

# AM10

## Notice of administrator's progress report



Companies House

THURSDAY



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14/09/2017

#301

COMPANIES HOUSE

### 1 Company details

Company number 0 3 8 9 8 4 5 2

Company name in full Cordell Group Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Robert Alexander Henry

Surname Maxwell

### 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 <sup>①</sup>

Full forename(s) Lee

Surname Lockwood

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address <sup>②</sup>

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.

# AM10

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### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7	
To date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7	

### 7 Progress report

☐ I attach a copy of the progress report

### 8 Sign and date

Administrator's signature	<div>Signature</div> <div>X </div>	X							
Signature date	<sup>d</sup> 1	<sup>d</sup> 3	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 7	

AM10

Notice of administrator's progress report



**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	Bob Maxwell
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	
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 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)**

Robert Alexander Henry Maxwell and Lee Lockwood were appointed joint administrators on 23 February 2017

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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## **Cordell Group Limited (In Administration)**

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Progress report of the Joint Administrators

Period: 23 February 2017 to 22 August 2017

## **Important Notice**

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

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## **Contents**

- ☐ Interpretation
- ☐ Statutory information
- ☐ Details of appointment of administrators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Pre-administration costs
- ☐ Remuneration and disbursements
- ☐ Expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
  - 1. Account of receipts and payments
  - 2. Time costs and disbursements
  - 3. Statement of administrators' expenses

# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Cordell Group Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 23 February 2017
"the administrators" "we" "our" and "us"	Robert Alexander Henry Maxwell 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 Insolvency Act 1986

# 2. STATUTORY INFORMATION

Name of Company	Cordell Group Limited
Trading names:	Cordell Group, ASR Technology and Cordell Specialist Engineering Services
Date of Incorporation:	22 December 1999
Company registered number:	03898452
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former registered office:	159 – 160 High Street, Stockton-on-Tees, TS18 1PL

Trading addresses:	159 – 160 High Street, Stockton-on-Tees, TS18 1PL; Wilton Centre, Wilton, Redcar TS10 4RF; Unit 8B Willows Court, Teesside Industrial Estate, Thornaby, Stockton-on-Tees, TS17 9PP; BT50/2 Perry Avenue, Teesside Industrial Estate, Thornaby, Stockton-on-Tees, TS17 9LN; and Malleable Way, Portrack Lane, Stockton-on-Tees, TS18 2QX.
Principal business activities:	Engineering Design, Fabrication and Construction

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of administrators' appointment:	23 February 2017 for both administrators
Court:	Leeds High Courts of Justice
Court Case Number:	179 of 2017
Persons making appointment / application:	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.
EC Regulation on Insolvency Proceedings:	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000) applies to these proceedings which are main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	There have been no previous extensions to the administration period. However, in addition to preparing this report we will be seeking an extension of 12 months in addition to the date of 22 February 2018 in order to pursue various contracted debts due to the company.

### 4. PROGRESS DURING THE PERIOD

#### **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 23 February 2017 to 22 August 2017. Full details of the items shown within the receipts and payments account, plus an explanation of other actions taken during the Administration, are provided below.

#### **Freehold Land and Property**

Immediately prior to the Administration, the Company had taken steps to find a buyer for its freehold head office premises at 159-160 High Street, Stockton-upon-Tees. This action was taken with a view to realising the value of the property and rationalising costs. However, the property had not been sold at 23 February 2017.

Having marketed the property, the Company had been approached by the local Council, which had made an offer of £275,000. This offer was considered, by the Company and its advisors, to be significantly higher than it would be likely to receive for any other party. The Council had a special interest in using the building alongside an adjoining theatre.

Upon our appointment, our agents, Eddisons Commercial Limited ("Eddisons"), reviewed the proposed sale and recommended its continuance. Following further discussions with the Council, a reduced price of £265,000 was agreed to reflect the fact that the building would be left in an untidy state and that the Administrators' could not give certain warranties previously offered by the Company. A sale of the property completed on 13 July 2017.

Eddisons were paid £2,000 for assisting with the sale and Walker Morris LLP were paid £3,000 plus £78 in disbursements for conveyancing work. In addition, property insurance of £2,640 was paid from the sale proceeds. These costs were agreed by the secured creditor, Santander UK plc ("the Bank"), which held a legal mortgage over the property.

