

# AM03

## Notice of administrator's proposals



Companies House

THURSDAY



A24 \*A89XF9EJ\* #420  
18/07/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 2 8 2 3 7 2 0

Company name in full Mayfair Brassware Limited

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

### 2 Administrator's name

Full forename(s) Julian

Surname Pitts

### 3 Administrator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

### 4 Administrator's name

Full forename(s) Lee

Surname Lockwood

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

### 5 Administrator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

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

AM03

## Notice of Administrator's Proposals

6

### Statement of proposals



I attach a copy of the statement of proposals

7

### Sign and date

Administrator's  
Signature

Signature

X

*L. Lockwood*

X

Signature date

<sup>d</sup>

1

<sup>d</sup>

6

<sup>m</sup>

0

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# AM03

## Notice of Administrator's Proposals



### 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 **Ben Fallon**

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

Address **Fourth Floor**

**Toronto Square**

Post town **Toronto Street**

County/Region **Leeds**

Postcode **L S 1 2 H J**

Country

DX **leeds@begbies-traynor.com**

Telephone **0113 244 0044**



### 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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



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.

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## Mayfair Brassware Limited (In Administration)

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Statement of proposals for achieving the purpose of Administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

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## Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. 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. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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## Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of Administrators
- ❑ Circumstances giving rise to our appointment
- ❑ Statement of affairs
- ❑ The Administration period
- ❑ Estimated outcome for creditors
- ❑ Proposals for achieving the purpose of the Administration
- ❑ Pre-administration costs
- ❑ Remuneration and disbursements
- ❑ Other information to assist creditors
- ❑ Conclusion
- ❑ Appendices
  - 1. Account of receipts and payments
  - 2. Estimated financial position
  - 3. Remuneration and expenses

# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Mayfair Brassware Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 28 May 2019
"the administrators", "we", "our", "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Lee Lockwood of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"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. STATUTORY INFORMATION

Name of Company	Mayfair Brassware Limited	
Trading name:	Mayfair Taps and Showers	
Date of Incorporation:	3 June 1993	
Company registered number:	02823720	
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ	
Former registered office:	Mayfair House, Unit 8, Hurricane Close, Lancaster Business Park, Sherburn In Elmet, Leeds, LS25 6PB	
Trading address:	Mayfair House, Unit 8, Hurricane Close, Lancaster Business Park, Sherburn In Elmet, Leeds, LS25 6PB	
Principal business activities:	Wholesale of hardware, plumbing and heating equipment and supplies	
Directors and details of shares held in the Company:	<b>Name</b>	<b>Shareholding</b>
	Andrew David Green	<i>n/a</i>
	Simon Alan Winch	<i>n/a</i>
Company Secretary and details of the shares held in Company:	<b>Name:</b>	<b>Shareholding</b>
	David Richard Dixon	<i>n/a</i>
Accountants:	Buckle Barton Limited	
Share capital:	337,261 A Ordinary Shares 1 B Ordinary Share	
Shareholders:	Metallic Holdings Limited	

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment:	28 May 2019
Court:	High Court of Justice, Business and Property Courts in Leeds, Insolvency and Companies List (ChD)
Court Case Number:	CR-2019-LDS-000552
Persons making appointment:	The directors of the Company
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.
EU Regulation on Insolvency Proceedings:	Regulation (EU) No 2015/848 of the European Parliament and of the Council applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.

#### STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows:

- "3 (1) The administrator of a company must perform his functions with the objective of-
- (a) rescuing the company as a going concern, or
  - (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
  - (c) realising property in order to make a distribution to one or more secured or preferential creditors.
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole.
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
  - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company's creditors as a whole.
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
  - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole."



## 4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

### **Company History**

The business was originally formed as a unincorporated entity known as ARW Enterprises by Alan Winch in 1988, and subsequently incorporated as a limited company known as Tackdeck Limited in June 1993. The Company was renamed Mayfair Brassware Limited in July 1993 and has since traded under this name and Mayfair Taps and Showers from its freehold premises located at Lancaster Business Park in Sherburn-In-Elmet, Leeds since 2005.

The Company was initially established to import ceramic basins into the UK from Europe. The Company latterly changed its focus in the mid 1990s from ceramic basins to importing and distributing kitchen and bathroom taps. As the business grew, it continually reviewed its supply base in order to ensure that it was sourcing the highest quality products at the lowest prices to maintain or improve its gross margin.

As a result, the Company changed its supply chain from Europe to China in the early 2000s, setting up a relationship with a new factory through an existing contact. The former managing director regularly visited the various factories in China to ensure the Company's rigorous quality expectations were being adhered to.

Turnover for the business increased up until the year ended 28 February 2008, at which point turnover was £7m, resulting in a profit of £422k. However, as a result of the loss of the contracts with major retailers, such as MFI, Homebase, B&Q and Argos, the turnover and profitability of the business decreased over the subsequent years, stabilising at a turnover of approximately £2.5m for the financial years ended February 2017, 2018 and 2019. The Company generated losses of £27k, £11k and £88k in these financial years respectively.

### **Appointment of Administrators**

Three major factors occurring in the early part of 2019 contributed to the Company's financial difficulties, as discussed below.

One of its largest customers, Astracast International Holdings Limited ("Astracast"), entered into Administration on 30 January 2019, the second time this customer had failed owing the Company monies. Whilst the debt was part of the Company's invoice discounting facility with Lloyds Bank Commercial Finance Limited ("LBCF"), the £128k which was owed reduced the availability within the facility and in turn the quantity of monies that management were able to draw down.

At the same time as the Astracast insolvency, the Company had ordered a large quantity (in the region of £100k) of radiator stock from a supplier in China to deal with the requirement of its major radiator customer, who accounted for 75% of the Company's radiator sales. Such a large quantity was ordered as a result of the supplier factories closing down for the Chinese New Year period. However, following delivery of the radiators, the customer had decided to source products directly from China in order to increase its margins, resulting in the Company having a large quantity of stock which it was unable to sell quickly.

Whilst this customer started to reorder from the Company in May 2019, as a result of the issues encountered dealing directly with the Chinese suppliers, the level of ordering was insufficient to maintain the cash position required within the business.

In addition, the adverse movement in the pound sterling against the US dollar was increasing the cost of the products sourced from China, even with the use of currency financial instruments. This was therefore impacting on the margin the Company was able to achieve on the products sold in the UK as it was unable to pass on these costs.

The directors approached their accountants for advice with regard to their current financial position. This resulted in a referral to Begbies Traynor (Central) LLP to meet with the directors on 30 April 2019 to consider the best course of action the directors could take for the Company and its creditors.

The basic forecasts available indicated that the Company would continue to make losses over the financial period to February 2020, which would mean that it would struggle to meet its historic trade liabilities whilst servicing trade creditors moving forward.

The advice cumulated in a board meeting on 14 May 2019 to agree to place the Company into Administration. The directors filed a Notice of Intention to Administrators ("NOI") in the Leeds High Court on the same day. In the interim, we were instructed to undertake an accelerated marketing exercise with a view of concluding a sale of the business and assets upon the Company entering into Administration.

Unfortunately, no acceptable offers were received and the directors subsequently filed a Notice of Appointment of Administrators in the Leeds High Court on 28 May 2019, with Julian Pitts and Lee Lockwood of Begbies Traynor (Central) LLP being duly appointed Joint Administrators.

