

**Return of Final Meeting in a
Creditors' Voluntary Winding Up****Pursuant to Section 106 of the
Insolvency Act 1986**

To the Registrar of Companies

S.106

Company Number

05094437

Name of Company

UK Haptics Limited

I / We

Andrew David Haslam, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF

Gillian Margaret Sayburn, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was ~~duly held~~ on/summoned for 11 September 2014 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and ~~that the same was done accordingly~~ / no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was ~~duly held on~~/summoned for 11 September 2014 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and ~~that the same was done accordingly~~/no quorum was present at the meeting

The meeting was held at Begbies Traynor (Central) LLP, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF

The winding up covers the period from 14 November 2013 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

"THAT the Joint Liquidators' final report and account of receipts and payments be approved"

Signed



Date 11 September 2014

Begbies Traynor (Central) LLP
2 Collingwood Street
Newcastle upon Tyne
NE1 1JF

Ref UK017CVL/ADH/GMS/EVW/TA

SATURDAY



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COMPANIES HOUSE

UK Haptics Limited (In Creditors' Voluntary Liquidation)

Final report and account of the Liquidation pursuant to
Section 106 of the Insolvency Act 1986 and Rule 4.126
of the Insolvency Rules 1986

Period: 14 November 2013 to 11 September 2014

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- 3 Statement of Liquidators' expenses

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members of the Company pursuant to Section 106 of the Insolvency Act 1986. This 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.

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	UK Haptics Limited (In Creditors' Voluntary Liquidation)
"the Liquidation"	The appointment of Liquidators pursuant to Section 98 of the Insolvency Act 1986 on 14 November 2012
"the Liquidators", "we", "our" and "us"	Andrew David Haslam and Gillian Margaret Sayburn of Begbies Traynor (Central) LLP, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	"Secured creditor", in relation to a company, means a creditor of the Company who holds in respect of his debt a security over property of the Company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(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 of the Act

2. COMPANY INFORMATION

Trading name	None
Company registered number	05094437
Company registered office	Begbies Traynor (Central) LLP, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF
Former trading address	Arcadia House, Balliol Business Park, Benton Lane, Newcastle upon Tyne, NE12 8EW

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	14 November 2012
Date of Liquidators' appointment	14 November 2012
Changes in Liquidator	None

4. PROGRESS SINCE APPOINTMENT

This is our final report and account of the Liquidation and should be read in conjunction with the Section 98 report presented to creditors on 14 November 2012 and the progress report to creditors dated 10 January 2014

Creditors will recall that the Company's Intellectual Property, computer equipment and office equipment was sold to Jasmine Media LLP, a company connected by virtue of common Directors. The Liquidators agreed that the sale consideration would be paid in instalments. The final instalment has been received in this reporting period.

As detailed in the previous progress report, the majority of the book debts had been received into the Company's bank account pre appointment. We sought the assistance of the Directors in identifying and recovering the outstanding debts. The Directors advised that the majority of the debtors were based overseas and due to the small amount outstanding, it was not cost effective to commence recovery action. The remaining book debts have therefore been written off.

Attached at Appendix 1 is our abstract of receipts and payments for the period from 14 November 2012 to 11 September 2014.

SECURED ASSET RECEIPTS

Research and Development Intellectual Property ("IP")

As detailed above, the Liquidators agreed a sale of the Company's IP. £7,000.00 has been received in this respect.

SECURED ASSET PAYMENTS

Legal Fees

Costs of £608.00 have been incurred and discharged to Bond Dickinson LLP who assisted with ascertaining the validity and prioritisation of the secured creditors' claims.

UNSECURED ASSET RECEIPTS

Computer Equipment

The Company's computer equipment was sold alongside the IP and office equipment. £6,000.00 has been received in respect of the computer equipment.

Office Equipment

As part of the asset sale, £1,000.00 has been received in respect of the Company's office equipment.

Stock

The Company had stock which only had any value if it was used in the product developed by the Company. Therefore no realisations have been made in this respect.

