

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 0 4 2 2 0 0 7 6

Company name in full Firebrand Live Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul

Surname Cooper

3 Liquidator's address

Building name/number 29th Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

4 Liquidator's name ①

Full forename(s) Paul Robert

Surname Appleton

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 29th Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

② Other liquidator

Use this section to tell us about
another liquidator.

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6 Period of progress report

From date	^d 2	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 1	
To date	^d 2	^d 1	^m 1	^m 0	^y 2	^y 0	^y 2	^y 2	

7 Progress report

<input checked="" type="checkbox"/> The progress report is attached	
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8 Sign and date

Liquidator's signature	<div>Signature</div> <div>  </div>								
Signature date	^d 2	^d 2	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2	

**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 **Glyn Middleton**

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

Address **29th Floor**

40 Bank Street

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7400 7900**

**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

Firebrand Live Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 22 October 2021 to 21 October 2022

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Firebrand Live Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 22 October 2021.
"the liquidators", "we", "our" and "us"	Paul Cooper of Begbies Traynor (London) LLP, 29th Floor, 40 Bank Street, London, E14 5NR; and Paul Robert Appleton of Begbies Traynor (London) LLP, 29th Floor, 40 Bank Street, London, E14 5NR
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	<ul style="list-style-type: none">(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and(ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	None
Company registered number:	04220076
Company registered office:	29th Floor, 40 Bank Street, London, E14 5NR
Former trading address:	7 Bell Yard, Lower Ground Floor, London, United Kingdom, WC2A 2JR

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced: 22 October 2021

Date of liquidators' appointment: 22 October 2021

Changes in liquidator (if any): None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 22 October 2021 to 21 October 2022.

Goodwill /IPR

During the period, our valuer Peter Davies & Sons Ltd ("PDS") was instructed to value, market and sell the Company's goodwill, intellectual property, chattel assets and stock.

The goodwill and IPR was ascribed an 'uncertain' value in the Directors' Estimated Statement of Affairs ("ESOA") but was sold for £1,000.

Plant, Machinery, Equipment and Stock

The Company's chattel assets comprised of plant & machinery and computer equipment. You will see from the ESOA, that these assets were estimated to realise £700. They were sold for £500.

You will also recall from the ESOA that the stock held by the Company was estimated to realise £5,000. These assets were secured by PDS and sold for £3,500.

Connected Party Debts

The Company had made loans to three parties, which can be defined as 'connected parties'. These are:

- Teliporter Limited - £93,089
- Brand Bldg Limited - £9,615
- Kitbox UK Limited - £35,522

Following our appointment, we sought repayment of these loans from these parties, and below is a short summary of the position with each:

- Teliporter - we remain in correspondence seeking a settlement. It is clear that the company does not trade, has little, or no assets, and is, on a balance sheet basis, insolvent. As such, it provide no benefit to the estate to incur any costs, legal or otherwise, in pursuit of this debt. However, I am confident that a settlement will be reached with the company, albeit on a significantly reduced amount.
- Brand Bldg – we have written this debt off. As with the above, we sought repayment of this loan shortly after appointment but it became apparent that the company had done very little by way of trading for some years, indeed, it had been earmarked for dissolution, which has now occurred.
- Kitbox – similarly, this debt has been written off for the same purposes as the above.

Book debts

The Company's book debts relate to various trade debts with suppliers and clients of the Company and were estimated to realise a total of £52,161. Throughout the period, numerous letters and requests for payment have been sent to the Company's debtors. Only two debts have been recovered in full totalling £5,084.

The main reason for recoveries being significantly lower than the estimated figure in the ESOA is due to the number of disputes raised by debtors and insufficient information and supporting documents available to enable those disputes to be answered satisfactorily.

Cash at Bank

The Company's banking operations were provided by Barclays Bank Plc, KBC and National Westminster Bank Plc. Creditors will recall from the ESOA that the Company's bank accounts were expected to hold combined credits of approximately £72,000. Following the closure of the accounts amounts totalling £74,647 were recovered from the banks.

Licence Fees

This relates to the Licence fees paid by Nylon Merchandising Ltd ("NML"). Creditors will recall that the Company entered into a Business Licence Agreement with NML shortly prior to liquidation. This was done primarily to safeguard the value of the Company's goodwill, pending a potential sale, which was ultimately achieved.

Gross Bank Interest

Immediately after our appointment, an interest-bearing estate account was opened in the name of the Company in order to consolidate all funds going in and out during the process of the liquidation. The £6 disclosed in the receipts and payments account relates to the accrued interest received on the monies held in the account during the period covered by this report.