## 5. STATEMENT OF AFFAIRS

Formal notices have been sent to the Company's directors to submit a statement of affairs pursuant to Rule 3.27 of the Insolvency Rules 2016. To date, no complete statement of affairs has been received but we understand that steps are being taken by the directors to comply with their statutory duties in this regard and will be submitting the statement of affairs in the near future.

In the circumstances, Rule 3.35(1) of the Insolvency Rules 2016 dictates that we must provide details of the financial position of the Company at the latest practicable date (which must, unless the court otherwise orders, be a date not earlier than that on which the company entered administration), a list of the Company's creditors including their names, addresses and details of their debts, including any security held.

To this end, a statement of the Company's estimated financial position, together with a list of creditors, as at 28 May 2019 is included at Appendix 2. Please note that this list is based on information provided by the directors of the Company and does not necessarily represent a definitive list.

## 6. THE ADMINISTRATION PERIOD

### ***Receipts and Payments***

Attached at Appendix 1 is our account of receipts and payments from the commencement of Administration, 28 May 2019 to 10 July 2019.

### ***Work undertaken by the Administrators and their staff***

#### **Initial Actions**

Upon appointment on 28 May 2019, we attended the Company's premises. As the Company's employees were paid up to 31 May 2019, we utilised the workforce to assist with gathering information and preparing for any potential sale of the whole or part of the business.

In conjunction with our appointed agents, Eddisons Commercial Limited ("Eddisons"), we liaised with the parties who had expressed an interest in the business prior to our appointment to try and establish whether any sale could still be salvaged. Eddisons are a member of the Begbies Traynor Group.

Whilst discussions took place with some interested parties, it became apparent that no sale of the Company as a whole, to include the transfers of employees, would be agreed as the majority of the interested parties were interested in certain assets only, in particular the stock or freehold property.

Therefore, the six employees of the Company were formally made redundant on 31 May 2019, prior to incurring any further liabilities as an expense of the Administration.

#### **Book Debts**

The book debt ledger is subject to an invoice discounting facility with Lloyds Bank Commercial Finance Limited ("LBCF"). LBCF has instructed Cerberus Receivables Management Limited ("Cerberus") to collect the outstanding gross ledger on appointment of £381,000.

Cerberus have collected £37,000 to date, however, the sum of £132,000 is confirmed as uncollectable, the majority of which relates to the Astracast bad debt.

We will continue to correspond with Cerberus throughout the Administration to provide assistance and seek updates on the progress of collections to establish whether a surplus will be available for the Administration estate.

#### **Mayfair House, Hurricane Close, Lancaster Business Park, Sherburn-In-Elmet**

The Company owns a freehold property located on the Lancaster Business Park, Sherburn-In-Elmet. The premises comprise a warehouse, two storey offices and a large yard.

Eddisons have been instructed to market and sell the property, and have set an asking price of offers in the region of £1.2m. A best and final offer deadline of 19 July 2019 has been set, with completion expected to take place by October 2019, subject to no unforeseen circumstances.

Eddisons costs in relation to the sale of the property have been agreed at 2% plus disbursements.

#### **Stock**

The primary business for the Company was to procure brassware and radiators from China and distribute these to over the counter retailers, shops and online retailers. It therefore stocked a large range and quantity of skews at any one time as the lead time from the Chinese suppliers was eight to ten weeks.

The cost value of the stock on our appointment according to the Company's records was in the region of £286,000. However, given that these items would be sold in bulk and without any warranties and guarantees, the final realisable value is considered to be much lower than their cost value.

Eddisons have been marketing the stock for sale since our appointment and dealing with all interested party enquiries. Offers were put forward and two separate offers have been accepted, £53,000 for the radiator stock and £75,000 for the brassware. The gross sale proceeds are currently held by Eddisons.

#### **Plant & Machinery – Unencumbered**

The Company owns unencumbered plant and machinery, which consist of warehouse racking and other warehouse equipment. These assets remain at the Company's property and are likely to be sold via online auction or included as part of the sale of the property.

#### **Motor Vehicles – Subject to Finance**

The Company has three vehicles on lease from three separate finance providers. As these vehicles do not have any equity, we have consented to the finance providers' requests to collect the vehicles.

### **Cash at Bank**

The credit balance of £11,085 held in the Company's current account with Lloyds Bank plc ("Lloyds") has been transferred to the Joint Administrators' bank account.

### **Retention of Title**

As the Company owns a considerable quantity of stock, we considered the position with regard to retention of title with our agents, Eddisons. Creditors were given the opportunity to claim, however, no claims have been received to date.

### **Other Matters and Costs Incurred to Date**

An initial letter was sent to creditors advising them of the Administration and requesting a statement of account showing amounts due from the Company. These statements are continuing to be received and processed and where creditors have chosen to supply details of their claims, these have been lodged.

Squire Patton Boggs were instructed to assist the directors in undertaking the necessary steps to place the Company into Administration and have been instructed by us to provide advice on property matters, security reviews and legal advice generally on matters arising throughout the Administration to date.

We have incurred £85 with Courts Advertising Limited in respect of the advertising cost incurred issuing the notice of the Administrators' appointment in the London Gazette. This is a statutory requirement.

## **7. ESTIMATED OUTCOME FOR CREDITORS**

The sums owed to creditors at the date of appointment (as detailed in the estimated financial position at Appendix 2) are as follows:

### **Secured creditors**

Please note that all amounts due to each of the secured creditors are subject to an ongoing security review being undertaken by our instructed solicitors, Square Patton Boggs.

#### ***Lloyds Bank Commercial Finance Limited***

As discussed in Section 6, the Company's book debt ledger was subject to an invoice discounting facility with LBCF. The Company granted security to LBCF by way of a legal charge created on 14 June 2007 and registered at Companies House on 16 June 2007, as well as an all assets debenture fixed (including a fixed charge over book debts) and floating charge over the entire assets and undertakings of the business, created on 13 June 2007 and registered at Companies House on 15 June 2007. The sum of £157,012 remains due to LBCF.

LBCF is likely to be repaid in full following collection of the book debt ledger and sale of the freehold property known as Mayfair House.

#### ***Lloyds Bank plc***

The Company also granted a debenture to Lloyds consisting of a fixed and floating charge debenture over the entire assets and undertakings of the business, created on 14 June 2007 and registered at Companies House on 16 June 2007. The sum of £391,910 remains due to Lloyds.

It is expected that Lloyds will be repaid in full following the sale of Mayfair House.

### ***Trustees of Mayfair Brassware Limited Directors' Pension Scheme***

The Trustees of the Mayfair Brassware Limited Directors Pensions' Scheme were granted a legal charge secured over the Company's stock, created on 15 April 2014 and registered at Companies House on 16 April 2014. The sum of £11,817 remains due to the Trustees of the pension scheme. It is expected that this debt will be repaid in full during the course of the Administration.

### **Preferential creditors**

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £9,681.

We consider that there are likely to be sufficient funds for a dividend to be paid to preferential creditors.

### **Unsecured creditors**

Claims of unsecured creditors were estimated at £1,088,244.

Based upon realisations to date and estimated future realisations there are likely to be sufficient funds available to enable a dividend to be paid to the unsecured creditors.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The *prescribed part of the Company's net property* is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part of net property* if:

- ☐ the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the administrator applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

We have estimated, to the best of our knowledge and belief, the Company's net property to be £788,122 and the prescribed part of the Company's net property to be £160,624, before costs.