### **Book Debts**

At the date of appointment, the Company's book debts totalled £2.4m. These debts were subject to an invoice discounting agreement with the Bank. This figure excludes WIP and uninvoiced debtors.

As at 22 August 2017, a total of £1.47m had been received in respect of this class of asset. The majority of this figure relates to the payment of debt by the Company's largest customers. Payment of this debt was secured as a result of the trading strategy adopted; detailed below. Without the continuation of trade following the Administration, we are of the opinion that book debt collections would have been markedly reduced.

Debtors who were not offered a continuation of service have raised queries and counter-claims in relation to the outstanding balances. This is likely to have happened in all instances if the business had ceased immediately on 23 February 2017.

The debts which have not yet been recovered are being pursued by the Joint Administrators and our quantity surveyors, Leslie Keats ("LK"). At present, it is anticipated that approximately £200,000 of further book debt realisations will be made. The residual balance is considered uncollectable.

As part of the collection of a certain debt, an amount of £27,360 was paid to a third party to ensure release of the funds. Payment of these monies resulted in the collection of a debt totalling approximately £350,000; which otherwise would have remained outstanding.

### **Trading**

A significant proportion of the book debts collected were secured as a result of the Company completing a number of key contracts post Administration. The ongoing trading also resulted in:

- Reduced preferential creditor claims (as £167,765 of wage arrears at 23 February 2017 were paid to staff as an expense of the Administration and 45 jobs were saved);
- Enhanced value being achieved from tangible assets which could be sold in a more controlled manner; and
- Securing payment against an element of work in progress ("WIP") – further details below.

A detailed trading account is provided as part of Appendix 1. This indicates that, at present, trading has resulted in a nominal loss of £1,302. However, there are still a number of final utility bills to be received which are estimated to total approximately £50,000. Assuming this is the case, a trading loss of £51,302 will be incurred.

Whilst a loss in respect of trading is likely, the significant benefits, discussed above, more than outweigh this. In addition, the Company is in dispute with a customer regarding an Administration trading debt totalling approximately £200,000. Given that this dispute is ongoing, no further details are provided at this time to avoid prejudicing any action to be taken.



## **Work in Progress**

At the date of our appointment, the Company showed WIP in its books and records of £3.43m.

As part of the Administration trading strategy, £263,045 of WIP was secured from customers under agreements to complete outstanding works. The income has been classified as Administration trading receipts; as the amounts would have been lost under any other circumstances.

There is approximately £398,000 of WIP spread across a number of customers and is considered challenging to collect by LK. This WIP relates to work being undertaken on contracts which were ended abruptly on Administration and may be subject to set off and counter claim.

The balance of WIP shown in the Company's records, being £2.77m, relates to two large contracts with Sabic UK Petrochemicals ("Sabic") and Kemira Chemicals UK Limited ("Kemira").

The WIP outstanding in relation to Kemira totalled £1.98m. However, the Company became insolvent prior to finishing the contract with Kemira and as a result there were a number of significant counter-claims against the Company. We met with Kemira on three occasions to discuss the position and also took advice from both LK and Bond Dickinson LLP ("Bond Dickinson") – a firm of solicitors. As negotiations continued, it became apparent that the level of potential offset against the Company's claim was significant. Kemira made an offer to settle the claim at £75,000 and, with the support of both LK and Bond Dickinson, this was accepted.

In pursuing the claim against Kemira, we enlisted the help of a former director of the Company, Mr David Weston, who was paid £150.

The WIP outstanding in relation to Sabic at the date of our appointment totalled £790,081. However, this did not include further elements to the claim which were later added, bringing the total claim to approximately £1.3m. To date, £103,694 has been received and a further £1.2m is being pursued. As this action is ongoing, no further details will be provided at this stage.

LK have incurred time costs in the region of £18,000 in relation to their work on the pursuit of WIP. At present these costs remain unpaid and will be agreed in due course. In addition, Bond Dickinson incurred time costs of approximately £8,000 in dealing with the Kemira claim. We have agreed a reduced fee of £5,000 for this work. Again, this remains to be paid.

## **Tangible Assets**

Upon finalisation of trading, the Company's tangible assets were disposed of by Eddisons. This was primarily done via an auction process with some specific assets being sold by private treaty. In total: £172,576, £5,151 and £61,590 has been realised in respect of plant & machinery, office furniture and motor vehicles respectively. A further £10,000 is currently being held by Eddisons in relation to a recently sold asset and is not yet reflected in the receipts and payments account.

