

AM10

Notice of administrator's progress report



Companies House

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

1 Company details

| | | | | | | | | |
|----------------------|-------------------------|---|---|---|---|---|---|---|
| Company number | 0 | 4 | 0 | 8 | 9 | 1 | 8 | 6 |
| Company name in full | Sunfold Systems Limited | | | | | | | |

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

2 Administrator's name

| | |
|------------------|------------------|
| Full forename(s) | Claire Elizabeth |
| Surname | Dowson |

3 Administrator's address

| | |
|----------------------|-----------------|
| Building name/number | 3rd Floor |
| Street | Westfield House |
| Post town | 60 Charter Row |
| County/Region | Sheffield |
| Postcode | S 1 3 F Z |
| Country | |

4 Administrator's name ①

| | |
|------------------|---------------|
| Full forename(s) | Joanne Louise |
| Surname | Hammond |

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

5 Administrator's address ②

| | |
|----------------------|-----------------|
| Building name/number | 3rd Floor |
| Street | Westfield House |
| Post town | 60 Charter Row |
| County/Region | Sheffield |
| Postcode | S 1 3 F Z |
| Country | |

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

AM10

Notice of administrator's progress report

6 Period of progress report

| | | | | | | | | | |
|-----------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|--|
| From date | ^d 2 | ^d 5 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 1 | ^y 9 | |
| To date | ^d 2 | ^d 4 | ^m 0 | ^m 9 | ^y 2 | ^y 0 | ^y 2 | ^y 0 | |

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

| | | | | | | | |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| ^d 2 | ^d 1 | ^m 1 | ^m 0 | ^y 2 | ^y 0 | ^y 2 | ^y 0 |
|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|

**Presenter information**

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

Contact name **Kerry Norton**

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

Address
**3rd Floor, Westfield House
60 Charter Row**

Post town **Sheffield**

County/Region

Postcode

| | | | | | | | |
|---|---|--|---|---|---|--|--|
| S | 1 | | 3 | F | Z | | |
|---|---|--|---|---|---|--|--|

Country

DX

Telephone **0114 2755033**

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

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

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

**Further information**

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

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

Sunfold Systems Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 25/09/2019 To 24/09/2020 £ | From 25/09/2019 To 24/09/2020 £ |
|------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | SECURED ASSETS | | |
| 1,450,000.00 | Freehold Land & Property | NIL | NIL |
| | | NIL | NIL |
| | HIRE PURCHASE | | |
| 22,600.00 | 2 X Peugeot Boxer Vans | NIL | NIL |
| (29,576.00) | LeasePlan UK Limited | NIL | NIL |
| | | NIL | NIL |
| | ASSET REALISATIONS | | |
| 18,893.46 | Book Debts | 9,465.92 | 9,465.92 |
| 600.00 | Furniture & Equipment | 600.00 | 600.00 |
| 900.00 | Motor Vehicles | 3,000.00 | 3,000.00 |
| 4,000.00 | Warehouse Equipment | NIL | NIL |
| 1,400.00 | Yard Assets | NIL | NIL |
| | | 13,065.92 | 13,065.92 |
| | COST OF REALISATIONS | | |
| | Administrators' Fees | | |
| | Pre Administration Fees | 9,250.00 | 9,250.00 |
| | Agents/Valuers Fees (2) | | |
| | Post Appointment Fees | 400.70 | 400.70 |
| | Post Appointment Disbs | 645.00 | 645.00 |
| | Bank Charges | 31.75 | 31.75 |
| | Pension Advice | 650.00 | 650.00 |
| | Statutory Advertising | | |
| | Advertising | 75.00 | 75.00 |
| | | (11,052.45) | (11,052.45) |
| | PREFERENTIAL CREDITORS | | |
| (929.09) | Employees re Arrears/Hol Pay | NIL | NIL |
| Uncertain | Pension Contributions | NIL | NIL |
| (13,704.08) | RPO re Arrears/Holiday Pay | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (103,052.44) | Barclays Bank Plc | NIL | NIL |
| (355,528.60) | Consumer Creditors | NIL | NIL |
| (4,642.88) | Employees | NIL | NIL |
| (8,000.00) | HMRC (PAYE) | NIL | NIL |
| (25,000.00) | HMRC (VAT) | NIL | NIL |
| (293,532.00) | Mr Rawlings - Directors Loan Account | NIL | NIL |
| (45,000.00) | Mrs Rawlings - Directors Loan Account | NIL | NIL |
| (69,937.46) | RPO | NIL | NIL |
| (122,043.21) | Trade Creditors | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (10,000.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| 417,447.70 | | 2,013.47 | 2,013.47 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 529.33 |
| | Vat Payable | | (720.00) |
| | Vat Receivable | | 2,204.14 |
| | | | 2,013.47 |

Claire Elizabeth Dowson and Joanne Louise Hammond were appointed joint administrators on 25 September 2019

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.

Sunfold Systems Limited (In Administration)

Progress report of the joint administrators

Period: 25 March 2020 to 24 September 2020

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.

Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of administrators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ 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 information
 - 3. Statement of administrators' expenses

1. INTERPRETATION

| <u>Expression</u> | <u>Meaning</u> |
|---|--|
| "the Company" | Sunfold Systems Limited (In Administration) |
| "the administration" | The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 25 September 2019 |
| "the administrators" "we" "our" and "us" | Claire Elizabeth Dowson of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ |
| "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 | Sunfold Systems Limited |
| Trading name(s): | Sunfold Systems Limited |
| Date of Incorporation: | 12 October 2000 |
| Company registered number: | 04089186 |
| Company registered office: | 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ |

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

| | |
|------------------------------|--|
| Names of the administrators: | Claire Elizabeth Dowson, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ |
|------------------------------|--|

| | |
|--|--|
| | and Joanne Louise Hammond, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ |
| Date of administrators' appointment: | 25 September 2019 |
| Date of administrators' resignation: | N/A |
| Court: | High Court of Justice Leeds |
| Court Case Number: | CR-2019-LDS-001056 |
| Person(s) making appointment / application: | The directors of the Company, Michael John Winstanley Rawlings, Elizabeth Rebecca Winstanley Steward, Linda Susan Rawlings and Beverly Ann Marshall of Sunfold House, Wymondham Business Park, Wymondham, Norfolk NR18 9SB. |
| 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) 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. |
| Extensions of the administration period | The administration period was extended with the consent of creditors for a period of 12 months until 25 September 2021. |

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 25 March 2020 to 24 September 2020. Detailed below is an explanation of the transactions which have occurred during the period covered by this report.

Receipts

Book Debts

As detailed in our previous progress report, Leslie Keats Quantity Surveyors ("Leslie Keats") were instructed to carry out a review of the Company's outstanding debtor ledger with regard to the collectability of the balances due and to assist with the realisation of the same.

During the period covered by this report, funds totalling £488.46 have been received into the estate in this regard. Based on current estimations, it is doubtful that any further realisations will be achieved from this source.

Furniture and Equipment

Eddisons Commercial Limited ("Eddisons"), an entity which is a part of the Begbies Traynor Group and which is therefore connected to Begbies Traynor (SY) LLP, have assisted the joint administrators with the realisation of the Company's furniture and equipment. The sum of £600.00 has been received into the estate in this regard. No further realisations are due into the administration from this source.

Motor Vehicles

Funds in the sum of £3,000.00 have been received into the estate from Eddisons, in relation to the sale of the Company's motor vehicle, during the period covered by this report. No further funds are due from this source.

Payments

Administrators Fees – Pre-Appointment

The joint administrators have drawn fees totalling £2,000.00 in relation to their pre-appointment fees incurred. As detailed in our previous progress report, approval was obtained from the Company's unsecured creditors at a virtual meeting held on 3 December 2019, to the joint administrators drawing such fees during the administration proceedings.

Agents/Valuers Fees and Disbursements

Eddisons have been paid £400.70 and £645.00 respectively in relation to their fees and disbursements for their assistance with the valuation and realisation of the Company's assets, during the period covered by this report.

Bank Charges

Svenska Handelsbanken AB (publ) ("Handelsbanken") have been paid £6.75 in relation to the maintenance charges incurred on the estate bank account, during the period covered by this report.

Pension Advice

UKELC & Co Limited ("UKELC") have been paid £650.00 in relation to their assistance with providing pension advice and the submission of the RP15/RP15A form to The Redundancy Payments Service to enable outstanding pension contributions to be paid to the pension provider.

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

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

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

General case administration and planning

Time has been spent on general case planning and administration where a partner, director and different levels of administration staff have undertaken periodic case reviews to ensure that the case is progressing as appropriate and that all statutory duties have been completed as necessary.

In addition, the joint administrators have continued to monitor and update the case specific diary which again has ensured that the case has progressed in a timely manner.

In addition, communications have been entered into with Eddisons with regard to obtaining meter readings for the utilities supplied to the Company's former trading premises and also discussions with regard to costs etc.

Time has also been spent ensuring that statutory documentation to creditors has been uploaded onto the creditor portal for access by the creditors.

Correspondence and documentation received from various parties has been reviewed internally to enable the appropriate responses to be sent to the relevant party.

This work has not resulted in a direct financial benefit to the Company's creditors however, such work was required to ensure that the case progressed as required during the period covered by this report.

Compliance with the Insolvency Act, Rules and best practice

The joint administrators have prepared and issued their previous progress report to the Company's creditors detailing the work undertaken during that period. This was also issued to the Registrar of Companies accompanied by the necessary notices. Arrangements were also made to ensure that such documentation was available for viewing and download by creditors on the joint administrators' creditor portal.

In addition to the above, the joint administrators prepared the necessary paperwork to request an extension of the administration period via the Company's unsecured creditors. Such extension was obtained via the deemed consent procedure on 3 September 2020. Following confirmation of the extension, the joint administrators arranged for the relevant extension notices to be filed at Companies House and the Court.

The estate bank account has been regularly monitored and reconciled against our internal system to ensure that all receipts and payments have been accounted for.

Regular bond reviews have also been undertaken to ensure that the case has remained adequately bonded throughout the administration.

The above work has not provided a financial benefit to the Company's creditors however, as such works are required by statute, the joint administrators have a duty to undertake the same.

Investigations

No investigations have been undertaken during the period covered by this report.