Subject to the validity of the secured creditors' security, we anticipate that all secured creditors will be paid in full in accordance with their security. If this transpires, the prescribed part will no longer be applicable. If a floating charge distribution is made to any of the secured creditors, it is intended that we will distribute this amount to the unsecured creditors in the Administration or subsequent Liquidation.

### **Effect of administration on limitation periods under the Limitation Act 1980**

As explained in our initial correspondence confirming our appointment as administrators, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of

the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

## 8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

### *Purpose of the Administration*

We are required to set out our proposals for achieving the purpose of the Administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, we presently consider that it is not reasonably practicable to achieve the objective specified in sub-paragraph 3(1)(a), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(b), namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

It was not possible to rescue the Company on a going concern basis as it had significant liabilities at the date of appointment with its primary Chinese suppliers and its assets were insufficient with which to meet those liabilities.

We considered that trying to market the business for sale both prior and post our appointment would achieve the best outcome for creditors, namely a sale of the Company's business and assets. However, following the due diligence undertaken by the interested parties, they deemed that the business would not be viable to continue as a stand alone entity or as an additional offering to an existing business. Therefore, a sale did not materialise.

The Administration has created a moratorium over the Company and safeguarded all of the Company's physical assets which may otherwise have been subject to recovery action by creditors. We have been able to immediately take control of the Company's books and records with access to the staff. This has allowed us to understand the business and put together the required documentation and information to try and achieve a sale of the business.

We consider that being able to take immediate control in the context of an Administration as an alternative to an immediate cessation of trade and subsequent liquidation of the Company has significantly enhanced the prospects of the creditors and also prevented them from incurring additional costs or losses during any wind down period which they may not have recovered. We therefore consider Administration was the most appropriate process for dealing with the Company's affairs.

Employee entitlements will be paid from the Redundancy Payments Office quicker than would have been possible had the Company entered Liquidation through a court petition or by decision of creditors.

We consider that the objective has already been largely achieved as a result of our marketing efforts to achieve a sale of the business, despite a deal not being agreed. This resulted in significant interest for individual assets of the business, assisting us to achieve a higher sales price.

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. The principal matters to deal with in this respect are:

- Realisation of the Company's freehold property;
- Monitor the progress of Cerberus collecting the outstanding book debts due to the Company;
- Completion of the sale of the Company's stock and other fixed assets;

- Payment of any outstanding costs and liabilities; and
- Investigations into the Company's affairs.

Following these events we propose to finalise distributions to the secured and preferential creditors.

### ***Exit from Administration***

#### **Creditors' Voluntary Liquidation**

We confirm that we are of the opinion that the total amount which each secured creditor of the Company is likely to receive will be paid or set aside and that a distribution will be made to the unsecured creditors of the Company which is not a distribution of the prescribed part<sup>1</sup>.

We have the power to make a distribution of the prescribed part to unsecured creditors in the administration but any other distribution to them requires the permission of court. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

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 deliver a notice of moving from administration creditors' voluntary liquidation to the Registrar of Companies. Upon the registration of such notice our appointment as administrators shall cease to have effect and the Company will automatically be placed into liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator.

We confirm that as part of our proposals we propose that we, or in the event of there being a subsequent change of persons appointed as administrator, the individuals in office as such immediately prior to the Company being placed into liquidation, do act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

### **Extending the Administration**

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 are not able to conclude the asset realisations. 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, our 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 twelve 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 twelve months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

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<sup>1</sup> Insolvency Act 1986, Sch B1, para 83(1)

## 9. PRE-ADMINISTRATION COSTS

In the period before the Company entered Administration, we carried out work in order to try and achieve a pre-package sale of the business and assets. This included: reviewing the financial position of the business, liaising with the Company, LBCF and Lloyds, assisting the Company with monitoring cash flow, considering options, undertaking an accelerated marketing and sale process, providing interested parties with information, assessing offers and planning for an Administration ("the Work").

The Work was carried out pursuant to an agreement made between us and the Company entered into on 17 May 2019 ("the Agreement"). The Agreement provides for the payment of our fees and the discharge of expenses incurred by us (collectively referred to as "the pre-administration costs") in carrying out the Work.

The Work was carried out before the Company entered administration in an attempt to identify the difficulties facing the business and consider possible solutions available to the Company and its directors. The Work identified the issues facing the business, allowed for an accelerated sale process to be explored and aided the directors of the Company to plan for an inevitable insolvency event, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

Squire Patton Boggs (UK) LLP provided advice and prepared the statutory documentation in relation to the proposed Administration.

Eddisons Commercial Limited provided a valuation of the Company's assets, reviewed the finance agreements, attended site in preparation of interested party viewings and dealt with interested party viewings and inspections.

BTG Advisory LLP were instructed to assist in the circulation of information to potential acquirers of the Company and deal with simple enquiries. BTG Advisory LLP also spent a day assessing the Company's book debt ledger, extracting relevant supporting documentation and preparing a detailed report to LBCF on the ledger.

The pre-administration costs are broken down as follows:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor (Central) LLP	50,377.50	10,075.50	60,453.00
Disbursements		252.00	50.40	302.40
Legal costs	Squire Patton Boggs (UK) LLP	2,942.00	588.40	3,530.40
Disbursements		55.16	11.03	66.19
Agents costs (property)	Eddisons Commercial Limited	950.00	190.00	1,140.00
Agents costs (chattel assets)	Eddisons Commercial Limited	3,500.00	700.00	4,200.00
Disbursements		75.00	15.00	90.00
Debt collection advice	BTG Advisory LLP	500.00	100.00	600.00
Corporate finance costs	BTG Advisory LLP	1,500.00	0.00	1,500.00
<b>TOTAL PRE-ADMINISTRATION COSTS</b>		<b>60,151.66</b>	<b>11,730.33</b>	<b>71,881.99</b>



The pre-administration costs are unpaid and we are seeking that they be paid as an expense of the administration. Approval to discharge such costs ("the unpaid pre-administration costs") as an expense is required from the creditors' committee, or in the absence of a committee, or if the committee does not make a determination, by seeking decisions of creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of our proposals subject to approval.

In order to provide sufficient information to consider approval of the payment of the unpaid pre-administration costs, a Pre-Administration Time Costs Analysis and a pre-administration Time Costs Summary appear at Appendix 3. These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged. They also provide an explanation of the work undertaken prior to our appointment.

## 10. REMUNERATION AND DISBURSEMENTS

### ***Remuneration***

We propose that the basis of our remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters as set out in the fees estimate.

It is for the creditors' committee to approve the basis of our remuneration under Rule 18.18 of the Rules, but if no such committee is appointed it will be for the creditors to determine. We intend to deal with this by seeking decisions of creditors via correspondence.

Appendix 3 sets out our firm's hourly charge out rates, our fees estimate and the time that we and our staff have spent in attending to matters arising in the Administration since 28 May 2019.

### ***Disbursements***

We propose that disbursements for services provided by our firm and/or entities within the Begbies Traynor Group, be charged in accordance with our firm's policy, details of which are set out at Appendix 3. These disbursements will be identified by us and will be payable subject to the approval of those responsible for determining the basis of our remuneration.

### ***Estimate of expenses***

We are required by the Rules to provide creditors with details of the expenses that we consider will be, or are likely to be, incurred in the course of the Administration. This information also appears at Appendix 3.