As part of the sale of motor vehicles, an asset subject to finance was sold and £4,580 was paid in settlement of related indebtedness.

In relation to assets auctioned, Eddisons will charge a 10% fee on realisations. This will total approximately £27,000 and will be paid in due course, subject to discussion. In addition, Eddisons provided valuation and disposal advice as well as dealing with a number of logistical matters. Eddisons, time costs in relation to this work are approximately £25,000. A fee, based upon these time costs, is to be discussed and agreed.

## **Investments**

At the date of our appointment, the Company had five 100% shareholdings. As set out in our proposals, four of those shareholdings had no value. The fifth, was believed to be an investment in a Saudi Arabian entity known as Ahmad Albinali Cordell Arabia Limited ("AC Arabia"). However, following further investigation, it appears that this was a joint venture ("JV") which disbanded when the Company bought out its JV partner prior to our appointment. At the time of the buy out, the operations of AC Arabia transferred into an entity known as Branch of Cordell Group Limited ("the Branch"). In Saudi Arabia, a foreign party cannot hold all of the shares of a limited company. Instead, in such circumstances, the operations are undertaken through a branch structure. Our legal advice is that the Branch remains a separate entity from the Company based in Saudi Arabia. The party responsible for the Branch is the registered general manager. We have asked the general manager to seek a disposal of the business of the Branch or wind down its operations and repatriate any funds. As this is ongoing, no further details are provided at this time as we do not wish to prejudice any potential realisations.

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

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

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2.

#### General case administration and planning

The Joint Administrators have formulated an appropriate strategy and then monitored and reviewed that strategy, including meetings with internal and external parties to agree the same. We are required to maintain records to demonstrate how the case is administered and to document the reasons for any decisions that materially affect the case. This includes regular updates with staff and regular case management and reviewing of progress. Time spent also includes complying with internal filing and information recording practices, including documenting strategy decisions. Banking and other cashing related activities are also recorded under this heading.

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

There are certain tasks which the Joint Administrators have a statutory obligation to undertake during the administration. This includes providing initial statutory notifications of our appointment to the Registrar of Companies, creditors and other stakeholders, and advertising our appointment. Time has been spent in reviewing matters affecting the outcome of the administration and complying with internal checklists and reviews.

In addition to the above, time has been spent preparing and circulating proposals to the Company's creditors.

#### Investigations

Initial investigatory actions have been undertaken, including noting possible areas of future investigation and formally requesting detailed background to the Company's failure from the directors.

No material areas of concern have been identified currently and hence the time spent in this area is relatively small. However, this may change should any matter come to our attention that requires investigation.

### Realisation of assets

Time under this heading relates to: the collection of book debts, working with Eddisons to deal with the disposal of tangible assets and considering a sale of the Company's investment in AC Arabia.

In addition to the above, significant time has been spent in the pursuit of outstanding WIP (particularly in relation to two Company's two large contracts with Kemira and Sabic). This has involved: understanding the underlying contracts, meetings with the customers, discussion with the Company's staff to understand the position fully and pursuing payment in an organised manner.

### Trading

Time has been spent in producing trading forecasts as well as continually monitoring progress and adjusting the trading strategy in light of this information. Time has also been spent meeting, and speaking to, customers and suppliers in order to ensure support for trading and instruction were provided to the Company. Regular bank reconciliations have also been undertaken.

In addition to the above, considering relevant resourcing, meeting with the Company's staff and making payments of trading costs have also resulted in significant time being incurred in relation to trading

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

The Joint Administrators have assisted the 212 employees of the Company in making claims to the Redundancy Payments Service and collating information in support of the same.

We have also been working with unsecured creditors to explain the situation and facilitate the collection of any third party assets in relation to a number of retention of title claims.

The Joint Administrators and their staff have also reported to the Banks regarding the progress of the administration and case strategy and to agree to provide written and verbal updates.

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

The Joint Administrators have worked to calculate pension deductions due to employees made redundant and made the relevant submissions.

We have also begun to assess the tax position in order to comply with the necessary returns.

## 5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals, which can be viewed and downloaded at <http://nextranet.beqbies-traynor.com> using the same login details provided in the letter sent.