Cash Held on Appointment

The Company provided funds to cover the costs of assisting the Directors with the preparation of the ESOA, Directors' Report and for convening the Meetings of Members and Creditors enabling the Company to be placed into liquidation.

Statement of Affairs Fee

This represents the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of the liquidators, which were approved by creditors on 22 October 2021.

Specific Bond

Bonding charges relate to the cost of the insurance of the assets expected to be realised during the period of the liquidation.

Agents' Fees

These represent the work undertaken by our agents PDS in the assistance of valuing and selling the Company's chattel assets, computer equipment and goodwill.

Accountancy Fees

These fees relate to the work conducted by Moco Financial in assistance provided to us in securing the Company's electronic records.

Solicitor's Fees

These fees represent the work conducted by our solicitors, Sylvester Amiel Lewin & Horne in assisting with the reviewing, considering, and reporting in respect of a Deed of Novation that was produced concerning a contract held by the Company.

Statutory Advertising

Payments totalling £198 have been made to Courts Advertising Limited, representing the costs for publishing statutory advertisements in the London Gazette, such as the notice of the virtual meeting of creditors, the winding-up resolution, and the notice of the appointment of the liquidators.

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?

Immediately following our appointment, we undertook all statutory requirements, as required by the Insolvency legislation, including, inter alia, issuing statutory notifications to creditors and members, advertising our appointment, filing statutory documents at Companies House, and all other matters required following our appointment.

At the onset of the case, it was necessary to seek to identify the Company's assets and to commence the tasks required to realise any potential value therein. In this regard, we contacted the Bank and other parties, resulting in the realisations outlined above.

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.

The details below relate to the work undertaken in the period of this report only.

General case administration and planning

We are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case. At the onset of the case, a strategy for how the case would be managed is formed and regular reviews have subsequently been undertaken to ensure case progression and that the files are kept up to date. Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progression of the liquidation, which ensures that work is carried out to high professional standards.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical and electronic case files.
- Setting up the case on the practice's electronic case management system and entering data, which includes company information, creditor, debtor, and employee details.
- Dealing with all routine correspondence and emails relating to the case.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by the case administrators.

Compliance with the Insolvency Act, Rules and best practice

As an Insolvency Practitioner, we are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. We have certain statutory obligations and duties to fulfil whilst in office, which include notifying various bodies of our appointment, including creditors, Companies House, and to advertise our appointment in the London Gazette. We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings.

There is also the duty to bond the case appropriately. This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

- Issuing the statutory notifications to creditors and others required on appointment as office holders, including gazetting the office holders' appointment.
- Obtaining a specific penalty bond.
- Reviewing the adequacy of the specific penalty bond on a regular basis.
- Opening, maintaining, and managing the office holders' estate bank account.
- Creating, maintaining, and managing the office holders' cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Filing returns at Companies House.

Investigations

We are required to carry out necessary investigations to determine whether there are potential recovery actions for the benefit of creditors and to report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.

Realisation of assets

We are required to maximise realisations for the benefit of the Company's creditors and the work carried out in this respect is for the purpose of realising property and assets for the benefit of the creditors generally. As referred to earlier on, various work has been undertaken to realise the Company's assets and specific details of the work undertaken and realisations achieved are detailed above.

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

Time has been spent dealing with creditor queries as and when required. This generally includes queries by telephone, email or within letters received in the post. The work carried out in this respect only leads to a financial benefit where there are sufficient funds for a distribution.

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

During administering the case, we are also required to carry out additional work which does not necessarily fall under any of the other categories above.

This includes submitting VAT and Tax returns when appropriate to reclaim monies for the estate and pay over any taxes due to HMRC and submitting notifications of insolvency to relevant pension departments.

There may not be any obvious financial benefit to creditors, but all work carried out is necessary for the administration and progression of the case.

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the Director's statement of affairs) are as follows:

Secured creditor

As per the ESOA, there is an outstanding fixed and floating charge held by National Westminster Bank Plc over all of the assets of the Company. However, creditors will recall that the Bank were not expected to be owed any monies and, indeed, at the time of writing, no claim has been received by the charge holder.

Preferential creditors

Preferential claims of former employees of the Company for arrears of wages, and accrued holiday pay were estimated as uncertain per the ESOA. At the time of writing, we have received claims totalling £26,621.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs is now able to claim secondary preferential status for certain liabilities. Taxes owed by the Company to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

We have since received a secondary preferential claim from HM Revenue & Customs in the amount of £54,204.

Unsecured creditors

Unsecured creditors were estimated at £1,672,677. A breakdown of these claims can be seen below.