### ***Expenditure incurred to date***

#### ***Legal Fees***

Squire Patton Boggs have incurred costs of £3,316 and disbursements of £34 to the date of this report. These relate to general matters arising throughout the period of the Administration to include property matters, security reviews and providing legal advice generally on matters arising throughout.

#### ***Agents Fees – Eddisons Commercial Limited***

Eddisons are an associated party to the Begbies Traynor Group and require Category 2 approval from creditors. Eddisons are providers of insurance services, property valuation and sale agents and chattel agents.

Full details of these costs are set out below and further detail is provided in the appendices.

### Chattel Assets

Eddisons have been instructed to inspect, value and categorise the chattel assets, meet with interested parties and arrange for third party assets to be returned.

Eddisons' fees in this respect are based on 10% of realisations together with additional time costs, which currently stand at £4,680 as at the date of this report, for dealing with: meeting with prospective interest parties in the business, liaising with finance companies and return of third party assets.

### Property

Eddisons have also been instructed to market and sell the freehold property. Their fees have been agreed at 2% of gross realisations plus marketing costs estimated to be in the region of £2,500.

### Security

Remotzone, a trading style of Eddisons, have incurred fees of £340 plus VAT in respect of arranging and providing security to the freehold property.

The sum of £405 plus VAT has been incurred in relation to lock changes at the Company's premises to ensure that the property is secure and insurance compliant.

### Insurance

Eddisons Insurance Services Limited are the brokers instructed to insure the Company's assets during the period of our appointment.

The insurance premium has been estimated at £6,200.

## 11. OTHER INFORMATION TO ASSIST CREDITORS

### **Report on the conduct of directors**

We have a statutory duty to investigate the conduct of the directors and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its failure. We are obliged to submit confidential reports to the Department for Business, Energy and Industrial Strategy.

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs.

### **Investigations carried out to date**

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

### **Connected party transactions**

We have not been made aware of any sales of the Company's assets to connected parties.

### **Deemed delivery**

These proposals will be deemed to have been delivered on 18 July 2019.

### **Use of personal information**

Please note that in the course of discharging our statutory duties as Joint Administrators, 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.

## **12. CONCLUSION**

We consider that the Company has sufficient property to enable a distribution to the unsecured creditors, other than from the prescribed part fund of any net floating charge property, under the insolvency legislation, and we are therefore required to seek a decision from the Company's creditors as to whether they approve our proposals. This decision will be sought via the deemed consent procedure and a notice of the decision sought is accompanying this document.

Unless 10% in value of the Company's creditors object to the approval of our proposals via the deemed consent procedure, then the creditors will be treated as having made the proposed decision to approve our proposals.

Subject to the approval of our proposals we will report on progress again approximately six months after the commencement of the Administration, or at the conclusion of the Administration, whichever is the sooner.



**Lee Van Lockwood**  
Joint Administrator

Date: 16 July 2019

# ACCOUNT OF RECEIPTS AND PAYMENTS

## 28 May 2019 to 16 July 2019

	£	£
ASSET REALISATIONS		
Stock	128,000.00	
Cash at Bank	<u>11,084.53</u>	
		139,084.53
		<u><b>139,084.53</b></u>
REPRESENTED BY		
Bank 1 Current		11,084.53
Agent's Client Account		153,600.00
VAT Payable		(25,600.00)
		<u><b>139,084.53</b></u>

# ESTIMATED FINANCIAL POSITION AS AT 28 MAY 2019

	Notes	Book Value	Estimated to Realise
<b>FIXED CHARGE ASSETS</b>			
Motor Vehicles	1	Unknown	17,050
Less: Due to Land Rover Financial Services			(17,930)
Surplus/(shortfall) as regards Land Rover Financial Services			<u>(880)</u>
Book Debts	2	381,000	100,000
Less: Due to LBCF	3		(157,012)
Fixed charge surplus/(shortfall) as regards LBCF			<u>(57,012)</u>
Freehold property	4	996,743	1,200,000
Less: Due to Lloyds Bank plc	5		(391,910)
Fixed charge surplus as regards Lloyds Bank plc			<u>808,090</u>
Less: Due to LBCF (b/d)			(57,012)
Fixed charge surplus (c/d)			<u>751,078</u>
<b>FLOATING CHARGE ASSETS</b>			
Stock	6	285,295	128,000
Furniture & Equipment	6	Unknown	580
Plant & Machinery	6	Unknown	7,060
Cash and other balances	7	11,085	11,085
Fixed charge surplus (b/d)		-	751,078
Less: Corporation Tax on chargeable gain	8	-	(100,000)
Available for preferential creditors			797,803
Less: Arrears of wages and holiday pay	9		(9,681)
Net property			<u>788,122</u>
Less: Prescribed part of net property set aside for unsecured creditors	10		(160,624)
Available for floating charge holder			<u>627,498</u>
Less: Due to Mayfair Brassware Limited Director Pension Scheme	11		(11,817)
Available for unsecured creditors			<u>615,681</u>
Add back Prescribed Part	10		160,624
Total available for unsecured creditors before costs			<u>776,305</u>
Less: Estimated unsecured creditors	12		(1,088,244)
Less: Finance creditor shortfall	1		(880)
Surplus/(shortfall) as regards unsecured creditors	13		<u>(312,819)</u>

## ESTIMATED FINANCIAL POSITION - NOTES

1. Following the assessment of the finance agreement, together with our agents, Eddisons, it was determined that there was no equity in the motor vehicles subject to finance. As a result, the finance provider has been advised that they can collect their vehicle. The shortfall suffered by the finance creditor will rank as unsecured with the other company creditors.
2. The book debts are subject to an invoice discounting facility with LBCF. The book value and estimated to realise value of the ledger is that advised by LBCF's instructed debt collection agents, Cerberus.
3. The amount due to LBCF has been confirmed at £157,012. This is secured over the Company's book debt ledger and has second ranking security over the Company's freehold property.
4. The freehold property known as Mayfair House has been professionally valued by Richard Roe of Eddisons. Mr Roe is a RICS Registered valuer. The value disclosed of £1.2m is the guide price for the property which is on the open market.
5. The amount due to Lloyds in accordance with its security.
6. All asset valuations have been conducted by Richard Temple, BSc (Hons) PGDip Surveying MRICS, of Eddisons. Eddisons has sufficient professional indemnity in place in relation to the valuation.
7. The cash held in the Company's Lloyds Bank current account on our appointment was £11,085.
8. Based on the valuation undertaken by Eddisons, it is expected that there may be a chargeable gain following the sale of Mayfair House. This has been estimated at £100,000 for the purposes of the estimated financial position and will be considered in further detail by our instructed accountants once the sale has completed.
9. Estimated employee claims relates to amounts expected to be due to employees under the Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially. In addition, pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 are non-preferential.
10. Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "**Net property**" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation). The **prescribed part** is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000).

We will not be required to set aside the prescribed part of net property if:

- a. The net property is less than £10k and we think that the cost of distributing the prescribed part would be disproportionate to the benefit;
- b. Or if the net property is more than £10k, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds.

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## ESTIMATED FINANCIAL POSITION - NOTES

11. The Company borrowed monies from the directors' personal pension scheme. The amount due to the pension scheme as at our appointment was £11,817.
12. Creditors' claims are subject to agreement and will not be prejudiced by omission from the estimated financial position or by inclusion in a different amount from that claimed. A detailed list of creditors is provided on the following pages. Details of individual employees are not provided as this information is considered to be sensitive.
13. The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs.
14. It should be noted that, as Administrators, we are guided to provide separate schedules detailing individual: employees, deposit creditors and shareholders. These schedules are available, however, we are not minded to release personal details of these parties as part of this report. Should you wish to obtain a copy of the same, please contact us and we will consider the request.

