The Arrangements were due to last 5 years and a return of 24p in the £ was expected in the case of Abdul Bharmal and 22p in the £ in the case of Hanif Bharmal.

The sum of £1,915.06 was received in total in respect of dividends from the Arrangements.

Unfortunately, the directors did not make the required payments into their Arrangements and therefore these have been terminated. An offer in full and final settlement of our claims against both directors of £2,500 was made by a third party associated to the directors and in light of the directors' financial positions we accepted this offer. The monies have been received.

COSTS OF THE ADMINISTRATION

Details of the costs incurred by this firm and its associates are set out in Section 8 of this report.

Pension Costs

Alexander Forbes Trustee Services Limited has been paid the sum of £300 plus VAT in respect of the winding up of the company's pension scheme.

Agents Fees / Disbursements

The sum of £11,378.49 plus VAT has been paid to Edward Symmons & Partners in respect of their fees and disbursements for their assistance with the valuation and sale of the company's assets, as well as work carried out in relation to the Retention of Title claims.

Legal Fees / Disbursements

The sum of £5,600.95 plus VAT has been paid to DLA Piper solicitors for their assistance in negotiating with the purchaser and preparing the sale agreement.

A further £1,348 plus VAT has been paid to BTMK Solicitors for their assistance in obtaining the necessary Court order to extend the Administration to allow us to remain in office until the directors' Voluntary Arrangements have been concluded.

Insurance of Assets

The sum of £1,703 22 has been paid to AUA Insolvency Risk Services Limited in this respect

5. OUTCOME FOR CREDITORS

Secured creditor

Barclays Bank Plc is owed the sum of £540,940 which is secured by way of a fixed and floating charge over the company's assets. The Bank has been paid a distribution of £10,000 under its fixed charge.

Preferential creditors

Preferential claims totalling £25,699 79 were received however there have been insufficient realisations to allow a distribution to be paid.

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

The Debenture granted to Barclays Bank Plc was created prior to 15 September 2003. To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, 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

There have been insufficient realisations to pay a dividend to unsecured creditors.

Exit from administration

As the Notice accompanying this report confirms, once registered by Companies House (which we anticipate shortly), our appointment as administrators will cease to have effect and, unless the court makes an order otherwise, the Company will be deemed dissolved at the end of the period of three months from the date of registration of the notice (Form 2 35 B).

6. ADMINISTRATOR'S PROPOSALS

Attached at Appendix 2 is a summary of our proposals as deemed approved under Rule 2 33(5) of the Insolvency Rules 1986 in the absence of an initial meeting of creditors.

7. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

The steps taken during the Administration are summarised in Section 4 of this report.

8. REMUNERATION AND DISBURSEMENTS

As previously reported our remuneration is fixed by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the administration 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, details of which accompanied the *Statement of Proposals of the Joint Administrators for Achieving the Purpose of the Administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986*

Please note in particular that the company's books and records are stored with Archive Facilities (Southend) Limited which is associated to partners of Begbies Traynor (Central) LLP. Storage costs incurred in this regard will be classified as Category 2 disbursements. The sum of £565.75 plus VAT has been paid to date in this respect.

The relevant resolutions were approved by the secured creditor pursuant to Rule 2.106 of the Rules.

Total remuneration drawn to 2 February 2015 in accordance with the above approval amounts to £22,479.43. Total time spent to 2 February 2015 on this assignment amounts to 319.9 hours at an average composite rate of £187.14 per hour resulting in total time costs to 2 February 2015 of £59,864.50.

The following disbursements have been incurred

| | £ |
|---------------------------------|-----------------|
| Photocopies & Faxes | 2,471.10 |
| Telephone, Postage & Stationery | 594.72 |
| Specific Penalty Bond | 158.00 |
| Statutory Advertising | 62.50 |
| Company Search | <u>1.00</u> |
| | <u>3,287.32</u> |

The sum of £1,614.90 plus VAT has been paid towards these disbursements.