Book Debts

The Directors' Statement of Affairs estimated to realise £15,000 00 in respect of book debts. As detailed above, the majority of the book debts were received into the Company's bank account before our appointment. The Liquidators have realised a further £1,769 23. The small number of outstanding book debts have been written off as irrecoverable.

Sundry Refunds

Sundry refunds of £843 30 have been received relating to an electronic security refund and a payment from HM Revenue and Tribunal Service.

VAT Refund

The Directors' Statement of Affairs made allowance for a potential refund from HM Revenue & Customs (VAT). However, any funds that were due to be recovered have been used to offset debt owed to HM Revenue & Customs (PAYE).

Bank Interest Gross

£32 17 has accrued in the bank account over the period of the Liquidation. Bank interest is usually subject to Corporation Tax, however, due to an understanding/working relationship with HM Revenue & Customs, there will be no Corporation Tax liability in this case.

UNSECURED ASSET PAYMENTS**Insolvency Practitioners' Bond**

As a requirement of the Liquidation, insurance brokers Marsh Limited were engaged to provide the Insolvency Practitioners' bond. Costs of £30 00 have been incurred and discharged.

Statement of Affairs Fee

A fee of £5,000 00 plus VAT and disbursements was paid to Begbies Traynor (Central) LLP for the preparation of the Statement of Affairs and costs of calling the necessary meetings of members and creditors. This was approved by creditors at the meeting on 14 November 2012 pursuant to Section 98 of the Act.

Search Fee

Costs of £1 00 have been incurred and discharged in relation to a search carried out on the Companies House Direct website.

Storage Costs

The Liquidators are required to store the Company's books and records for 18 months after the close of the Liquidation. The Liquidators are also required to store the Company's Liquidation case files for 7 years after the close of the Liquidation.

Costs of £332 72 have been incurred and discharged to Datasafe Storage Limited.

Statutory Advertising

Costs of £314 10 have been incurred and discharged to Courts Advertising Limited for statutory advertising.

A Liquidation Committee was not formed and, accordingly, we are seeking creditors approval of the attached receipts and payments account.

5. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Directors' Statement of Affairs included within the report sent to creditors further to our appointment as Liquidators and in our progress report dated 10 January 2014.

Secured creditors

The secured creditors are National Westminster Bank plc ("NWB") and Barclays Bank plc ("BB") in respect of a fixed and floating charge over the assets of the Company. The Directors' Statement of Affairs estimated the NWB debt at £13,103.00, we have received a claim to the value of £13,438.40 dated 4 December 2012.

While we were aware that BB had a charge registered over the Company, the Directors' Statement of Affairs indicated that there was nothing outstanding. Following our investigation it has come to our attention that BB had an outstanding balance, we have received a proof of debt for £96,828.07 dated 14 November 2012.

We spent significant time contacting BB and NWB on several occasions to obtain a proof of debt and copy debentures to allow us to ascertain which charge took priority. The Joint Liquidators instructed Bond Dickinson LLP to assist in the matter and provide advice on the validity of the charges. Bond Dickinson LLP have confirmed that BB's charge has priority.

A dividend of £3,120.50 was paid to BB on 6 May 2014.

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £8,246.74 and we have received claims in the total sum of £13,158.35.

There will be no dividend available for preferential creditors.

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

Details of how the prescribed part is calculated have previously been provided in our progress report dated 10 January 2014.

There will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits.

Unsecured creditors

Unsecured creditors were estimated at £1,033,927.30.

Creditors were advised by letter dated 23 June 2014 that there will be no dividend available.

6. LIQUIDATORS' REMUNERATION AND DISBURSEMENTS

Our remuneration has been fixed by a resolution of creditors at the meeting held pursuant to Section 98 of the Act 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 (Central) LLP in attending to matters arising in the Liquidation.

We are authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Affairs and other information presented to the meeting of creditors convened pursuant to Section 98 of the Act and which is attached at Appendix 2 of this report.

Our time costs for the period from 14 November 2013 to 11 September 2014 amount to £7,051.00 which represents 49.6 hours at an average rate of £142.16 per hour.

Our time costs for the period from 14 November 2012 to 11 September 2014 amount to £20,692.50 which represents 127 hours at an average rate of £162.93 per hour.

