

AM10

Notice of administrator's progress report



Companies House

THURSDAY



A18 *A6HVDEH3* 26/10/2017 #345
COMPANIES HOUSE

1 Company details

Company number 0 6 7 2 6 4 2 9

Company name in full S P Holding Limited

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

2 Administrator's name

Full forename(s) Gareth

Surname Prince

3 Administrator's address

Building name/number 3rd Floor

Street Temple Point

Post town 1 Temple Row

County/Region Birmingham

Postcode B 2 5 L G

Country

4 Administrator's name ①

Full forename(s) W John

Surname Kelly

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

5 Administrator's address ②

Building name/number 3rd Floor

Street Temple Point

Post town 1 Temple Row

County/Region Birmingham

Postcode B 2 5 L G

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 0	^d 1	^m 0	^m 4	^y 2	^y 0	^y 1	^y 7
To date	^d 3	^d 0	^m 0	^m 9	^y 2	^y 0	^y 1	^y 7

7 Progress report

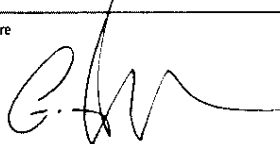
☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 5	^m 1	^m 0	^y 2	^y 0	^y 1	^y 7
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name	Louise Corbishley
Company name	Begbies Traynor (Central) LLP
Address	3rd Floor Temple Point
Post town	1 Temple Row
County/Region	Birmingham
Postcode	B 2 5 L G
Country	
DX	
Telephone	0121 200 8150



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

Gareth Prince and W John Kelly were appointed joint administrators on 17 May 2016

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.

S P Holding Limited (In Administration)

Progress report of the joint administrators

Period: 1 April 2017 to 30 September 2017

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	S P Holding Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 17 May 2016
"the administrators" "we" "our" and "us"	Gareth Prince of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and W John Kelly of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"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	S P Holding Limited
Trading name(s):	n/a
Date of Incorporation:	17 October 2008
Company registered number:	06726429
Company registered office:	3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Gareth Prince, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and W John Kelly, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Date of administrators' appointment:	17 May 2016
Date of administrators' resignation:	n/a
Court:	High Court of Justice, Chancery Division, Birmingham District Registry
Court Case Number:	8158 of 2016
Person(s) making appointment / application:	Beverley Fenton - director
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings:	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration period was extended with the consent of creditors for a period of 12 months.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 April 2017 to 30 September 2017.

RECEIPTS

Business Rates Refund

The sum of £1,429.09 has been received from Walsall Borough Council in respect of a business rates refund.

Bank Interest

The sum of £0.50 has been accrued as interest on the funds held in the Administration bank account.

MOT/ Road Tax Refund

Upon the transfer of a vehicle to a different registered owner, road tax can not be carried forward. Consequently, the sum of £100 has been received during this period.

PAYMENTS

Pre-appointment Costs

During this period, the sum of £900 (plus VAT) has been paid to Begbies Traynor (Central) LLP in respect of the pre-appointment costs. Further details are at section 6 below.

Mail Redirection

Payments totalling £185 have been made to Royal Mail to extend the period of the mail re-direction.

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 reports contain details of the work undertaken since our appointment.

General case administration and planning

General case administration and planning includes the following core categories:

- Ensuring compliance checks are up to date;
- Creditor correspondence;
- Case reviews and Case progression / planning meetings;
- Responding to vehicle contravention notifications received via the mail redirected post;
- Maintaining working files.

General case administration includes different categories such as cashiering, general case administration (filing, creditor correspondence) and dealing with sundry issues as and when they arise. Furthermore, this time cost comprises of general maintenance of case files and keeping file notes and records of key issues, undertaking case reviews, compliance checks and dealing with general queries.

Compliance with the Insolvency Act, Rules and best practice

Compliance with the Insolvency Act, Rules and best practice include the following categories:

- Statutory progress report;
- Bond and Case Reviews;
- Banking (payments and reconciliations);
- Cashiers review and signing;
- Obtain a 12 month extension to the Administration via creditor consent;
- Preparation of the Administrators' Progress Report.

These items, listed above, are not necessarily financially beneficial to any class of creditor, but are requirements of the Statutory Insolvency legislation. The extension will enable the Administrators to continue with their duty to maximise the return to creditors, if applicable.

Investigations

We have continued to assess the manner in which the business was conducted prior to the administration and any potential recoveries from this source. We are unable to provide any further details about our investigations as to do so could prejudice any potential recoveries.

Realisation of assets

We have incurred time dealing with the sale of a vehicle registered in the Company's name which transpired to be owned by a third party, information which was not contained within the books and records at the time of the sale.

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

The time incurred relates to liaising with and responding to enquiries raised by the creditors of the Company.

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

During the period we have submitted VAT and Corporation Tax returns to HM Revenue and Customs. Although not necessarily financially beneficial to any class of creditor, these are requirements of the Statutory Regulations / The Insolvency Act and Rules.