The following further information as regards time costs and expenses is set out at Appendix 3

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Table of time spent and charge-out value

In addition, a copy of 'A Creditors' Guide to Administrators' Fees (E&W) 2010' which provides guidance on creditors' rights on how to approve and monitor an Administrator'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.

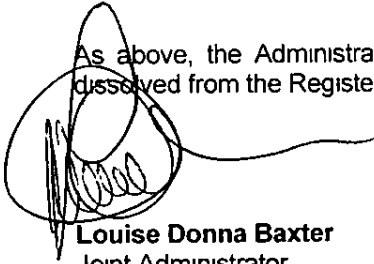
9. OTHER RELEVANT INFORMATION

Report on Directors conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with our duties in this respect.

10. CONCLUSION

As above, the Administration has now been brought to a conclusion and the company will shortly be dissolved from the Register of Companies.

A handwritten signature in black ink, appearing to read 'Louise Donna Baxter', is written over a circular stamp. A long horizontal line extends from the right side of the signature.

Louise Donna Baxter
Joint Administrator

Dated 2 February 2015

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 7 January 2015 to 2 February 2015

Abdulla's Horticulture Limited T/as Carpenders Park Nursery
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

| Statement of Affairs | | From 07/01/2015 To 02/02/2015 | From 07/01/2010 To 02/02/2015 |
|-----------------------|------------------------------------|----------------------------------|----------------------------------|
| | SECURED ASSETS | | |
| NIL | Leasehold Land & Buildings | NIL | NIL |
| | Goodwill | NIL | 10,000 00 |
| | | NIL | 10,000 00 |
| | SECURED CREDITORS | | |
| (540,940 00) | Barclays Bank Plc | NIL | 10,000 00 |
| | | NIL | (10,000 00) |
| | ASSET REALISATIONS | | |
| 9,000 00 | Plant & Machinery | NIL | 10,000 00 |
| 40,000 00 | Stock | NIL | 30,000 00 |
| NIL | Book Debts | NIL | 633 08 |
| | Preference Claim against Directors | NIL | 4,415 06 |
| | Bank Interest Gross | 0 17 | 38 01 |
| | | 0 17 | 45,086 15 |
| | COST OF REALISATIONS | | |
| | Office Holders Fees | 429 43 | 22,479 43 |
| | Office Holders Expenses | NIL | 1,614 90 |
| | Pension Costs | NIL | 300 00 |
| | Agents Fees | NIL | 8,000 00 |
| | Agents Disbursements | NIL | 3,378 49 |
| | Legal Fees | NIL | 6,848 00 |
| | Legal Disbursements | NIL | 100 95 |
| | Corporation Tax | NIL | 9 52 |
| | Storage Costs | NIL | 565 75 |
| | Insurance of Assets | NIL | 1,703 22 |
| | VAT Irrecoverable | 85 89 | 85 89 |
| | | (515 32) | (45,086 15) |
| | UNSECURED CREDITORS | | |
| (404,043 00) | Trade & Expense Creditors | NIL | NIL |
| (75,000 00) | H M Revenue & Customs - VAT | NIL | NIL |
| (90,118 00) | H M Revenue & Customs - PAYE/NIC | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (12,500 00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| (1,073,601.00) | | (515 15) | 0 00 |
| | REPRESENTED BY | | |
| | | | NIL |

Louise Donna Baxter
Joint Administrator

SUMMARY OF ADMINISTRATORS' PROPOSALS,
INCLUDING MAJOR AMENDMENTS TO AND
DEVIATIONS FROM THEM

Proposals deemed approved under Rule 2.33(5) of the Insolvency Rules
1986

Summary of Joint Administrators Proposals

For the reasons set out in the Proposals, owing to the level of debt owed to the secured creditor, we presently consider that it is not reasonably practicable to achieve either of the objectives specified in subparagraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. We furthermore consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole.

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property.

Following these events we propose to finalise distributions to the secured creditor. It is uncertain at present whether sufficient monies will be realised to allow a distribution to preferential creditors.

Exit from Administration

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the company.