To 11 September 2014, we have drawn the total sum of £7,238 38 on account of our remuneration, against total time costs of £20,692 50 incurred since the date of our appointment. A further £1,048 50 has been incurred up until the date of the final meeting held on 11 September 2014. Our unbilled time costs of £13,454 12 as well as the £1,048 50 incurred to closure have been written off as irrecoverable.

No Category 2 disbursements have been incurred.

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

- ☐ SIP 9 table of time spent and charge-out value for the period 14 November 2013 to 11 September 2014 and for the whole period of the Liquidation
- ☐ Narrative summary of time costs incurred
- ☐ Begbies Traynor (Central) LLP's policy for re-charging disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates

A copy of 'A Creditors' Guide to Liquidators Fees (E&W)' 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.

7. LIQUIDATORS' EXPENSES

A Statement of the expenses incurred for the whole period of the Liquidation is attached at Appendix 3.

8. UNREALISABLE ASSETS

All assets have been realised.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on Directors' conduct

You may be aware that a Liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, as explained in the report circulated at the meeting of creditors convened pursuant to Section 98 of the Act, such report having also been sent to creditors following the meeting, a Liquidator is also required to consider the conduct of the Company's Directors and to make an appropriate submission to the Department for Business Innovation and Skills. We can confirm that we have discharged our duties in these respects.

Investigations completed

As explained in our previous progress report, we have been investigating the manner in which the business was conducted prior to the Liquidation of the Company and potential recoveries for the estate in this respect. No matters have been identified which require further investigation.

Connected party transactions

In accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold to Jasmine Media LLP, associated by common Directors of the Company:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
21 November 2012	IP, Goodwill, Fixtures and Fittings	£3,500 00 Paid 5/2/2013 £3,500 00 Paid 5/3/2013 £3,500 00 Paid 20/3/2013 £3,500 00 Paid 25/4/2014	Jasmine Media LLP	Gary Todd and Susan Todd are common Directors

10. CONCLUSION

The "final" report and account of receipts and payments was be laid before final meetings of the Company and its creditors on Thursday 11 September 2014 at 11 00am and 11 30am respectively at Begbies Traynor (Central) LLP, 2 Collingwood Street, Newcastle upon Tyne, NE1 1JF in accordance with Section 106 of the Act

The meetings are a formal requirement of Liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office

The purpose of the meetings was to present the "final" report and obtain approval of the formal resolution **"That the Joint Liquidators' final report and account of receipts and payments be approved"** No Quorum was present at the meeting

Should you require further explanation of any matters contained within this report, you should contact our office and speak to the case manager, Emma Weston, in the first instance who will be pleased to assist