# ESTIMATED FINANCIAL POSITION - CREDITORS

## As at 28 May 2019

### SCHEDULE OF CREDITORS

Name of creditor or claimant	Address	Amount of debt £	Details of any security held by creditor	Date security given
Lloyds Bank plc	25 Gresham Street, London, EC2V 7HN	391,910	Memorandum of pledge  Hypothecation of goods and Debenture	12 April 2007  14 June 2007
Lloyds Commercial Finance Limited	Ground Floor, Phase One, Lovell Park, 1 Lovell Park Road, Leeds, LS7 1DZ	157,012	Debenture  Legal Charge	13 June 2007  14 June 2007
Trustees of the Mayfair Brassware Limited Directors Pension Scheme	c/o Buckle Barton Limited, Sanderson House, 22 Station Road, Horsforth, Leeds, LS18 5NT	11,817	Legal charge	15 April 2014
Land Rover Financial Services Limited	St William House, Cardiff, CF10 5BH	17,930	Hire purchase agreement over motor vehicles	Unknown
HM Revenue & Customs	Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	41,825	N/A	N/A
Various Trade Creditors	Various (see attached schedule)	950,029	N/A	N/A
Employees/ex-employees (6 in total)	Various	106,072	N/A	N/A



## ESTIMATED FINANCIAL POSITION - CREDITORS

### As at 28 May 2019

#### BREAKDOWN OF TRADE CREDITORS

Name	Address	£
Advantage Safety Ltd	142 Northfield, Barby, Selby, YO8 5JS	800.00
Aqualogic NT Ltd	23 Woodside Place, Glasgow, G3 7QF	22,046.29
BHP	New Chartford House, Centurian Way, Cleckheaton, BD19 3QB	1,000.00
British Telecom	Durham, DH98 1BT	215.90
Buckle Barton Limited	Sanderson House, Station Road, Horsforth, Leeds, LS18 5NT	2,268.00
Business Waste Ltd	Artemis House, Eboracum Way, Heworth Green, York, YO31 7RE	6.94
BCA Logistics Limited	Unit 1320 Solihull Parkway, Birmingham Business Park, Birmingham, B37 7YB	1,253.46
Barretts Business Machines	Newton Hose, Newton, Honley, Huddersfield, HD9 6PQ	3,690.00
Cargo 2 Go	Unit 9, Universal Square, Devonshire Street North, Manchester, M12 6JH	0.00
Chep UK	Weybridge Business Park, Addle, Addlestone, Surrey, KT15 2UP	254.47
Corona Energy Retail	Edward Hyde Building, 38 Clendon Road, Watford, WD17 1JW	632.19
Creditsafe	Bryn House, Caerphilly Bus Park, Van Road, Caerphilly, CF83 3GG	0.00
Crombie Wilkinson	Clifford House, 19 Clifford Street, York, YO1 9RJ	1,142.40
DHL International (UK) Ltd	Customer Accounting, Hillblom, 1 Dukes Green Avenue, Faggs Road, Feltham, Middlesex, TW14 0LR	155.95
DPD UK Ltd t/as DPD	Litigation Dept, 15th Floor Castlemead, Lower Castle Street, Bristol, BS1 3AG	2,297.16
DX Network Services Ltd	Oxwick Close, Brackmills, Northampton, NN4 7BH	1,765.52
Edge (Ningbo) Hardware Industry Co. Ltd	c/o Ward Hadaway Solicitors, 5 Wellington Place, Leeds, LS1 4AP	382,025.22
Embrass Peerless	Unit 5, Monkspath Business Park, Shirley, West Midlands, B90 4NY	9,720.19
Federal Express Europe	PO Box 119, Coventry, CV1 4QD	60.37
Fuel Genie	P O Box 5595, Walsall Road, Cannock, Staffs, WS11 0JA	0.00
Greenworks	Unit 1, Warsop Trading Estate, Hever Road, Edenbridge, Kent, TN8 5LD	0.00
Iris	Riding Court House, Datchet, Berkshire, SL3 9JT	0.00
Investec Asset Finance plc	c/o Baker Tilly Creditor Services, Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	29,116.58
Kerry Logistics (UK) Ltd	Unit 2, Newhall Bus.Park, Newhall Way, Bradford, BD5 8FE	2,442.08

# ESTIMATED FINANCIAL POSITION - CREDITORS

## As at 28 May 2019

### BREAKDOWN OF TRADE CREDITORS

Name	Address	£
Kite Packaging Ltd	186 Torrington Avenue, Tile Hill, Coventry, CV4 9AJ	830.04
Montgomery Distribution Ltd	Ballyearl Business Park, Houston's Corner, Doagh Road, Newtonabbey, Co Antrim, BT36 4TP	582.54
Quanzhou Brassware Co.,Ltd	No. 508, Huyue Building, Huxin Street, Quanzhou, Fujian, China	280,693.91
Arval UK Limited	ARVAL Centre, Windmill Hill, Swindon, SN5 6PE	16,271.28
Namesco Ltd	Acton House, Perdiswell Park, Worcester, WR3 7GD	9.58
Nemark Professional IT Services Ltd	Doncaster Bus. Innovation Centre, Ten Pound Walk, Doncaster, DN4 5HX	165.84
Normans of Billingham	Unit 5, Royce Avenue, Cowpen Ind. Estate, Billingham, TS23 4BX	67.01
O2 (UK) Limited	Po Box Hk860, Arlington Business Centre, Millshaw Park Lane, Leeds, LS11 0NE	134.32
Premier Inn	Walsall Road, Cannock, Staffs, WS11 0JA	0.00
Restore Datashred	Unit Q1, Queen Elizabeth Distbn Centre, Purfleet, Essex, RM19 1NA	199.22
Sage Software Ltd	Sage House, North Park, Newcastle Upon Tyne, NE13 9AA	0.00
Selby District Council	Civic Centre, Portholme Road, Selby, North Yorkshire, YO8 0SB	27,016.00
Siemens Financial Services	Sefton Park, Bells Hill, Stoke Poges, Buckinghamshire, SL2 4JS	0.00
Taizhou Henglin Sanitaryware Co. Ltd	c/o Ward Hadaway Solicitors, 5 Wellington Place, Leeds, LS1 4AP	84,421.47
Taizhou Shenglang Sanitaryware Co. Ltd	Chumen Section, Yuhuan Sci-Tech Industrial Zone, Taizhou, China	0.00
The Mailing Room Ltd	Southerly 7, Waterfold Business Park, Bury, BL9 7BR	2,389.92
TNT International	Po Box 186, Ramsbottom, Bury, Lancashire, BL0 9GR	45.72
Taizhou Lanbiao Sanitaryware Co., Ltd	Tangtou Industrial Area, Qinggang, Yuhuan, Zhejiang, China, 317607	70,040.00
Viamaster Transport Ltd	Europoint Distribution Centre, Altofts Lane, Castleford, WF10 5PZ	6,194.80
Vodafone Internet	Vodafone House, The Connection, Newbury, Berkshire, RG14 2FN	8.41
The Wrapped Brand Agency	4 Bramley's Barn, The Menagerie, Escrick, York, YO19 6ET	66.00

## REMUNERATION AND EXPENSES

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Total time spent to 16 July 2019 on this assignment amounts to 251 hours at an average composite rate of £353 per hour resulting in total time costs to 16 July 2019 of £88,476.