### **Secured creditor**

The Company's assets are subject to a fixed and floating charge granted in favour of the Bank. This security is provided by way of debenture dated 25 May 2012 which was registered at Companies House on 30 May 2012 and a legal mortgage over the Company's freehold property at 159-160 High Street, Stockton-on-Tees.

The Bank also has a fixed charge over the Company's book debts, having provided most of its lending by way of a confidential invoice discounting facility.

The Bank's lending to the Company has not been formally quantified but is estimated at £2.13m.

Cross guarantees are in place in respect of other group companies. This includes a guarantee supported by a debenture over Cordell Southern Technical Services Limited ("CSTS"). This company was also placed into Administration on 23 February 2017. It is currently forecast that there will be no return to the Bank from the Administration of CSTS or any other of the cross guarantees.

As realisation from fixed charge assets (book debts and freehold property), are estimated to reach a maximum of £1.94m, the Bank is likely to suffer a shortfall when considering only its fixed charge security.

There may be a further return to the Bank under its floating charge security. However, this is dependent on the level of realisations made in relation to WIP. We intend to make no further comment on this at this stage to avoid prejudicing the collection of WIP.

#### **Preferential creditors**

Estimated preferential claims from employees for arrears of wages, salary and holiday pay are £152,578. Of this amount, £105,527 is anticipated to relate to amounts already paid to employees by the Department for Business, Energy and Industrial Strategy. This figure is significantly less than it would have been had the Company ceased to trade on 23 February 2017.

In addition to the above, there may be a subrogated wages claim in relation to £167,765 of wages which were paid following Administration in relation to employee arrears of wages. This claim is at an early stage and if agreed, the preferential element will be less than the figure stated above.

The return to preferential creditors will be dependent upon the value of WIP recovered. As set out above, we do not wish to prejudice current discussions in respect of large WIP balances by providing any information in these proposals which may effect negotiations. However, we will state that we anticipate recovering enough from this source to make a distribution to preferential creditors. We will provide a more detailed assessment of this in our next report when we anticipate that negotiations in respect of WIP will be finalised.

#### **Unsecured creditors**

Claims of unsecured trade creditors are estimated at £2.0m. In addition to this figure, we anticipate that unsecured claims in relation to employees made redundant: immediately prior, on or after the date of Administration, will be in region of £1.7m

The figures above also exclude any liability to HM Revenue and Customs, which we forecast to be in the region of £500,000. There are also likely to be claims from customers for incomplete work. As most of the Company's major contracts were continued upon Administration, any such claims will have been materially mitigated.

A return to unsecured creditors is wholly dependent on the recovery of WIP. At this point in time, we are unable to confirm that unsecured creditors will receive a dividend. However, there is, in particular, a large WIP balance to pursue which may make a dividend to unsecured creditors possible in the future.

#### **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 consider that it is in the best interests of the creditors not to disclose estimates of the prescribed part of the Company's net property at this time on the grounds that the disclosure could seriously prejudice the commercial interests of the Company.

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

As we have previously confirmed, 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.

## **6. PRE-ADMINISTRATION COSTS**

On 8 May 2017 the following amounts in respect of unpaid pre-administration costs were approved by the secured and preferential creditors:

<b>Description</b>	<b>Name of recipient</b>	<b>Net Amount £</b>	<b>VAT £</b>	<b>Gross amount £</b>
Our Fees	Begbies Traynor	19,998.00	3,999.60	23,997.60
Mileage at 45p per mile	Begbies Traynor	127.80	25.56	153.36
Rail Fare	Transpennine Express	80.30	16.06	96.36
Taxi Fare	Euro Cabs	15.00	3.00	18.00
Business Advertising	BTG Corporate Finance	1,050.00	210.00	1,260.00
<b>TOTAL PRE-ADMINISTRATION COSTS</b>		<b>21,271.10</b>	<b>4,254.22</b>	<b>25,525.32</b>

With the exception of our fees, the amounts above have been paid from monies received into the Administration. The business advertising cost is shown as a separate line in the receipts and payments account at Appendix 1. The three disbursement items, totalling £223, are contained within travel and subsistence. Our fees will be paid in due course.

## 7. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by the secured and preferential creditors on 8 May 2017, 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 in attending to matters as set out in the fees estimate in the sum of £343,012. We are also authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 23 February 2017 to 22 August 2017 amount to £231,839 which represents 975 hours at an average rate of £238 per hour.