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we do accept an offer which includes an element of deferred consideration. Yet Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further six months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then unless the court makes an order permitting such a distribution on our application, we will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances.

Administrators' Remuneration

The joint administrators propose that the basis of their remuneration be fixed under Rule 2.106 of the Rules by reference to the time properly given by them (as administrators) and the various grades of their staff calculated at the prevailing hourly rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration.

These proposals contain a statement by the administrators, in accordance with paragraph 52(1)(b) of Schedule B1 to the Act, that they consider that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176A(2)(a) of the Act. In these circumstances, it is for each secured creditor and the preferential creditors of the Company to determine the basis of the joint administrators' remuneration under Rule 2.106 of the Rules.

In the absence of an initial meeting of creditors (see section 8 Conclusion, below) and the establishment of a creditors' committee, the joint administrators' remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2 106 (5A)

Appendix 3 sets out the administrators' firm's hourly charge out rates and the time that they and their staff have spent in attending to matters arising in the administration since Joint Administrator

Administrators' disbursements

The joint administrators propose that disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with their firms policy, details of which are set out at Appendix 3. These disbursements will be identified by the administrators and subject to the approval of those responsible for determining the basis of the administrators' remuneration.

In particular, creditors should note that the company's books and records are stored by Archive Facilities Limited, which is associated to partners of Begbies Traynor (Central) LLP.

TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value

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 and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires 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.

OFFICE HOLDERS' EXPENSES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* - specific expenditure that is directly related to the case usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(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 may be charged by some offices and is charged at the rate of £100 (London £150) per meeting. External meeting room usage is charged at cost.
- Car mileage is charged at the rate of 45 pence per mile.
- *Expenses which should be treated as Category 2 disbursements (approval required)* - in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements. The

following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval)

- Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes; Four to Two Hundred Boxes charged at £11 per quarter per box; over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

- BTG Asset Consulting may be engaged to undertake valuations and/or disposal of assets. BTG Asset Consulting is a part of Begbies Traynor Group plc and is therefore an associated company. Their charges are based on 15% of realisations or time costs at a Partner rate of £125 per hour and Manager rate of £100 per hour. A separate charge will be levied for any valuations to be provided at a fixed fee of £500 + VAT. Disbursements are charged at cost and mileage is recovered at 40p per mile. All figures stated are net of VAT.

(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 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 Southend-on-Sea office are as follows:

| | From 01 May 2011 | 01 July 2008 to 01 May 2011 |
|-----------------------|------------------|-----------------------------|
| Grade of staff | | |
| Partner | 495 | 450 |
| Partner 2 | N/A | 395 |
| Director | 395 | 375 |
| Senior Manager | 365 | 350 |
| Manager | 315 | 300 |
| Assistant Manager | 270 | 250 |
| Senior Administrator | 235 | 220 |
| Administrator | 185 | 180 |
| Junior Administrator | 160 | 150 |
| Support | 160 | 150 |

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff. Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

¹ Statement of Insolvency Practice 9 (SIP 9) - Remuneration of insolvency office holders in England & Wales (Effective 1 April 2007)
² Statement of Insolvency Practice 10 (SIP 10) - Remuneration of insolvency office holders in Scotland & Wales (Effective 1 April 2007)

Abdulla's Horticulture Limited (In Administration) | From 07/01/2010 To 02/02/2015