	£
Trade Creditors	1,350,916
Directors	300,000
HMRC	21,760

At the time of writing, we have received unsecured claims totalling £878,058.

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

Secured creditor

As stated above, the secured creditor is not anticipated to have a claim against the Company and is therefore not expected to receive any distribution.

Preferential and Secondary Preferential creditors

Based upon realisations to date and estimated future realisations, it is anticipated that there will likely be insufficient funds available to enable a distribution to any class of preferential creditor.

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 liquidator 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 prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

Where charge is created on or after 6th April 2020

- ☐ 50% of the first £10,000 of *net property*.
- ☐ 20% of *net property* thereafter.
- ☐ Up to a maximum amount to be made available of £800,000

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

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator 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)).

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

Unsecured creditors

Based upon realisations to date and estimated future realisations, it is anticipated that there will be insufficient funds available to enable a distribution to be paid to any class of unsecured creditor.

6. REMUNERATION & EXPENSES

Our remuneration has been fixed by a decision of the creditors via a virtual meeting held on 22 October 2021 by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 29 September 2021 in the sum of £85,457.50.

We are also authorised to draw expenses, including expenses for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, which is attached at Appendix 2 of this report.

Remuneration

Our time costs for the period from 22 October 2021 to 21 October 2022 amount to £68,366 which represents 168 hours at an average rate of £407 per hour.

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

- ☐ Time Costs Analysis for the period 22 October 2021 to 21 October 2022
- ☐ Begbies Traynor (London) LLP's charging policy

As at 21 October 2022, we have not drawn any remuneration.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type.

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

As can be concluded from the information above, the level of our approved remuneration has been sufficient to cover the costs of the liquidation and we are pleased to report that we do not anticipate seeking any increase or amendment to our approved remuneration basis if matters progress to conclusion as envisaged.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

Work undertaken prior to appointment

In addition to the post appointment remuneration, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of the creditors on the nomination of liquidators were approved by the creditors on 22 October 2021 and have since been drawn in full (£7,500 plus VAT).

7. LIQUIDATORS' EXPENSES

As at 21 October 2021, we have incurred expenses totalling £4,658, all of which have been paid in full.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £3,580. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded are as follows:

- Legal fees of £950 were incurred which were not initially anticipated.
- Accountancy fees of £300 were incurred which were not initially anticipated.
- Cost of Bonding charges were estimated at £120, some £90 lower than what was incurred.

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

The only assets remaining to be realised are In respect of book debts and the connected party debt due from Teliporter. As outlined above, I am not confident that any additional funds will be secured from the trade debtors. However, I remain confident that a settlement will be reached with Teliporter, albeit, not a substantial one.

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

We will continue to deal with the following matters:

- Regular compliance and strategy reviews;
- Regular Bond reviews;
- Regular bank reconciliations;
- Filing of this progress report with Companies House; and
- Continuing to deal with all Creditor and debtor correspondence and enquiries as received.

The remaining work detailed above may not have a direct financial benefit to Creditors. However, these tasks are required to ensure that the liquidation progresses in an efficient and compliant manner.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed. As you know, this work is necessary in order that I may complete the liquidation as envisaged. It is difficult at this stage to estimate the costs of this additional work as it is dependant on several factors. However, based on current information the costs are not expected to exceed any amounts of costs previously approved by the creditors.

Expenses

Any further expenses in connection with the additional work that remains to be done are expected to be nominal. Details of the expected further expenses can be detailed in the estimate on anticipated expenses previously sent to creditors, which included the expenses we anticipated to incur throughout the whole process of the liquidation.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £85,457, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, since there are limited assets, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, I can estimate that total remuneration drawn will be in the region of £80,000.

However, please note that should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

9. OTHER RELEVANT INFORMATION

Connected party transactions

We have not made any sales of the Company's assets to connected parties as far as we have determined.

Use of personal information

Please note that while discharging our statutory duties as liquidators, 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 which have been incurred during the period of this progress report.

Right to make an application to court

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

11. CONCLUSION

We will report again in approximately twelve months' time or at the conclusion of the liquidation, whichever is the sooner.

A handwritten signature in black ink, appearing to read 'Paul', followed by a long, horizontal, slightly wavy line that extends to the right.