To assist creditors in determining this matter, the following further information appears in this appendix:

- ☐ Begbies Traynor (Central) LLP's charging policy
- ☐ Pre-administration Time Costs Summary with Pre-Administration Time Costs Analysis
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value
- ☐ The Administrators' fees estimate
- ☐ Details of the expenses that the Administrators consider will be, or are likely to be, incurred

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2017' which provides guidance on creditors' rights can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

Finally, the Association of Business Recovery Professionals (R3) has set up a website that contains a step-by-step guide designed to help creditors navigate their way through an insolvency process which includes information in relation to remuneration. You can access the website at the following address: <http://www.creditorinsolvencyguide.co.uk/>

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## **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 guidance<sup>1</sup> 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. 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<sup>2</sup> 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 physical meetings of creditors is charged at the rate of £100 (London £150) 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;

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

<sup>2</sup> Ibid 1

*Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be 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.*

***Services provided by other entities within the Begbies Traynor group***

The following items of expenditure which relate to services provided by 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 to provide valuation advice in relation to the Company's chattels and to provide assistance in the disposal of the same.

Their charges will be calculated at 10% of assets realisations plus on a time costs basis at the prevailing hourly rates for additional required work for their various grades of staff which are currently as follows:

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

Eddisons Commercial Limited estimate that their charges for providing the services will be between £17,500 and £25,000.

Instruction of Eddisons Commercial Limited to provide property valuation, marketing and sale services. Their charges will be equivalent to 2% of realisations plus marketing disbursements.

Eddisons Commercial Limited are also instructed to provide risk management services, in particular the management of insurance compliance works for vacant properties. Their charges for providing these services will be calculated £300 per month for security measures plus any set up, removal and call out charges.

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:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
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 forecasted cost of insurance for the 3 month period

immediately following appointment is £6,200 inclusive of Insurance Premium Tax. 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.

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.

(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

**Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction**

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

**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 Leeds office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

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.

## **PRE ADMINISTRATION TIME COSTS SUMMARY**

CASE NAME: Mayfair Brassware Limited  
CASE TYPE: Administration  
OFFICE HOLDERS: Julian Pitts and Lee Lockwood  
DATE OF APPOINTMENT: 28 May 2019

### **1 CASE OVERVIEW**

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case.

#### **1.2 Time costs information**

Details of the time spent by each grade of staff prior to the appointment of the Administrators and the overall average hourly charge out rate for the pre-administration work are set out in the attached table.

Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals.

#### **1.3 Overview of work undertaken prior to appointment**

Prior to the Administration, we worked with the directors of the Company and other professional advisors in order to try and achieve a sale of the Company's business and assets to maximise the return to creditors. It would not have been possible to undertake this work after an Administration appointment as the Company would have potentially lost any goodwill.

The work undertaken was with the objective of securing an agreement which maximised the value of the business and assets including: reviewing the financial position of the business, considering options, undertaking a targeting marketing campaign, providing interested parties with information, meeting with interested parties, assessing offers and planning for an Administration.

#### **1.4 Complexity of work undertaken prior to appointment**

Our attempts to find a party interested in acquiring the business was the most challenging aspect of this case undertaken prior to our appointment. This was mainly due to the time pressure caused by the Company's financial position.

#### **1.5 Exceptional responsibilities**

There have been no exceptional responsibilities in respect of the work undertaken prior to our appointment.

#### **1.6 The proposed Administrators' effectiveness**

The proposed Administrators liaised with the secured creditors with regards to the necessary steps to place the company into Administration and secure the assets for the benefit of the



creditors. In addition to this, we have sought professional advice as regards disposal strategies as we sought to achieve a sale of the business and assets.

**1.7 The views of the creditors**

The secured creditors were kept fully up to date during the period leading up to the appointment of Administrators. The views of creditors as regards pre-appointment costs have not been directly sought until this point.

**1.8 Approval of fees, expenses and disbursements incurred in the period prior to appointment**

The Administrators are seeking a resolution in relation to their pre-administration costs as follows: that the unpaid pre-administration costs detailed in the Joint Administrators' Statement of Proposals for achieving the purpose of administration, be approved for payment.

**1.9 Expenses and disbursements incurred in the period prior to appointment where payment is proposed to be made to Begbies Traynor and/or another entity with Begbies Traynor Group**

**Category 2 Disbursements**

Pursuant to the resolution being sought in relation to the unpaid pre-administration costs, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements are proposed to be charged in relation to the period prior to appointment:

<b>Other amounts paid or payable to the office holder's firm</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Mileage – 550 miles	247.50
<b>TOTAL</b>	<b>247.50</b>

**Disbursements treated as Category 2 disbursements**

<b>Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Agents costs and disbursements- Preparation of asset valuation and inventory	3,500.00
Disbursements – travel	75.00
Corporate Finance fees	1,500.00
Debt Collection fees	500.00
<b>TOTAL</b>	<b>5,575.00</b>

**1.10 Other professionals employed & their costs**

Squire Patton Boggs (UK) LLP provided advice and prepared the statutory documentation in relation to the proposed Administration.

**2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES**

- 2.1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3.
- 2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3.

Staff Grade	Consultant/partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time cost £	Average hourly rate £
Administration			4.1		7.0		5.5	7.5		24.10	5,382.00	223.32
Case planning		6.6	4.6		6.5		0.5			18.20	6,466.50	355.30
Assets	1.0	7.4	19.1		39.3					66.80	21,157.50	316.73
Negotiation of sale of business +/- assets										6.10	1,256.50	205.98
Other creditors		0.7					5.4			10.60	4,291.00	404.81
Creditors		7.3	1.5		1.8					21.10	8,444.50	400.21
Secured - correspondence and meetings					4.0					9.40	3,379.50	359.52
Other Matters	3.0	7.8	6.3		2.3					156.3		
Meetings and correspondence with directors			7.1		60.9		11.4	7.5				
Travel	4.0	29.8	42.7									
Total hours by staff grade												
Total time cost by staff grade £	1,980.00	13,261.00	16,866.50		15,225.00		1,995.00	1,050.00			50,377.50	
Average hourly rate £	495.00	445.00	395.00		250.00		175.00	140.00				322.31
Total fees drawn to date £											0.00	

Mayfair Brassware Limited

**SUMMARY OF TIME COSTS AND EXPENSES**

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case.

**What work has been done since we were appointed, 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.

General case administration and planning

We have formulated an appropriate strategy, with the help of the directors and our instructed professional advisors, in order to realise the Company's chattel assets and agree sales in respect of the Company's freehold property.

We are also required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case. Costs in this respect will fall under the above heading.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progression of the Administration, which ensures that we carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

There are certain tasks which we have a statutory obligation to undertake during the Administration. We have notified the various bodies of our appointment, including creditors, and advertised our appointment in the London Gazette.

We have also prepared our Statement of Proposals, as we are obliged to do, to provide creditors with a detailed explanation of the reasons for the failure of the Company, the progress made during the Administration to date and the work which will be undertaken going forward in order to achieve the Administration's objective.

This work has not benefitted creditors financially but is necessary in accordance with the Act and best practice.