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

- ☐ Time Costs Analysis for the period 23 February 2017 to 22 August 2017
- ☐ Begbies Traynor (Central) LLP's charging policy

To 22 August 2017, we have drawn the total sum of nil on account of our remuneration, against total time costs of £231,839.00 incurred since the date of our appointment. We are awaiting a better understanding of the final outcome before we seek to invoice our costs.

As can be seen from the information above, our initial fee estimate has not been exceeded. At this stage, it is uncertain as to whether our time costs will exceed our initial estimates. This will depend on the process required to pursue the outstanding WIP. Should it become likely that our time costs will exceed our initial estimates, we will advise creditors accordingly.

### Category 1 Disbursements

To 22 August 2017, we have drawn disbursements, relating to the post appointment period, in the sum of £411. Full details of these disbursements are provided below

Type and purpose	Amount £
Parking	128.21
Swear Fee	30.00
Storage	121.20
Subsistence	23.41
Rail Fare	107.80
<b>TOTAL</b>	<b>410.62</b>

The amounts referred to as: parking, subsistence and rail fare (totalling £259) are contained within the travel and subsistence line in the receipts and payments account at Appendix 1.

There are further unpaid parking costs of £11 outstanding at the date of this report.

## Category 2 Disbursements

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been drawn since the necessary approval was obtained in the total sum of £3,497 are as follows:

<b>Other amounts paid or payable to the office holder's firm</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Mileage at 45p per mile	3,496.52
<b>TOTAL</b>	<b>3,496.52</b>

All of the above is contained within the travel and subsistence line in the receipts and payments account at Appendix 1.

There is further mileage cost of £128 which has been incurred in the period but not yet paid.

## 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>
Eddisons, which is a member of the Begbies Traynor group, has valued and disposed of the Company's tangible assets as well as providing advice on security. The amount to the right has been paid to Eddisons to cover its disbursements incurred (including: portage, transport, advertising and out of pocket expenses).	13,548.65
Eddisons Insurance Services Limited ("EIS"), which is a member of the Begbies Traynor group, has provided insurance brokerage services, having arranged open cover insurance in relation to the Company's assets. The quantum paid to EIS was £27,940.00. However, the majority of these monies were paid to insurance providers with EIS receiving the commission detailed to the right.	5,071.82
<b>TOTAL</b>	<b>18,620.47</b>

In addition to the above, Eddisons has outstanding costs in the region of £52,000. This is based upon 10% of assets disposed plus time costs for valuation and other advice provided. This figure is yet to be finalised as Eddisons are still to account to us for a recent sale of residual assets.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

Creditors will recall that we estimated the expenses of the administration in our proposals. We consider that, in addition to those already incurred, the expenses which we are likely to incur to the conclusion of the case will exceed our original estimate. The reasons why the estimate is likely to be exceeded are as follows:

- Legal fees have increased from an estimated £40,000 to £65,162. This is due to unexpected action being taken against a debtor from the Administration trading period and in respect of WIP collection. These costs are also likely to rise further. The legal fees relate to advice provided by Bond Dickinson in respect of Kemira and wide ranging advice from Walker Morris LLP across all aspects of the Administration.
- Agent's fees in disbursements are expected to rise from £38,000 to £67,549. This increase is partly due to tangible assets selling for more at auction and partly due to the process to collect and value all of the assets (over a number of sites) being more onerous than envisaged.
- The cost of insurance (including EIS brokerage fees) has increased from £21,100 to £27,940. This is primarily due to the difficulty in estimating this cost prior to the underwriter valuing the risk.
- Other forecast variations to the final position are expected to be nominal.

## 9. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

The following are areas in which further realisations may be made:

- Eddisons have finalised the sale of assets and is holding approximately £10,000 that will be paid over in due course. There are no further known tangible assets to deal with.
- Book debts of approximately £200,000 are to be pursued in conjunction with LK.
- The claim of £1.2m against Sabic will be pursued.
- A claim for approximately £200,000 in respect of an unpaid trading receipt will be pursued.
- Opportunities to realise value from the Company's investment in AC Arabia will continue to be explored.

**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 agree a strategy going forward. As detailed above, 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.