Andrew D Haslam
Joint Liquidator

Dated 11 September 2014

UK Haptics Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments

Statement of Affairs	From 14/11/2013 To 11/09/2014	From 14/11/2012 To 11/09/2014
	SECURED ASSETS	
1 00	Research & Development	NIL
	Intellectual Property	3,500 00
		<u>3,500 00</u>
		7,000 00
		<u>7,000 00</u>
	COSTS OF REALISATION	
	Liquidators' Fees	3,271 50
	Legal Fees	NIL
		<u>(3,271 50)</u>
		3,271 50
		<u>608 00</u>
		(3,879 50)
	SECURED CREDITORS	
(13,103 00)	National Westminster Bank plc	NIL
Uncertain	Barclays Bank plc	3,120 50
		<u>(3,120 50)</u>
		3,120 50
		<u>(3,120 50)</u>
	ASSET REALISATIONS	
500 00	Computer Equipment	NIL
330 00	Office Equipment	NIL
NIL	Stock	NIL
15,000 00	Book Debts	NIL
	IP & Goodwill	NIL
1 00	Sundry Refunds	NIL
NIL	VAT Refund	NIL
	Bank Interest Gross	12 99
		<u>12 99</u>
		6,000 00
		1,000 00
		NIL
		1,769 23
		NIL
		843 30
		NIL
		32 17
		<u>9,644 70</u>
		9,644 70
	COST OF REALISATIONS	
	Insolvency Practitioners' Bond	NIL
	Statement of Affairs Fee	NIL
	Liquidators' Fees	3,966 88
	Search Fee	1 00
	Storage Costs	332 72
	Statutory Advertising	84 60
		<u>(4,385 20)</u>
		30 00
		5,000 00
		3,966 88
		1 00
		332 72
		314 10
		<u>(9,644 70)</u>
		(9,644 70)
	PREFERENTIAL CREDITORS	
(8,246 74)	Employees&DBIS -Arrears of Wages/	NIL
		<u>NIL</u>
		NIL
		<u>NIL</u>
	UNSECURED CREDITORS	
(164,103 17)	Trade Creditors	NIL
(4,362 96)	Employees&DBIS -Arrears of Wages	NIL
(15,825 43)	Employees&DBIS -Notice & Redundan	NIL
(786,531 00)	Private Loan	NIL
Uncertain	HM Revenue & Customs (CT)	NIL
(15,669 66)	HM Revenue & Customs (PAYE)	NIL
(47,435 15)	Elphick Douglas Properties (Landlord)	NIL
		<u>NIL</u>
		NIL
	DISTRIBUTIONS	
(199 50)	Ordinary Shareholders	NIL
(29 85)	Deferred Shareholders	NIL
		<u>NIL</u>
		NIL

(1,039,674.46)

(7,264.21)

(0.00)

REPRESENTED BY

NIL

[illegible]

[illegible]

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	UK Haptics Limited
CASE TYPE	Creditors' Voluntary Liquidation
OFFICE HOLDERS	Andrew David Haslam and Gillian Margaret Sayburn
DATE OF APPOINTMENT	14 November 2012

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

This case would be considered a relatively straightforward Liquidation and as a result displayed no exceptional degree of complexity

1.3 Exceptional responsibilities

There have been no exceptional responsibilities

1.4 The office holders' effectiveness

The purpose of the Liquidation was to realise the assets and bring about an orderly winding up of the Company's affairs. In this regard, the strategy implemented was successful

1.5 Nature and value of property dealt with by the office holders

The Company's assets included IP, computer equipment and office equipment. These assets were sold collectively to a connected party for £14,000.00

The Company had book debts. The majority of the book debts were received in the Company's bank account prior to our appointment. Some funds have been recovered after our appointment but the remaining book debts have been written off as irrecoverable

1.6 Anticipated return to creditors

A secured creditor, Barclays Bank plc, was paid £3,120.50 on 6 May 2014

There are no funds available to pay a dividend to any other class of creditor

1.7 Time costs analysis

An analysis of time costs incurred between 14 November 2012 and 11 September 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type

1 8 Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to the Liquidators' appointment in summoning, advertising and holding the creditors' meeting and assisting the Directors in preparing the Statement of Affairs were approved by the creditors at the Section 98 meeting

1 9 The views of the creditors

Creditor views have not been sought

1 10 Approval of fees

Creditors agreed at an initial meeting convened pursuant to Section 98 of the Act on 14 November 2012 that the Liquidators' remuneration be drawn on a time cost basis. I can confirm that remuneration of £7,238.38 has been drawn

1 11 Approval of Expenses and Disbursements

The Liquidators' Category 1 and Category 2 expenses/disbursements were agreed at the initial meeting of creditors held on 14 November 2012

1 13 Other professionals employed & their costs

Bond Dickinson LLP were engaged to provide legal advice regarding the prioritisation of the secured creditors' claims. Their fees are charged on a time costs basis. £608.00 has been incurred and discharged

3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT

- 3 1** Since the date of our last report, the Liquidators have been awaiting the final instalment from the sale of the Company's assets. In addition, the Liquidators have been working towards recovering the book debts. Work of a statutory and administrative nature has also been undertaken

BEGBIES TRAYNOR (CENTRAL) LLP

DISBURSEMENTS AND EXPENSES POLICY AND CHARGE OUT RATES

NEWCASTLE UPON TYNE AND TEESSIDE OFFICES

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis.

Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

Where the office holder's remuneration is proposed to be fixed on an additional or alternative basis, sufficient information will be provided to creditors in order to allow them to consider whether to approve the proposed basis or bases of the office holder's remuneration.

Following approval, further information will be provided to creditors regarding the office holder's fees as required by the legislation and best practice guidance.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest.

Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate.

He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level.

There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded, in 6 minute units, at the individual's hourly rate in force at that time; the hourly rates applicable to this case are detailed below.

This is of course only applicable to those cases where the office holder is remunerated on a time cost basis, rather than the additional or alternative bases explained in SIP9.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories.

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

² Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

- *Category 1 disbursements (where creditor approval is not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. Such expenditure may include Court fees, filing fees, company search fees, ML Regulation ID fees, oath fees, redirection of mail, external storage of books and records, external printing copying and stationary, postages, etc as well as legal fees, property agent fees, security, valuer fees, auctioneer and agent fees, utility costs etc. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (where creditor approval is required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

The following items of expenditure may be charged to the case (subject to creditor approval)

- Internal meeting room usage for the purpose of statutory meetings is charged at the rate of £100 per meeting. The Newcastle upon Tyne and Teesside offices do not at this time make any such charge to the insolvent estate for internal meeting room usage.
 - Car mileage is charged at the rate of 45 pence per mile.
 - Storage of books and records (when not chargeable as a *Category 1 expense*) 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. The Newcastle upon Tyne and Teesside offices do not at this time make any such charge to the insolvent estate for the internal storage of books and records.
- *Expenses which should be treated as Category 2 disbursements (creditor approval is required)*

In addition to the 2 Categories referred to above, best practice guidance indicates that where payments are made or are to be made to outside parties in which the office holder or his firm or any associate has an interest, these payments should be treated as Category 2 disbursements.

Such Category 2 disbursements would, for example, include payments made to other entities within the Begbies Traynor Group (BTG) e.g. BTG Asset Consulting, BTG Corporate Finance, BTG Commercial Finance, BTG Global Network (incorporating BTG Forensic, BTN Risk and BTG Intelligence).

BTG Asset Consulting, a division of BTG Consulting LLP which is itself part of BTG, charges £125 per hour for their advice regarding asset appraisal and disposal etc.

BTG Global Network provide a wide range of services, the most likely to be used in an insolvency procedure is in relation to enquiries and investigations into the location of assets or individuals, surveillance and other investigative services, costs range from £100 to £250 per hour.

Where we have used or intend to use other entities within the Begbies Traynor Group, that fact will be disclosed in the report to which this Appendix is attached or in future reports to creditors detailing the reasons for the instruction, the nature of the work undertaken, the basis of remuneration and the costs thereof.

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
- Postages

BEGBIES TRAYNOR (CENTRAL) LLP**CHARGE-OUT RATES****NEWCASTLE UPON TYNE AND TEESSIDE OFFICES**

Begbies Traynor (Central) LLP 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 Newcastle upon Tyne and Teesside offices of Begbies Traynor (Central) LLP as at the date of the report to which this Appendix is attached are as follows

Grade of staff	Charge-out Rate (£ per hour)
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead

Only where a significant amount of time is spent at one time on a case is a charge made for support staff

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units)

LIQUIDATORS' TIME COSTS AND DISBURSEMENTS

- a SIP 9 table of time spent and charge-out value for the period from 14 November 2013 to 11 September 2014 and for the whole period of the Liquidation,
- b Narrative summary of time costs incurred,
- c Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements, and
- d Begbies Traynor (Central) LLP's charge-out rates

LIQUIDATORS' STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance to be discharged £
Legal Fees	Bond Dickinson LLP	608 00	608 00	0 00
Insolvency Practitioners' Bond	Marsh Limited	30 00	30 00	0 00
Statement of Affairs Fee	Begbies Traynor (Central) LLP	5,000 00	5,000 00	0 00
Search Fee	Companies House Direct	1 00	1 00	0 00
Storage Costs	Datasafe Storage Limited	332 72	332 72	0 00
Statutory Advertising	Courts Advertising Limited	314 10	314 10	0 00