Realisation of assets

The joint administrators have spent time liaising with Eddisons in respect of the realisation of the Company's chattel assets and finalising their account. Such work has included liaising with Eddisons by way of verbal and written communications. No further chattel asset realisations are due in this regard.

Communications have continued with Brown & Co Property Consultants LLP ("Brown & Co") in relation to the marketing strategy, interested parties and offers received, in respect of the Company's freehold property. As previously reported, the Coronavirus pandemic is having an impact on the economy and the property market in this regard at present however, it has been noted that interest is increasing in respect of the Company's property.

The joint administrators have also corresponded with Leslie Keats in relation to the progression of the Company's outstanding debtor ledger and the likelihood of future realisations anticipated.

Whilst the above work has resulted in realisations being achieved into the administration estate, these have not provided a financial benefit to the Company's creditors to date.

Trading

The Company has not traded whilst in administration therefore no time has been incurred in this regard.

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

The joint administrators have spent time liaising with the Company's creditors in relation to their claims and queries which have been received during the administration process. This has included entering creditor claims on the joint administrators' internal system in readiness for the adjudication process to commence as and when necessary. Time has also been spent providing verbal updates to creditors upon their request following making contact with the joint administrators directly.

Time has also been spent seeking the creditors approval in relation to the extension of the administration period, which was obtained during the period covered by this report, via the deemed consent procedure as detailed above.

The joint administrators have undertaken works to ensure that the Company's former employees are able to submit their claims to the Redundancy Payments Service ("RPS"). This has involved instructing UKELC & Co Limited ("UKELC") to provide assistance with regard to reviewing the employee claims and ensuring that the RPS have provided details of their claim in readiness for distributions from the administration estate.

The above have not resulted in a better financial return to the Company's creditors however, it has provided information to enable the employees of the Company to progress with their claim with the RPS.

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

Steps have been taken to review the potential for deregistration of the Company for VAT purposes and also the option to tax on the property. In addition, a review of whether there are any prospects of a terminal loss relief claim has been undertaken.

Time has also been spent liaising with UKELC with regard to any update on the pension reclaim.

The above work has not provided a financial benefit to the Company's creditors however, such work was necessary in order that the joint administrators were able to adhere to their statutory duties.

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.

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

Secured creditors

There are no known secured creditors.

Preferential creditors

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

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

Details of how the prescribed part for unsecured creditors is calculated were provided in our statement of proposals.

To the best of the our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

Based upon realisations to date and estimated future realisations we anticipate that there will be sufficient funds available to enable a dividend to be paid to the unsecured creditors. The quantum and timing of any such dividend is entirely dependent upon the level of realisations achieved following the sale of the Company's trading premises.

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. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed on a mixture of various basis namely as a percentage of the value of the assets we have had to deal with, namely the Company's premises, at an agreed rate of 5% of the property disposal value, together with a set amount of £20,000.00 in respect of all other matters within the administration proceedings at a virtual meeting of creditors held on 3 December 2019.

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.

We have not yet realised any assets in relation to which approval has been obtained that a percentage of the sums realised be taken as remuneration:

| Description of asset | Value of assets realised in period of this progress report | Total value of assets realised since appointment | % remuneration agreed | Total fees drawn to date | Fees not drawn to date |
|----------------------|--|--|-----------------------|--------------------------|------------------------|
| Property | £0.00 | £0.00 | 5% | £0.00 | 5% |

We have not drawn any fees against the set fee of £20,000.00 that has been approved.

As can be seen from the information above, our remuneration is based on a fixed fee and a percentage of realisations basis. You will note that the joint administrators have not drawn any remuneration against the previously approved fees. However, due to the time it is currently taking to dispose of the property which, is longer than originally anticipated, it has been necessary to extend the period of the administration. This is on the basis that the exit option from administration cannot be determined until the quantum of property realisations has been ascertained. Due to the additional statutory costs involved in administering the administration process

for an additional period, we are looking to increase our fixed fee by the sum of £30,000.00 to ensure that all subsequent costs are covered. We are seeking approval from the Company's creditors via a decision by correspondence procedure with the appropriate resolutions being issued to creditors under separate cover. To assist creditors understanding of the additional works required, a summary of the same is provided below. Please note that the below is not exhaustive:-

- Completion of additional statutory duties, including the preparation and issue of additional progress reports to creditors and the Registrar on a six monthly basis;
- Internal case administration and planning for the additional administration period to ensure that the matter is continually monitored and progressed where possible;
- Continued maintenance of the estate bank account;
- Completion and submission of returns to HMRC as required;
- Continued correspondence with Brown & Co in relation to the options available in terms of the Company's property, along with the consideration of any interest received;
- Continued correspondence with the Company's creditors in relation to their queries and claims.

Disbursements

To 24 September 2020, we have not drawn any disbursements.

Why have subcontractors been used?

Eddisons were instructed to provide a valuation and disposal strategy in relation to the Company's chattel assets together with a review of the Company's work in progress to establish whether it would be cost effective to complete. Eddisons were instructed by the joint administrators based on their previous experience and known ability to provide advice on asset disposals and also to move in a swift manner.