Investigations

We have a duty to examine the conduct of the Company and its directors in order to identify what assets are available for realising for the benefit of the creditors, including any actions against directors or other parties, such as challenging transactions at undervalue or preferences. Such investigations will also enable us to report to The Insolvency Service on the conduct of the directors so that The Insolvency Service may consider whether disqualification proceedings are appropriate.

We have carried out initial assessments of the conduct of the Company and its directors at this stage.

#### Realisation of assets

Time has been spent dealing with the parties interested in acquiring the asset of the business, including the business as a whole, stock, the freehold property and other fixed assets.

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

As detailed in the main body of the report, initially a sale of the business and assets was sought and marketing was undertaken accordingly. The staff members were retained to assist with the accounting functions, finalising the payroll, assisting with collating the relevant employee and sale information, logistical assistance, and, to assist us in seeking a potential buyer for the Company as all staff costs were paid up until 31 May 2019.

This was essential in order to collate the information to assist the employees making their claims for monies owed. In addition, as an element of the Company records were paperless, the staff were utilised to extract the relevant documentation.

As a sale of the business did not materialise, the six members of staff were made redundant on 31 May 2019. The claims and queries of the employees have been dealt with by us and The Insolvency Service.

Due to the nature of the Company's business and the amounts outstanding to a number of large creditors, there has been a significant number of enquiries from the creditors requesting further information in respect of the insolvency. Dealing with the correspondence and claims submitted is very time intensive and is necessary to keep creditors informed as matters progress.

Any financial benefit to creditors in carrying out the above work is unclear at present however creditors will receive updates on these matters in future progress reports.

#### Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures), meetings, tax, litigation, pensions and travel

Discussions and meetings have been held with parties to establish the Company's current position, mainly in relation to sale negotiations.

We have also travelled to and from the trading premises in Sherburn-In-Elmet, Leeds during the period whilst we were seeking a purchaser for the business. This was essential in order to oversee the post appointment operations and assist with the decision making processes.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliance progression of the Administration, which ensures that we carry out our work to high professional standards.

#### **Time Costs Analysis**

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

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

### **Why have subcontractors been used?**

Squire Patton Boggs have been instructed to assist with the legal matters of the Administration. This includes property matters, security reviews and providing legal advice generally on matters arising throughout.

Eddisons, a firm within the Begies Traynor Group, have been instructed to assist with the sale of the plant & machinery, furniture & equipment, stock and the freehold property, as well as provide insurance services.

### **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

As the Administration progresses, updates will need to be made to the strategy dependent upon the outcome of the realisations and investigations. This will include meetings between members of staff to formulate the strategy moving forward and ensure that the strategy is achieved. We are also required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case on an ongoing basis. This will include compliance reviews, internal checklist updates and periodic case reviews.

Whilst this work will not benefit creditors financially, it is necessary to ensure efficient progress of the case and is required in accordance with law and by our regulatory body.

#### Compliance with the Insolvency Act, Rules and best practice

We are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that we carry out our work to high professional standards.

The Act and Rules require that we produce interim progress reports on a six monthly basis to provide an update to the creditors of the progression made during the Administration.

In addition, a final progress report will have to be produced once the Administration has reached its conclusion. This will provide creditors with an overview of the Administration, including all realisations, costs and the final outcome for creditors.

Should the Administration need to be extended beyond its statutory term of 12 months, the administrators have a duty to seek an extension, firstly from the creditors and subsequently by Order of the Court, should a further extension be required.

Progress reports and the other statutory documentation detailed above must also be filed with the Registrar of Companies in accordance with the Act. We will also periodically monitor realisations and compare to the statutory bond level to ensure that sufficient cover is in place at all times in order to protect the interests of the Company's creditors.

#### Investigations

We will continue to undertake investigations regarding the conduct of the directors and reporting thereon investigations into the affairs and transactions of the Company.

Time will be spent submitting a report to The Insolvency Service and preparing and submission of a supplementary report is required and assisting The Insolvency Service with its investigations.

It is unclear at present whether the work carried out will lead to any financial benefit to creditors due to the information available.

#### Realisation of assets

It will be necessary for us to continue to liaise with Cerberus, as detailed in the main body of this report, in relation to the continued collection of the outstanding book debts on behalf of Lloyds.

In addition to the above, the sums to be realised by way of private sale and in the online auctions in respect of the freehold property, stock, plant & machinery, furniture & equipment will be collected following conclusion of the respective sales.

Any realisations in this respect will form part of the funds available in the Administration and subsequently for the benefit of creditors.

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

We will continue to deal with the number of different classes of creditors involved in the Administration. This will include continuing to liaise with the secured creditors in relation to the sale of assets subject to their security, examine the validity of the secured creditors' security and pay distributions to the secured and preferential creditors.

Time will be spent maintaining the database as regards creditors' contact details and claims, responding to creditors' queries and logging their claims and supporting information.

#### Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures) tax, litigation, pensions and travel

We will be seeking a decision from unsecured creditors on approval of our remuneration and disbursements on a time costs basis, subject to the fee estimate.

Time will also be spent holding internal and external meetings.

In accordance with law and best practice we will also ensure submission of VAT and corporation tax returns to HMRC in respect of the Administration period.

Whilst the above work will not benefit creditors financially, it is necessary in accordance with statutory requirements and best practice.

#### **How much will this further work cost?**

As detailed in the fee estimate attached at Appendix 3, we estimate the total time costs for the Administration to total £142,573. Please be advised that this is just an estimate based upon the time spent on similar historic cases.

#### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above, as well as expenses that we have already incurred, are set out in the estimate of anticipated expenses attached at Appendix 3.

SIP9 Mayfair Brassware Limited - Administration - 80MA055.ADM : Time Costs Analysis From 28/05/2019 To 16/07/2019

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	Case planning	8.8	0.3				0.4			9.5	4,104.50	432.05
	Administration		3.0		4.5		0.6	9.5	0.1	17.7	3,759.00	212.37
	Total for General Case Administration and Planning	8.8	3.3		4.5		1.0	9.5	0.1	27.2	7,863.50	289.10
	Appointment	5.0	11.6		12.2		10.0		0.2	40.5	12,377.50	305.62
Compliance with the Insolvency Act, Rules and best practice	Bailing and Bonding	0.6							0.3	0.9	309.00	343.33
	Case Closure											0.00
	Statutory reporting and statement of affairs	4.9	14.2		11.3		2.0			32.4	10,964.50	339.41
	Total for Compliance with the Insolvency Act, Rules and best practice	10.5	25.8		23.5		12.0		0.5	73.8	23,651.00	320.47
Investigations	CODA and investigations	11.5	4.4		0.5					16.4	6,980.50	425.64
	Total for Investigations	11.5	4.4		0.5					16.4	6,980.50	425.64
Realisation of assets	Debt collection	1.3	2.3		0.5					4.1	1,612.00	393.17
	Property, business and asset sales	21.2	13.4		16.9					52.0	15,199.50	369.22
	Retention of Title/third party assets		1.1							1.1	434.50	395.00
	Total for Realisation of assets	22.5	16.8		17.4					57.2	21,246.00	371.43
Trading	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	8.9	14.0							22.9	9,490.50	414.43
	Others	12.0	16.3		9.2		2.0	1.7		41.2	14,866.50	355.98
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	20.9	30.3		9.2		2.0	1.7		64.1	24,157.00	376.86
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Seeking decisions of creditors											0.00
	Meetings											0.00
	Other		3.8		2.0					5.8	2,001.00	345.00
	Tax	5.1	0.6				0.4			6.1	2,576.50	422.38
Litigation	Litigation											0.00
	Total for Other matters:	5.1	4.4		2.0		0.4			11.9	4,577.50	384.69
	Total hours by staff grade:	2.0	65.0		57.1		15.4	11.2	0.8	250.6		
	Total time cost by staff grade:	990.00	33,675.00		14,275.00		2,895.00	1,368.00	84.00		88,475.50	
	Average hourly rate £:	445.00	395.00		250.00		175.00	140.00	140.00			353.05
	Total fees drawn to date £:										0.00	



**MAYFAIR BRASSWARE LIMITED**  
**THE ADMINISTRATORS' FEES ESTIMATE**

Further to our appointment as Administrators, we are seeking to be remunerated on a time costs basis. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be approved at the same time as the basis of our remuneration.