| | Action/Code | Partner | Director | Senior Manager | Manager | Senior Case Administrator | Case Administrator | Support & Cashiering | Other | Total Hours | Total Cost | Avgr Rate |
|----------------------------------|-------------|----------|----------|----------------|----------|---------------------------|--------------------|----------------------|-------|-------------|------------|-----------|
| Floating Charge Assets | 1FLCHG | 6.2 | 0.00 | 0.00 | 5.80 | 5.90 | 0.80 | 0.00 | 0.00 | 18.70 | 3,540.50 | 189.33 |
| Fixed Charge Assets | 1FXCHG | 0.3 | 0.00 | 0.00 | 0.00 | 1.80 | 0.00 | 0.00 | 0.00 | 2.10 | 409.50 | 195.00 |
| Banking | 1BANK | 0.9 | 0.00 | 0.00 | 0.00 | 0.00 | 27.80 | 1.20 | 0.00 | 29.90 | 6,027.00 | 201.57 |
| Investigations | 1INVGN | 0 | 1.60 | 0.00 | 1.90 | 0.00 | 0.00 | 0.00 | 0.00 | 3.50 | 682.50 | 195.00 |
| Sale of Business/Assets | 1SALE | 4.3 | 1.60 | 0.00 | 6.20 | 20.90 | 0.00 | 0.00 | 0.00 | 28.80 | 5,058.00 | 188.73 |
| Secured Creditors | 1SECCR | 0 | 0.90 | 0.00 | 1.10 | 13.90 | 0.00 | 0.00 | 0.00 | 21.00 | 3,734.50 | 177.83 |
| VAT and TAX | 1VATTX | 0 | 0.00 | 0.00 | 8.00 | 2.90 | 1.15 | 14.20 | 0.00 | 53.00 | 9,912.50 | 187.03 |
| Administration | 1ADMIN | 26.35 | 0.40 | 0.00 | 0.30 | 0.00 | 0.00 | 0.00 | 0.00 | 1.20 | 241.50 | 201.25 |
| Closing | 1CLOSE | 0.9 | 0.00 | 0.00 | 4.30 | 0.40 | 0.00 | 0.00 | 0.00 | 12.70 | 2,476.50 | 195.00 |
| Case Strategy and planning | 1PLAN | 8 | 0.00 | 0.00 | 9.10 | 4.30 | 5.00 | 2.50 | 0.00 | 23.50 | 4,741.00 | 201.74 |
| Statutory reports and returns | 1STAT | 2.6 | 0.00 | 0.00 | 0.00 | 0.00 | 4.50 | 1.00 | 0.00 | 5.50 | 925.00 | 168.18 |
| Appointment activity | 1APPOI | 0 | 0.00 | 0.00 | 0.00 | 1.00 | 0.00 | 0.00 | 0.00 | 1.00 | 195.00 | 195.00 |
| Meetings | 1MEET | 0 | 0.00 | 0.00 | 0.00 | 15.70 | 0.50 | 11.00 | 0.00 | 27.20 | 4,352.00 | 160.00 |
| Pre-appointment work | 1PRE | 0 | 0.00 | 0.00 | 0.00 | 10.40 | 0.00 | 21.10 | 0.00 | 32.10 | 5,930.50 | 184.75 |
| Retention of Title (ROT) | 1ROT | 0 | 0.60 | 0.00 | 0.30 | 0.20 | 0.00 | 3.60 | 0.00 | 4.70 | 916.50 | 195.00 |
| Debt Collection | 1DTCOL | 0.6 | 0.00 | 0.00 | 0.00 | 6.00 | 0.00 | 20.00 | 0.00 | 26.00 | 4,746.00 | 182.54 |
| Employees | 1EMPEE | 0 | 0.00 | 0.00 | 1.20 | 0.00 | 0.00 | 0.00 | 0.00 | 1.20 | 234.00 | 195.00 |
| CDDA reporting and follow up | 1CDDA | 0 | 0.00 | 0.00 | 4.70 | 8.40 | 0.40 | 9.00 | 0.00 | 22.50 | 4,194.50 | 186.42 |
| Claims, proofs and distributions | 1CLAIM | 0 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.30 | 48.00 | 160.00 |
| Third Party Assets | 1THIRD | 0.3 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.30 | 48.00 | 160.00 |
| Total Hours | | 50.45 | 5.10 | 0.00 | 42.90 | 91.80 | 40.15 | 89.50 | 0.00 | 319.90 | 59,864.50 | |
| Total Cost | | 9,595.50 | 1,004.50 | 0.00 | 8,533.50 | 16,252.50 | 7,839.00 | 16,639.50 | 0.00 | | | |