Brown & Co were instructed to commence a marketing campaign in respect of the Company's property and to liaise with all interested parties. This included arranging for interested parties to be shown around the premises and to negotiate any offers which may be received. Brown & Co were instructed due to their knowledge of the market in the local and surrounding area of the Company. To date, Brown & Co have received funds totalling £1,325.00 in relation to their marketing costs. Please note however, that such funds have first been paid by Begbies Traynor and will be discharged from the case as and when funds permit.

Eddisons Insurance Services Limited ("EIS") were also instructed to provide insurance cover in respect of the Company's chattel assets and property to ensure that all assets were appropriately covered. EIS were instructed due to their experience in dealing with matters of a similar nature on a speedy basis. To date, EIS have not received any funds from the case due to insufficient funds. Such funds will be discharged from the case following the sale of the Company's property.

Also, Remotezone Limited ("Remotezone"), a company which is part of Eddisons, and therefore part of the Begbies Traynor Group and which are therefore connected to Begbies Traynor (SY) LLP, were instructed to change the locks to the building to ensure that the premises were secured. In addition, Remotezone were also instructed to arrange for the premises to be drained down over the winter months to ensure that the pipes to the premises did not freeze and therefore, cause damage to the premises. Remotezone have been discharged their costs to date. As detailed above, Remotezone's costs will be discharged from the case, upon the sale of the Company's property.

Leslie Keats were instructed to review the benefit of completing the Company's work in progress and also the collectability of the Company's debtor ledger to ascertain whether any steps could be taken to maximise the same. Leslie Keats were instructed based on their known ability to collect and realise debts effectively. No funds have yet been discharged to Leslie Keats from the administration proceedings.

Irwin Mitchell LLP ("Irwins"), solicitors, were instructed to assist with the appointment process in order that the joint administrators could be appointed swiftly and, to provide advice in respect of technical queries. Irwins have not received any payment from the administration to date.

UKELC were instructed to provide assistance with regard to the Company's pension scheme in respect of the submission of the RP15A pension reclaim form. UKELC were instructed based on their knowledge of dealing with pension matters on a daily basis. Subcontracting such work is also financially beneficial to the estate as the costs are lower than should the joint administrators have undertaken the works themselves.

Category 2 Disbursements

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been incurred but not drawn during the period of this report in accordance with the approval obtained in the total sum of £12,444.08 are as follows:

| Other amounts paid or payable to the office holder's firm | |
|--|-----------------|
| Type and purpose | Amount £ |
| Storage | 40.32 |
| BES commercial Electricity | 1,520.06 |
| Postage | 7.38 |
| TOTAL | 1,567.76 |

Disbursements treated as Category 2 disbursements

| Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest | |
|--|---|
| Type and purpose | Amount £ |
| Eddisons, which is a member of the Begbies Traynor group, has provided valuation and disposal strategy services as well as security the Company's premises. The purpose of obtaining such services was to achieve better realisation prospects in respect of the Company's assets and to ensure that the property was secure. | £400.70 Fees £645.00 Disbursements |
| 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. As well as charges for insurance, EIS may also charge an administration fee where relevant and appropriate. If applicable to this case so far, the charges are also described here. | £9,227.25 |
| Remotzone, which is part of Eddisons and which is therefore a member of the Begbies Traynor group, has provided security, insurance checks and a draindown of the building. Such work was carried out to ensure the buildings remained secure and that | £250.00 Drainage £353.37 Lock change |

| | |
|---|-----------|
| insurance provisions were being adhered to. | |
| TOTAL | 10,876.32 |

Please note that the insurance and Remotezone costs have not yet been discharged from the case at present.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. ADMINISTRATORS' EXPENSES

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

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the administration would total £148,375.25. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

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

The following assets remain to be realised within the administration: -

The Company's trading premises situated at Sunfold House, Wymondham Business Park, Wymondham, Norfolk NR18 9SB are continuing to be marketed by Brown & Co, a local property agent to the Company. As advised previously, a number of expressions of interest were received however, none of which, resulted in any offers being received. This resulted in a further marketing campaign being issued which, generated new expressions of interest albeit, the expressions received were significantly lower than anticipated.

Interest in the property was compounded due to the worldwide Coronavirus pandemic which has affected the interest being received. However, it has been noted that interest is now increasing and we are hopeful that offers will be received which are worthy of serious consideration. Details of the expression of interest received today have not been disclosed within our report so as not to prejudice any potential realisations into the administration estate for the benefit of the Company's creditors.

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

General case administration and planning

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

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the administration will be compiled and issued on the statutory due dates. Also, time will be spent updating the joint administrators' electronic diaries and paper files.

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

Compliance with the Insolvency Act, Rules and best practice

The joint administrators will prepare and submit to all relevant parties the statutory administrators six monthly progress report(s) and final report pursuant to The Insolvency Act 1986 and deal with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

Periodic case reviews will be carried out at six monthly intervals to ensure that all statutory documentation has been completed and issued in the relevant time scales and that any outstanding matters within the administration have been concluded as necessary.

The estate bank account will continue to be regularly monitored and reconciled against our internal system to ensure that all receipts and payments are accounted for.

Periodic bond reviews will continue to be undertaken to ensure that the case remains adequately bonded for throughout the administration.