Paul Cooper
Joint Liquidator

Dated: 21 November 2022

APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

<u>Estimated to realise</u>		<u>Y/E 21-Oct-22</u>
<u>£</u>		<u>£</u>
RECEIPTS		
Uncertain	Goodwill / IPR	1,000.00
700	Plant, Machinery & Equipment	500.00
5,000	Stock	3,500.00
Uncertain	Connected Party Debts	Nil
52,161	Book Debts	5,084.88
<u>71,729</u>	Cash at Bank	74,647.43
	Licence Fees	600.00
	Cash held on Appointment	9,000.00
	Gross Bank Interest	6.22
		<u>94,338.53</u>
PAYMENTS		
	Statement of Affairs Fee	7,500.00
	Accountancy Fees	300.00
	Solicitor's Fees	950.00
	Statutory Advertising	198.90
	Specific Bond	210.00
	Agent's Fees	2,975.00
	Stationery & Postage	3.42
	Bank Charges	21.00
		<u>(12,158.32)</u>
RECEIPTS LESS PAYMENTS		<u>82,180.21</u>
REPRESENTED BY		
	Vat Receivable	1,247.46
	Current Account	80,932.75
		<u>82,180.21</u>

APPENDIX 2

COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy.
- b. Begbies Traynor (London) LLP's SIP9 Time Costs Analysis for the period from 22 October 2021 to 21 October 2022.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy 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 creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fees estimate creditors can see how we propose to be remunerated.

In addition, this policy 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* indicates that such charges should be disclosed to those who are responsible for approving the basis of 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 their 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 in 6-minute units 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

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 expenses (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 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) 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; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and 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 £150 per meeting.
- ☐ Car mileage which is charged at the rate of 45 pence per mile.

General Office Overheads

The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*:

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally but vary to suit local market conditions. The rates applying to the London office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour) from 18 March 2019	Complex charge out rates (£)
Consultant/Partner	645	710
Director	515	565
Senior Manager	440	485
Manager	410	455
Assistant Manager	315	315
Senior Administrator	290	290
Administrator	220	245
Trainee Administrator	160	180
Support	160	180

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

As detailed above, time is recorded in 6-minute units.

SIP9 Firebrand Live Limited - Creditors Voluntary Liquidation - 23FI281.CVL : Time Costs Analysis From 22/10/2021 To 21/10/2022

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		0.3								0.3	154.50	515.00
	Administration	0.3	1.3	2.2	5.5		2.0				11.3	4,666.00	412.92
	Total for General Case Administration and Planning:	0.3	1.6	2.2	5.5		2.0				11.6	4,820.50	415.56
Compliance with the Insolvency Act, Rules and best practice	Appointment			6.1	5.6						11.7	4,980.00	425.64
	Banking and Bonding		0.8	1.6	1.2				1.5	3.1	8.2	2,344.00	286.65
	Case Closure												0.00
	Statutory reporting and statement of affairs												0.00
	Total for Compliance with the Insolvency Act, Rules and best practice:		0.8	7.7	6.8				1.5	3.1	18.9	7,324.00	368.04
Investigations	CDDA and investigations	1.0	0.9	20.2	14.8		6.0				42.9	17,804.50	415.02
	Total for Investigations:	1.0	0.9	20.2	14.8		6.0				42.9	17,804.50	415.02
Realisation of assets	Debt collection		10.0	26.2	2.8		4.5		8.6		52.1	20,507.00	393.61
	Property, business and asset sales	1.0		12.0	1.2						14.2	6,417.00	451.90
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:	1.0	10.0	38.2	4.0		4.5		8.6		66.3	26,924.00	406.09
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others		0.4	17.2	4.9				1.0		23.5	9,943.00	423.11
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		0.4	17.2	4.9				1.0		23.5	9,943.00	423.11
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other		0.3		1.2						1.5	646.50	431.00
	Tax		0.8	0.6	0.4				0.4		2.2	904.00	410.91
	Litigation												0.00
	Total for Other matters:		1.1	0.6	1.6				0.4		3.7	1,559.50	419.05
	Total hours by staff grade:	2.3	14.8	86.1	37.6		12.5		11.5	3.1	167.9		
	Total time cost by staff grade £:	1,483.50	7,622.00	37,884.00	15,416.00		3,625.00		1,840.00	496.00		68,366.50	
	Average hourly rate £:	645.00	515.00	440.00	410.00	0.00	290.00	0.00	160.00	160.00			407.19
	Total fees drawn to date £:											0.00	

APPENDIX 3

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Bonding	AON	210.00	210.00	0.00
Agents/ Valuers Fees	PDS	2,975.00	2,975.00	0.00
Accountancy Fees	Moco Financials	300.00	300.00	0.00
Legal Fees	Sylvester Amiel Lewin & Horne	950.00	950.00	0.00
Postage Costs	Postworks	3.42	3.42	0.00
Statutory Advertising Costs	Courts Advertising Limited	198.90	198.90	0.00