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

The Insolvency Act and Rules require that the Joint Administrators 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 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 under the Insolvency Act. The Joint Administrators 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

The Joint Administrators are continuing their investigations into the manner in which the Company traded prior to the appointment. The outcome of those investigations will determine whether there is significant further time to incur in this area. Such time will only be incurred in the Joint Administrators consider that it will be of benefit to creditors.

#### Realisation of assets

Time will be spent realising the remains assets detailed above. As some of the elements involve potential litigation, no further information will be provided at this time.

#### Trading

Final Trading expenditure will be agreed and paid, in particular utility costs.

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

If a dividend to creditors is likely, it will be necessary to liaise extensively with creditors in order to formally agree their claims against the Company in readiness for any dividend distribution. Whether this will be necessary will depend on the outcome of the asset realisation process.

There are also a number of claims being made against the Company by former employees which the Joint Administrators will have to monitor and, if necessary, formally respond to.

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

Further time will be incurred liaising with HMRC in respect of tax returns due during the administration period. Time will also be incurred in finalising various pension matters relating to trading.

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

Based upon the above, we estimate that the further work will incur costs of approximately £111,173 (bring total costs to £343,012; in line with our original estimate). However, this may vary depending on the progress of the outstanding matters.

#### **Expenses**

Details of the expenses that we have incurred to date are provided at Appendix 3. In addition to these costs, we anticipate incurring the following:

- Additional support in collecting debts and pursuing WIP by LK - £14,500;
- Additional legal support in pursuing WIP and an outstanding trading invoice - £20,000; and
- Accountancy fee for assistance with Corporation Tax - £7,500;

The above are estimates only and may vary materially.

## 10. OTHER RELEVANT INFORMATION

### Report on Directors conduct

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

### Investigations completed

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

### Connected party transactions

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
5 April 2017	Audi A5, 2012	£9,900	Mr Neal Hanson	Director of the Company

This sale was recommended by our agents, ECL.

### Extension of administration

As part of this report, we are seeking to extend the administration for a period of 12 months with the consent of creditors. The matter will be considered by the Bank and preferential creditors. Once a decision has been reached, all creditors will be notified.

## 11. CREDITORS' RIGHTS

### Right to request further information

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

### Right to make an application to court

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

## 12. CONCLUSION

The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months.

In order to ensure that the objective of the administration is achieved and that we have fully discharged our duties as administrators, it is necessary to extend the period of the administration. Accordingly we are seeking the consent of the secured and preferential creditors to extend the period of the administration for 12 months following the anniversary of our appointment up to 22 February 2019.

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.



**R A H Maxwell**  
Joint Administrator

Dated: 13 September 2017

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 23 February 2017 to 22 August 2017

## Receipts and Payments

	£	£
<b>SECURED ASSETS</b>		
Freehold Land & Property	265,000.00	
Book Debts	<u>1,467,859.32</u>	
		1,732,859.32
<b>COSTS OF REALISATION</b>		
Legal Fees	3,000.00	
Agents/Valuers Fees	2,000.00	
Payment to Release Debt	27,360.20	
Insurance of Assets	2,640.00	
Legal Disbursements	78.23	
Bank charges	<u>1.30</u>	
		(35,079.73)
<b>SECURED CREDITORS</b>		
Stantander UK plc	<u>1,683,342.94</u>	
		(1,683,342.94)
<b>Secured Asset Surplus</b>		<u><b>4,436.65</b></u>
<b>Floating Charge Assets</b>		
<b>ASSET REALISATIONS</b>		
Plant & Machinery	172,576.33	
Furniture & Equipment	5,151.00	
Motor Vehicles	61,590.00	
WIP	178,893.89	
Book Debts	3,450.00	
DVLA Refund	1,412.86	
Sundry Refund	9,561.23	
Cash in Hand	473.48	
Bank Interest Gross	78.13	
TRADING SURPLUS/(DEFICIT)	<u>(1,301.56)</u>	
		431,685.36
<b>COST OF REALISATIONS</b>		
Pre-appointment Corporate Finance	1,050.00	
Specific Bond	800.00	
Debt Collection Fees	150.00	
Travel and Subsistence	3,979.04	
Swear Fees	30.00	
Agents Disbursements	13,548.65	
Storage Costs	121.20	
Re-Direction of Mail	185.00	
Statutory Advertising	84.60	
Bank charges	140.30	
Asset Finance Settlement	<u>4,579.56</u>	
		(24,668.35)
<b>Floating Asset Surplus</b>		<u><b>407,017.01</b></u>
<b>REPRESENTED BY</b>		
Fixed Bank Account		4,436.65
Floating Bank Account		479,230.56
Floating VAT Payable		<u>(72,213.55)</u>
		<u><b>411,453.66</b></u>