Whilst we hope that a sale of the property will conclude prior to the anniversary of the case, should this not be feasible, it may be necessary to make an application to court to further extend the period of the administration.

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

Investigations

As the joint administrators have concluded their investigations within the administration proceedings, it is not anticipated that any further time will be spent on this matter.

However, should any matters be brought to the joint administrators' attention which require further investigations, such investigations will be carried out as and when necessary.

Realisation of assets

The joint administrators will continue to liaise with Leslie Keats with regard to the remaining outstanding debtor ledger to establish whether any further realisations can be achieved or whether collection efforts have been exhausted.

Communications will continue with Brown & Co in respect of the disposal of the Company's premises to ensure the best possible outcome is achieved.

We continue to anticipate that once the property has been disposed of, this will provide a financial benefit to the Company's creditors and will result in the preferential creditors being repaid in full. However, whilst we continue to anticipate that the Company's unsecured creditors will receive a dividend in this matter, the quantum of any such distribution is entirely dependent upon the realisations achieved for the property.

Trading

As the joint administrators did not trade the Company during the administration proceedings, no time will be spent on this particular matter.

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

The joint administrators' will continue to liaise with the Company's creditors by way of verbal and written communications with regard to any queries which may arise and dealing with their claims within the administration.

In addition, time will be spent agreeing and paying preferential creditor claims once the sale of the property has concluded. Any distribution to unsecured creditors will be dealt with in the subsequent insolvency (either the CVA or the liquidation), as detailed in the joint administrators' proposals.

The above work will not provide an increased financial benefit to the Company's creditors however, it will ensure that the preferential creditors receive funds in connection with their claim. In addition, it will also enable the creditors to be kept up to date with the progress of the administration.

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

The joint administrators will continue to liaise with HMRC with regard to the submission of their VAT and Corporation Tax returns as and when these fall due.

The joint administrators will also ensure that the pension reclaim is finalised, in conjunction with UKELC.

Should any legal advice or assistance be required, the joint administrators will of course liaise with Irwin's as and when required on such matters.

The above work is a statutory requirement of the joint administrators' and therefore, will not provide a financial benefit to the Company's creditors.

How much will this further work cost?

As advised within the joint administrators' proposals and previous progress report, we initially sought that our remuneration be fixed on a mixture of basis as set out below: -

- A Fixed fee of £20,000.00 in respect of works carried out in connection with general case administration and planning, compliance with the Insolvency Act and Rules and best practice, investigations, realisation of assets, dealing with all creditor's claims (including employees) correspondence and distributions and other matters which includes seeking decisions from creditors (via DCP and/or via decision procedures), meetings, tax, litigation, pensions and travel; and
- 5% of property disposal.

All work which is undertaken within the administration proceedings will fall under the fixed fee basis of our remuneration, with the exception of the property disposal which is on a percentage of realisations basis. Please note that the percentage will be charged on the gross realisations achieved with any applicable VAT being charged in addition to this.

Notwithstanding the above, details of the total time spent to date amounts to 264.00 hours at an average composite rate of £288.88 per hour resulting in total time costs to date of £76,264.50. A more detailed breakdown of the time spent so far is included at Appendix 2. Please note that this time is included in the above fee basis.

In addition to the above, the joint administrators are seeking an increase to their fixed fee in the sum of £30,000.00. This is being sought by way of a decision by correspondence procedure to be approved by the Company's creditors. The reason for seeking an increase are detailed in Section 6 of this report.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 14 November 2019 which included all of the expenses that we anticipate that we will incur throughout the administration.

9. OTHER RELEVANT INFORMATION

Report on Directors conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, 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. No further recoveries were made in this respect.

Extension of administration

The administration has been extended for a period of 12 months with the consent of creditors.

Proposed exit route from administration

As detailed within the joint administrators' proposals, it was initially proposed that the Company exit administration via CVA, as it was anticipated that the Company's creditors would receive a distribution of 100p in the £. This quantum of dividend is however, entirely dependent upon the level realisations achieved following the disposal of the Company's property. Should it not be possible to achieve a distribution of 100p in the £ to the creditors, the proposed exit route of the Company is to proceed into liquidation wherein a distribution to the Company's unsecured creditors will be made.

At present, it remains uncertain as to what the exit route will be given the property has not yet been sold and given no sale is currently impending.

Notwithstanding the above, once a sale has been agreed, the joint administrators will agree and make a distribution to the Company's preferential creditors. Steps will then be taken to either draft the CVA proposals or arrange for the Company to proceed to liquidation which will result in the final report being issued to the Registrar along with form AM22.

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.