Our fees estimate for the administration is set out below. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column.

<b>Details of the work that the administrators and their staff propose to undertake</b>	<b>Hours</b>	<b>Time cost £</b>	<b>Average hourly rate £</b>
General case administration and planning	72.1	21,254.00	294.79
Compliance with the Insolvency Act, Rules and best practice	126.2	38,758.50	307.12
Investigations	28.0	10,500.00	375.00
Realisation of assets	87.1	31,754.50	364.58
Trading	-	-	-
Dealing with all creditors' claims (including employees), correspondence and distributions	103.7	34,438.00	332.09
Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures), meetings, tax, litigation, pensions and travel	15.9	5,867.50	369.03
<b>Total hours</b>	<b>433.0</b>		
<b>Total time costs</b>		<b>142,572.50</b>	
<b>Overall average hourly rate   £</b>			<b>329.27</b>

For the avoidance of any doubt, the above estimate relates to the period of Administration only, it does not relate to any work that is to be undertaken in any insolvency procedure following the Administration.

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

Dated: 16 July 2019

# Fee Estimate

SIP9 Mayfair Brassware Limited - in Administration

Estimated Time Costs Analysis

Staff Grade	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	4.00	15.00	5.00	-	-	2.00	-	-	29.00	11,730.00	404.48
	Administration	-	-	8.00	-	-	10.00	15.00	0.10	43.10	9,524.00	220.97
<b>Total for General Case Administration and Planning:</b>		<b>4.00</b>	<b>15.00</b>	<b>13.00</b>	<b>-</b>	<b>-</b>	<b>12.00</b>	<b>15.00</b>	<b>0.10</b>	<b>72.10</b>	<b>21,254.00</b>	<b>294.79</b>
Compliance with the Insolvency Act, Rules and best practice	Appointment	1.50	5.00	11.60	-	-	10.00	-	0.20	40.50	12,377.50	305.62
	Banking and Bonding	-	0.60	-	-	-	-	-	0.10	0.70	281.00	401.43
	Case Closure	1.00	2.00	5.00	-	-	5.00	-	-	23.00	6,795.00	292.83
	Statutory reporting and statement of affairs	2.00	10.00	15.00	-	-	10.00	-	-	62.00	19,365.00	312.34
<b>Total for Compliance with the Insolvency Act, Rules and best practice:</b>		<b>4.50</b>	<b>17.60</b>	<b>31.60</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.30</b>	<b>126.20</b>	<b>38,758.50</b>	<b>307.12</b>
Investigations	CCDA and investigations inc Bank, accounts etc	-	12.00	8.00	-	-	-	-	-	28.00	10,500.00	375.00
<b>Total for Investigations:</b>		<b>-</b>	<b>12.00</b>	<b>8.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28.00</b>	<b>10,500.00</b>	<b>375.00</b>
Realisation of assets	Debt collection inc property, loan accounts, assets	-	3.00	5.00	-	-	-	-	-	13.00	4,560.00	350.77
	Property, business and asset sales	3.00	25.00	20.00	-	-	-	-	-	73.00	26,760.00	366.58
	Retention of Title/Third party assets	-	-	1.10	-	-	-	-	-	1.10	434.50	395.00
<b>Total for Realisation of assets:</b>		<b>3.00</b>	<b>28.00</b>	<b>26.10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87.10</b>	<b>31,754.50</b>	<b>364.58</b>
Trading	Trading	-	-	-	-	-	-	-	-	-	-	-
<b>Total for Trading:</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	-	12.00	10.00	-	-	-	-	-	24.00	9,790.00	407.92
	Others	-	18.00	20.00	-	-	20.00	1.70	-	79.70	24,648.00	309.26
	Creditors committee	-	-	-	-	-	-	-	-	-	-	-
<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>		<b>-</b>	<b>30.00</b>	<b>30.00</b>	<b>-</b>	<b>-</b>	<b>20.00</b>	<b>1.70</b>	<b>-</b>	<b>103.70</b>	<b>34,438.00</b>	<b>332.09</b>
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors	-	-	2.00	-	-	-	-	-	4.00	1,290.00	322.50
	Meetings	-	-	-	-	-	-	-	-	-	-	-
	Other	-	-	3.80	-	-	-	-	-	5.80	2,001.00	345.00
	Tax	-	5.10	0.60	-	-	0.40	-	-	6.10	2,576.50	422.38
	Litigation	-	-	-	-	-	-	-	-	-	-	-
<b>Total for Other matters:</b>		<b>-</b>	<b>5.10</b>	<b>4.40</b>	<b>-</b>	<b>-</b>	<b>0.40</b>	<b>-</b>	<b>-</b>	<b>15.90</b>	<b>6,867.50</b>	<b>368.03</b>
<b>Total hours by staff grade:</b>		<b>11.50</b>	<b>107.70</b>	<b>113.10</b>	<b>-</b>	<b>-</b>	<b>32.40</b>	<b>16.70</b>	<b>0.40</b>	<b>433.00</b>	<b>142,572.50</b>	
<b>Total time cost by staff grade:</b>		<b>5,692.50</b>	<b>47,926.50</b>	<b>44,674.50</b>	<b>-</b>	<b>-</b>	<b>5,670.90</b>	<b>2,338.00</b>	<b>56.00</b>			
<b>Average hourly rate £:</b>		<b>495.00</b>	<b>445.00</b>	<b>395.00</b>	<b>345.00</b>	<b>250.00</b>	<b>175.00</b>	<b>140.00</b>	<b>140.00</b>			<b>329.27</b>
<b>Total fees drawn to date £:</b>												

**MAYFAIR BRASSWARE LIMITED**

**DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION**

<b>No.</b>	<b>Type of expense</b>	<b>Description</b>	<b>Estimate £</b>
1.	Advertisements	Of appointment, dividends etc.	88
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	420
3.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity	10,000
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder.	500
5.	Agent's valuation and sale fees and disbursements	The fees of the agents instructed to assist the Insolvency Practitioner with the valuation and sale of the Company's chattel assets	20,000
6.	Property agent's valuation, sale fees and disbursements	The fees of the agents instructed to assist the Insolvency Practitioner with the valuation and sale of the Company's freehold property plus associated disbursements	30,000
7.	Insurance Compliance / Security	The fees of the agents to ensure that the property remain insurance compliant and secure	3,000
8.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	20,000
9.	Debt collection fees and disbursements	The fees of any third party instructed by the Insolvency Practitioner to assist with the collection of the debts of the insolvent entity and their anticipated disbursements	5,000

For the avoidance of any doubt, the above estimate relates to the period of Administration only, it does not relate to any expenses that will or may be incurred in any insolvency procedure following the Administration.