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 23 February 2017 to 22 August 2017

## Trading Account

### POST APPOINTMENT SALES

Sales	<u>1,374,202.10</u>	1,374,202.10
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### PURCHASES

Purchases	<u>189,464.87</u>	(189,464.87)
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### OTHER DIRECT COSTS

Sub Contractors	38,389.80	
Direct Labour	715,056.79	
Direct Expenses	7,251.77	
Pensions	<u>19,864.48</u>	(780,562.84)

### TRADING EXPENDITURE

PAYE/NIC	334,670.06	
Rents	37,942.48	
Telephone	439.86	
Carriage	748.70	
Insurance	25,300.00	
Hire of Equipment	375.00	
Sundry Expenses	365.94	
Cleaning	230.00	
Vehicle Running Costs	2,303.34	
Postages	167.12	
Utilities	<u>2,933.45</u>	(405,475.95)

### Trading Surplus/Deficit

(1,301.56)

## TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy; and
- b. Time Costs Analysis for the period from 23 February 2017 to 22 August 2017.

## **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.

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

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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

- *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.

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

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (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.

In addition to the Category 2 expenses 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. 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):

#### **Eddisons Commercial Limited**

Eddisons Commercial Limited has provided asset valuation and disposal advice in relation to plant, machinery, motor vehicles and office equipment. They are also assisting with the sale of the Company's freehold property. Their charges 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

As well as being paid on a time cost basis for valuation and disposal advice, Eddisons Commercial Limited will be paid fees equivalent to 10% of realisations from the sale of plant, machinery, motor vehicles and office equipment.

In addition to the above, 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.

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 set out above.



### **Eddisons Insurance Services Limited**

Eddisons Insurance Services Limited ("EIS") has been instructed 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. In this case, the open cover insurer was unable to provide full cover due to the nature of the Company's activities. EIS, therefore, sourced alternative cover at a cost of £12,100 inclusive of Insurance Premium Tax to meet employers' liability and public liability commitments. EIS has charged a one off placement fee of £2,500 for this as it is outside of the usual insurance regime. This is based upon time costs incurred at the charge out rates below:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Director	£275
Associate	£180

Additional premiums have also been paid to protect the Company's assets. This insurance was organised through our open cover provider, as normal. In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides directly from the open cover 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. The cost of this is £2,572.

### **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:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour) 1 May 2011 – until further notice</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 -110

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.