10. CREDITORS' RIGHTS

Right to request further information

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

11. CONCLUSION

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



Claire Elizabeth Dowson
Joint Administrator

Dated: 21 October 2020

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 25 March 2020 to 24 September 2020

Sunfold Systems Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

| Statement of Affairs £ | | From 25/03/2020 To 24/09/2020 £ | From 25/09/2019 To 24/09/2020 £ |
|------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | SECURED ASSETS | | |
| 1,450,000.00 | Freehold Land & Property | NIL | NIL |
| | | NIL | NIL |
| | HIRE PURCHASE | | |
| 22,600.00 | 2 X Peugeot Boxer Vans | NIL | NIL |
| (29,576.00) | LeasePlan UK Limited | NIL | NIL |
| | | NIL | NIL |
| | ASSET REALISATIONS | | |
| 18,893.46 | Book Debts | 488.46 | 9,465.92 |
| 600.00 | Furniture & Equipment | 600.00 | 600.00 |
| 900.00 | Motor Vehicles | 3,000.00 | 3,000.00 |
| 4,000.00 | Warehouse Equipment | NIL | NIL |
| 1,400.00 | Yard Assets | NIL | NIL |
| | | 4,088.46 | 13,065.92 |
| | COST OF REALISATIONS | | |
| | Administrators' Fees | | |
| | Pre Administration Fees | 2,000.00 | 9,250.00 |
| | Agents/Valuers Fees (2) | | |
| | Post Appointment Fees | 400.70 | 400.70 |
| | Post Appointment Disbs | 645.00 | 645.00 |
| | Bank Charges | 6.75 | 31.75 |
| | Pension Advice | 650.00 | 650.00 |
| | Statutory Advertising | | |
| | Advertising | NIL | 75.00 |
| | | (3,702.45) | (11,052.45) |
| | PREFERENTIAL CREDITORS | | |
| (929.09) | Employees re Arrears/Hol Pay | NIL | NIL |
| Uncertain | Pension Contributions | NIL | NIL |
| (13,704.08) | RPO re Arrears/Holiday Pay | NIL | NIL |
| | | NIL | NIL |
| | UNSECURED CREDITORS | | |
| (103,052.44) | Barclays Bank Plc | NIL | NIL |
| (355,528.60) | Consumer Creditors | NIL | NIL |
| (4,642.88) | Employees | NIL | NIL |
| (8,000.00) | HMRC (PAYE) | NIL | NIL |
| (25,000.00) | HMRC (VAT) | NIL | NIL |
| (293,532.00) | Mr Rawlings - Directors Loan Account | NIL | NIL |
| (45,000.00) | Mrs Rawlings - Directors Loan Account | NIL | NIL |
| (69,937.46) | RPO | NIL | NIL |
| (122,043.21) | Trade Creditors | NIL | NIL |
| | | NIL | NIL |
| | DISTRIBUTIONS | | |
| (10,000.00) | Ordinary Shareholders | NIL | NIL |
| | | NIL | NIL |
| 417,447.70 | | 386.01 | 2,013.47 |
| | REPRESENTED BY | | |
| | Bank 1 Current | | 529.33 |
| | Vat Payable | | (720.00) |
| | Vat Receivable | | 2,204.14 |
| | | | 2,013.47 |

TIME COSTS INFORMATION

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 25 March 2020 to 24 September 2020; and
- c. Cumulative Time Costs Analysis for the period from 25 September 2019 to 24 September 2020.
- d. Details of how the joint administrators' remuneration

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

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 guidance¹ 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.

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 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;

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 a valuation and disposal strategy in relation to the Company's assets. Their charges will be equivalent to 10% of realisations. In addition, Eddisons Commercial Limited's charges for carrying out their valuation will be £1,500.00 plus VAT together with pre and post appointment disbursements totaling £50.00 and £250.00 plus VAT respectively.

¹ Ibid 1

Eddisons Commercial Limited are also instructed to provide risk management services, with particular regard to the locks, alarm monitoring for the Company's trading premises and all other associated services to ensure that the management of insurance compliance works for vacant properties is being adhered to. Their charges for providing the lock changing, alarm monitoring and all other necessary services to ensure the insurance requirements are adhered to are estimated to total £9,353.37 plus VAT.

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

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

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £1,117.50 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. Where relevant, administration fees may be charged, These costs are taken into consideration and included within the forecasted cost of insurance, above.

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

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

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

- (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.

SIP9 Sunfold Systems Limited - Administration - 91SU222.ADM : Time Costs Analysis From 25/03/2020 To 24/09/2020

| Staff Grade | | Consultant/Partner | Director | Snr Mngr | Mngr | Asst Mngr | Snr Admin | Admin | Jnr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|--|--------------------|----------|----------|------|-----------|-----------|--------|-----------|---------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | 0.6 | 3.7 | 1.1 | | | 4.1 | | 0.1 | | 9.6 | 3,314.50 | 345.25 |
| | Administration | 0.2 | 5.4 | | | | 2.5 | 0.2 | 0.3 | 1.1 | 9.7 | 3,295.50 | 339.74 |
| | Total for General Case Administration and Planning: | 0.8 | 9.1 | 1.1 | | | 6.6 | 0.2 | 0.4 | 1.1 | 19.3 | 6,610.00 | 342.49 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | | | | | | | | | | | | 0.00 |
| | Banking and Bonding | 0.7 | 0.3 | | | | 4.3 | | | 1.7 | 7.0 | 1,685.50 | 240.79 |
| | Case Closure | | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | | 2.6 | | | | 5.8 | 4.3 | | | 12.7 | 3,214.50 | 253.11 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | 0.7 | 2.9 | | | | 10.1 | 4.3 | | 1.7 | 19.7 | 4,900.00 | 248.73 |
| Investigations | CDDA and investigations | | | | | | | | | | | | 0.00 |
| | Total for Investigations: | | | | | | | | | | | | 0.00 |
| Realisation of assets | Debt collection | | 0.2 | 0.4 | | | 2.2 | | | | 2.8 | 742.00 | 265.00 |
| | Property, business and asset sales | 0.4 | 3.6 | | | | 1.7 | | | | 5.6 | 2,138.00 | 381.79 |
| | Retention of Title/Third party assets | | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | 0.4 | 3.7 | 0.4 | | | 3.9 | | | | 8.4 | 2,880.00 | 342.86 |
| Trading | Trading | | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | | | | | 0.00 |
| | Others | | 4.1 | | | | 10.8 | | | | 14.9 | 4,254.50 | 285.54 |
| | Creditors committee | | | | | | | | | | | | 0.00 |
| | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | | 4.1 | | | | 10.8 | | | | 14.9 | 4,254.50 | 285.54 |
| Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel | Seeking decisions of creditors | | | | | | | | | | | | 0.00 |
| | Meetings | | | | | | | | | | | | 0.00 |
| | Other | | | | | | 0.1 | | | | 0.1 | 22.50 | 225.00 |
| | Tax | | 0.5 | | | | 1.4 | | | | 1.9 | 537.50 | 282.89 |
| | Litigation | | | | | | | | | | | | 0.00 |
| | Total for Other matters: | | 0.5 | | | | 1.5 | | | | 2.0 | 560.00 | 280.00 |
| | Total hours by staff grade: | 1.9 | 20.3 | 1.5 | | | 32.9 | 4.5 | 0.4 | 2.8 | 64.3 | | |
| | Total time cost by staff grade: | 940.50 | 9,033.50 | 592.50 | | | 7,402.50 | 787.50 | 56.00 | 382.00 | | 19,204.50 | |
| | Average hourly rate £: | 495.00 | 445.00 | 395.00 | 0.00 | 0.00 | 225.00 | 175.00 | 140.00 | 140.00 | | | 298.67 |
| | Total fees drawn to date £: | | | | | | | | | | | 0.00 | |

SIP9 Sunfold Systems Limited - Administration - 91SU222.ADM : Time Costs Analysis From 25/09/2019 To 24/09/2020

| Staff Grade | | Consultant/Partner | Director | Snr Mng'r | Mng'r | Asst Mng'r | Snr Admin | Admin | Jnr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|--|--------------------|-----------|-----------|--------|------------|-----------|----------|-----------|----------|-------------|-------------|-----------------------|
| General Case Administration and Planning | Case planning | 0.6 | 5.2 | 7.3 | | | 12.6 | | 2.5 | | 28.2 | 8,673.50 | 307.78 |
| | Administration | 0.8 | 12.1 | | | | 10.3 | 2.0 | 7.7 | 11.7 | 44.6 | 11,164.00 | 250.31 |
| | Total for General Case Administration and Planning: | 1.4 | 17.3 | 7.3 | | | 22.9 | 2.0 | 10.2 | 11.7 | 72.8 | 19,843.50 | 272.58 |
| Compliance with the Insolvency Act, Rules and best practice | Appointment | | | | | | | | | | | | 0.00 |
| | Banking and Bonding | 1.0 | 0.6 | | 0.2 | | 5.9 | 0.3 | | 5.1 | 13.1 | 2,925.00 | 223.28 |
| | Case Closure | | | | | | | | | | | | 0.00 |
| | Statutory reporting and statement of affairs | | 27.2 | 5.2 | | | 12.1 | 4.3 | | 3.5 | 52.3 | 18,123.00 | 346.52 |
| | Total for Compliance with the Insolvency Act, Rules and best practice: | 1.0 | 27.8 | 5.2 | 0.2 | | 18.0 | 4.6 | | 8.6 | 65.4 | 21,048.00 | 321.83 |
| Investigations | CDDA and investigations | | 1.1 | 0.7 | | | 16.1 | | 0.2 | 0.3 | 18.4 | 4,458.50 | 242.31 |
| | Total for Investigations: | | 1.1 | 0.7 | | | 16.1 | | 0.2 | 0.3 | 18.4 | 4,458.50 | 242.31 |
| Realisation of assets | Debt collection | | 0.5 | 0.4 | | | 2.2 | | | | 3.1 | 875.50 | 282.42 |
| | Property, business and asset sales | 0.4 | 6.4 | 6.7 | | | 5.4 | | | | 18.9 | 6,907.50 | 365.48 |
| | Retention of Title/Third party assets | | | | | | | | | | | | 0.00 |
| | Total for Realisation of assets: | 0.4 | 6.9 | 7.1 | | | 7.6 | | | | 22.0 | 7,783.00 | 353.77 |
| Trading | Trading | | | | | | | | | | | | 0.00 |
| | Total for Trading: | | | | | | | | | | | | 0.00 |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured | | | | | | | | | | | | 0.00 |
| | Others | | 7.9 | 13.8 | | | 35.1 | 12.5 | 3.9 | 1.2 | 74.4 | 19,765.50 | 265.67 |
| | Creditors committee | | | | | | | | | | | | 0.00 |
| Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel | Total for Dealing with all creditors claims (including employees), correspondence and distributions: | | 7.9 | 13.8 | | | 35.1 | 12.5 | 3.9 | 1.2 | 74.4 | 19,765.50 | 265.67 |
| | Seeking decisions of creditors | | | 0.9 | | | | | | | 0.9 | 365.50 | 395.00 |
| | Meetings | | 2.9 | | | | 4.0 | | | | 6.9 | 2,190.50 | 317.46 |
| | Other | | | | | | 1.1 | 0.2 | | | 1.3 | 282.50 | 217.31 |
| | Tax | | 0.5 | | | | 1.4 | | | | 1.9 | 537.50 | 282.89 |
| | Litigation | | | | | | | | | | | | 0.00 |
| | Total for Other matters: | | 3.4 | 0.9 | | | 6.5 | 0.2 | | | 11.0 | 3,366.00 | 306.00 |
| Total hours by staff grade: | | 2.8 | 64.4 | 35.0 | 0.2 | | 106.2 | 19.3 | 14.3 | 21.6 | 264.0 | | |
| Total time cost by staff grade: | | 1,386.00 | 28,658.00 | 13,825.00 | 69.00 | | 23,895.00 | 3,377.50 | 2,002.00 | 3,052.00 | | 76,264.50 | |
| Average hourly rate £: | | 495.00 | 445.00 | 395.00 | 345.00 | 0.00 | 225.00 | 175.00 | 140.00 | 140.00 | | | 288.88 |
| Total fees drawn to date £: | | | | | | | | | | | | 0.00 | |