**SIP9 Cordell Group Limited - Administration - 80CO552.ADM : Time Costs Analysis From 23/02/2017 To 22/08/2017**

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	6.8	18.4							25.2	9,034.00	358.49
	Administration		0.1			4.8		59.3	2.4	66.6	7,070.50	116.29
	<b>Total for General Case Administration and Planning:</b>	<b>6.8</b>	<b>18.7</b>			<b>4.8</b>		<b>53.3</b>	<b>2.4</b>	<b>66.6</b>	<b>16,104.50</b>	<b>187.26</b>
Compliance with the Insolvency Act, Rules and best practice	Appointment					2.0		20.4		22.4	2,594.00	115.80
	Banking and Bonding						10.3	0.5	12.3	23.1	2,798.50	121.15
	Case Closure											0.00
Investigations	Statutory reporting and statement of affairs	3.1	7.3			2.5		9.9		22.8	5,469.50	231.12
	<b>Total for Compliance with the Insolvency Act, Rules and best practice:</b>	<b>3.1</b>	<b>7.3</b>			<b>4.5</b>	<b>10.3</b>	<b>30.8</b>	<b>12.3</b>	<b>68.3</b>	<b>10,662.00</b>	<b>156.11</b>
	CDDA and investigations					2.5		21.6		24.1	2,815.50	116.74
Realisation of assets	<b>Total for investigations:</b>					<b>2.5</b>		<b>21.6</b>		<b>24.1</b>	<b>2,815.50</b>	<b>116.74</b>
	Debt collection	22.2		1.9		2.5		21.6		28.2	12,403.00	258.57
	Property, business and asset sales	0.8	96.3			8.1		15.8		105.2	34,870.50	319.33
Trading	Realisation of 100% third party assets		3.5	20.5		3.5		10.9		38.4	8,451.50	220.09
	<b>Total for Realisation of assets:</b>	<b>23.0</b>	<b>99.8</b>	<b>22.4</b>		<b>11.6</b>		<b>38.8</b>		<b>195.8</b>	<b>55,788.00</b>	<b>284.31</b>
	Trading	56.4	116.0	8.5		13.9		38.2		236.4	72,091.00	304.95
Dealing with all creditors claims (including employees), correspondence and distributions	<b>Total for Trading:</b>	<b>56.4</b>	<b>116.0</b>	<b>8.5</b>		<b>13.9</b>		<b>38.2</b>		<b>236.4</b>	<b>72,091.00</b>	<b>304.95</b>
	Secured		17.6							17.6	5,072.00	345.00
	Others	0.5	100.6	4.6		22.9	7.8	173.7		310.1	60,291.00	194.47
Other matters which includes meetings, tax litigation, pensions and travel	Creditors committee											0.00
	<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>	<b>0.5</b>	<b>118.2</b>	<b>4.6</b>		<b>22.9</b>	<b>7.8</b>	<b>173.7</b>		<b>327.7</b>	<b>66,363.00</b>	<b>202.51</b>
	Seeking decisions of creditors including meetings							2.5		2.5	275.00	110.00
Total fees drawn to date £:	Other		5.6			3.5		14.9		24.0	4,183.50	174.31
	Tax		6.1				1.0			7.1	2,200.50	315.42
	Litigation		5.1							5.1	1,759.50	345.00
Total time cost by staff grade:	<b>Total for Other matters:</b>		<b>16.8</b>			<b>3.5</b>	<b>1.0</b>	<b>17.4</b>		<b>38.7</b>	<b>8,457.50</b>	<b>218.54</b>
	<b>Total hours by staff grade:</b>	<b>80.8</b>	<b>378.8</b>	<b>35.9</b>		<b>63.9</b>	<b>19.1</b>	<b>374.8</b>	<b>14.7</b>	<b>977.0</b>		
	<b>Total time cost by staff grade:</b>	<b>35,471.00</b>	<b>130,686.00</b>	<b>9,513.50</b>		<b>11,182.50</b>	<b>2,578.50</b>	<b>41,228.00</b>	<b>1,617.00</b>		<b>232,276.50</b>	
Average hourly rate £:		395.00	344.00	265.00	0.00	175.00	135.00	110.00	119.00			237.74
	<b>Total fees drawn to date £:</b>										<b>0.00</b>	

## STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities <b>not</b> within the Begbies Traynor Group				
Statutory Advertising	Courts Advertising Limited	84.60	84.60	0.00
Bordereau	Marsh Limited	800.00	800.00	0.00
Storage Costs	Restore plc	121.20	121.20	0.00
Legal Fees & Disbursements	Walker Morris LLP	60,161.84	3,078.23	57,083.61
	Bond Dickinson LLP	5,000.00	0.00	5,000.00
Quantity Surveyor Fees	Leslie Keats	18,000.00	0.00	18,000.00
Bank Charges	Santander	141.60	141.60	0.00
Re-Direction of Mail	Royal Mail	185.00	185.00	0.00
Debt Collection Fees	Mr David Weston	150.00	150.00	0.00
Travel & Subsistence	Various	3,924.99	3,785.94	139.05
Swear Fees	Endeavour Partners	30.00	30.00	0.00
Trading Expenditure	Various	1,400,203.66	1,350,203.66	50,000.00
Expenses incurred with entities within the Begbies Traynor Group ( <i>for further details see Begbies Traynor Charging Policy</i> )				
Agent's fees & disbursements paid to Eddisons	Eddisons Commercial Limited	67,548.65	15,548.65	52,000.00
* Insurance premium paid to Eddisons	Eddisons Insurance Services Limited ("EIS")	27,940.00	27,940.00	0.00
Corporate Finance Advice	BTG Corporate Finance	1,050.00	1,050.00	0.00

\* Of this amount, EIS retained £5,071.82 as a commission with the balance being paid to the insurance providers.