DETAILS OF HOW THE ADMINISTRATORS ARE SEEKING TO BE REMUNERATED – IN ADDITION TO THE INITIAL BASIS

As detailed in the joint administrators proposals, the joint administrators sought approval for their fees to be based on a mixture of bases, as allowed for under the Insolvency (England and Wales) Rules 2016. Approval was obtained to a fixed fee of £20,000.00 plus 5% of property realisations. As referred to earlier in this report, due to the administration period being extended, we are now seeking an increase to the fixed fee element of our remuneration. A breakdown of the additional fixed fee being sought is provided below, in the same format as our original documentation.

| Details of the work that the administrators and their staff propose to undertake | Hours | Time cost £ | Average hourly rate £ | % of realisations | % of distributions | Set amount £ |
|---|-------|-------------|-----------------------|-------------------|--------------------|--------------|
| General case administration and planning | - | - | - | - | - | 6,500 |
| Compliance with the Insolvency Act, Rules and best practice | - | - | - | - | - | 8,500 |
| Investigations | - | - | - | - | - | |
| Realisation of assets | - | - | - | - | - | 4,500 |
| Trading | - | - | - | - | - | - |
| Dealing with all creditors claims (including employees), correspondence and distributions | - | - | - | - | - | 7,500 |
| Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures), meetings, tax, litigation, pensions and travel | - | - | - | - | - | 3,000 |
| Total hours | - | | | | | |
| Total time costs | | - | | | | |
| Overall average hourly rate £ | | | - | | | |
| Total set amount | | | | | | 30,000 |

For the avoidance of any doubt, the details above relate to the remaining period of administration only and are in addition to our original basis of remuneration estimate they do 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>.

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 not within the Begbies Traynor Group | | | | |
| Bank Charges | Svenska Handelsbanken AB (publ) | 6.75 | 6.75 | Nil |
| Pension Advice | UK Employment Law Consultants Ltd | 650.00 | 650.00 | Nil |
| Electricity | BES Utilities Limited | 1,520.06 | Nil | 1,520.06 |
| Storage | Restore Limited | 40.32 | Nil | 40.32 |
| Postage Charges | Postworks | 7.38 | Nil | 7.38 |
| Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy) | | | | |
| Agents Fees | Eddisons Commercial Limited | 400.70 | 400.70 | Nil |
| Agents Disbursements | Eddisons Commercial Limited | 645.00 | 645.00 | Nil |
| Insurance | Eddisons Insurance Services Limited | 9,227.25 | Nil | 9,227.25 |
| Agents Fees | Remotezone Limited | 603.37 | Nil | 603.37 |

CUMULATIVE STATEMENT OF EXPENSES

| Type of expense | Name of party with whom expense incurred | Amount incurred £ |
|-----------------------|--|----------------------|
| Agents Fees | Eddisons Commercial Limited | 400.70 |
| Agents Disbursements | Eddisons Commercial Limited | 645.00 |
| Bank Charges | Svenska Handelsbanken AB (publ) | 31.75 |
| Pension Advice | UK Employment Law Consultants Ltd | 650.00 |
| Statutory Advertising | EPE Reynell Advertising Limited | 75.00 |
| Electricity | BES Utilities Limited | 3,947.66 |
| Storage | Restore Limited | 59.52 |
| Postage Charges | Postworks | 153.74 |

| | | |
|----------------------|-------------------------------------|-----------|
| Insurance | Eddisons Insurance Services Limited | 19,709.58 |
| Agents Fees | Remotezone Limited | 603.37 |
| Property Agents Fees | Brown & Co | 1,325.00 |
| Statutory Bond | Specific bond | 775.00 |

Please note that the costs detailed in the cumulative table in respect of electricity, storage, postage, insurance, Remotezone Limited, Brown & Co and specific bond have been incurred but not yet discharged from the case.