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 and in our progress report for the period. 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 creditor

As previously reported, National Westminster Bank plc ("Natwest") hold a fixed and floating charge over the Company's assets dated 30 October 2013. At the date of appointment, Natwest's indebtedness stood at approximately £70,000. The indebtedness arose due to a cross guarantee provided by the Company in respect of UDS Environmental Limited (In Administration). This amount is subject to cross guarantees with SP Holding Services Limited, SP Holding Tractor Hire Limited and SP Holding Limited which are also in Administration.

There have been no distributions to Natwest from the Company during the Administration period.

Any return to Natwest from the Company and across the wider group of companies is wholly dependent upon the realisations of assets and the result of our investigations into the asset position.

Preferential creditors

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to the 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.

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £nil and the prescribed part of the Company's net property to be £nil.

On present information we do not intend to make an application to court under Section 176A(5) of the Act for an order not to distribute the prescribed part of net property to the unsecured creditors. However we reserve our position generally in this regard should circumstances materially change.

Unsecured creditors

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

Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

6. PRE-ADMINISTRATION COSTS

On 26 June 2017 the following amounts in respect of unpaid pre-administration costs were approved by the secured creditor:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	2,153.50	430.70	2,584.20
Our Disbursements in relation to the Work	Begbies Traynor	0.83	0.17	1.00
Legal Fees	Squire Patton Boggs	4,850.00	970.00	5,820.00
Legal Disbursements	Squire Patton Boggs	82.00	16.40	98.40
TOTAL PRE-ADMINISTRATION COSTS		7,086.33	1,417.27	8,503.60

On 9 August 2017, the sum of £900 (plus VAT) has been paid to Begbies Traynor (Central) LLP on account of pre-appointment costs.

Creditors will recall that the sum of £2,425 (plus VAT and disbursements of £82 plus VAT, where applicable) was paid to Squire Patton Boggs LLP ("Squires") in a prior period due to a clerical error as authority had not been obtained at the time. This issue has now been rectified by obtaining the requisite approval on 26 June 2017.

7. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by the secured creditor on 26 June 2017, by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters as set out in the fees estimate. We are also authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report

Our time costs for the period from 1 April 2017 to 30 September 2017 amount to £3,041.50 which represents 15.30 hours at an average rate of £198.79 per hour.

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

- Begbies Traynor (Central) LLP's charging policy
- Time Costs Analysis for the period 1 April 2017 to 30 September 2017
- Cumulative Time Costs Analysis for the period 17 May 2016 to 30 September 2017

To 30 September 2017, we have not drawn any remuneration against total time costs of £16,538.50 incurred since the date of our appointment.

Time Costs Analysis

In addition to the time costs information disclosed at Appendix 2 for the period of this report, a cumulative Time Costs Analysis for the period from 17 May 2016 to 31 March 2017 is also attached at Appendix 2.

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

As this is our first progress report since the basis of our remuneration was fixed, we are obliged to provide creditors with details of the costs incurred in the period since appointment and a description of the work undertaken for the period since our appointment.

The costs that were incurred from the date of our appointment to 31 March 2017 amount to £13,497. Details of the costs incurred during the period of this report are stated above. The information provided in section 4 above relates to the work undertaken during the period of this report. We have set out below details of the work undertaken prior to the period covered by this report so as to avoid any repetition:

General case administration and planning

General case administration includes different categories such as cashiering, general case administration (filing, creditor correspondence) and dealing with sundry issues as and when they arise.

Furthermore, this time cost comprises general maintenance of case files and keeping file notes and records of key issues, undertaking case reviews, compliance checks and dealing with general queries.

Although the above are of no direct financial benefit to creditors, Administrators are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Compliance with the Insolvency Act, Rules and best practice

The work undertaken during the period includes complying with our statutory obligations and best practice guidance to include the preparation of the Administrators' proposals, interim progress reports, bond reviews and filing relevant documentation at Companies House.

These items, listed above, are not necessarily financially beneficial to any class of creditor, but are requirements of the Statutory Regulations / The Insolvency Act and Rules.

Investigations

As previously reported, an Administrator 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, an Administrator 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. I can confirm that I have discharged my duties in this respect.

We have continued to assess the manner in which the business was conducted prior to the administration and any potential recoveries from this source.

Realisation of assets

We have continued to liaise with various finance companies in respect of vehicles and other assets.

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

The time incurred relates to liaising and responding to enquiries raised by the creditors of the Company. The time also relates to correspondence with employees regarding their entitlements and claims.

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

During the period we have submitted VAT Returns to HM Revenue & Customs. Although not necessarily financially beneficial to any class of creditor, these are requirements of the Statutory Regulations / The Insolvency Act and Rules.

As can be seen from the information above, our time cost estimate of £31,481 has not been exceeded. We are pleased to report that we do not anticipate that it is likely to be exceeded if matters progress to conclusion as envisaged.

Disbursements

To 30 September 2017, we have not drawn disbursements (including disbursements that should be treated as Category 2 disbursements).

Why have subcontractors been used?

We have engaged the services of Insol Group to assist the employees with their claims because of their specialist employment rights knowledge.

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.

8. 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 £6,356.40. The expenses that we have incurred so far have exceeded that estimate (although not in aggregate) and there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded were detailed in a previous progress report.

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

We continue to review the Company's records in order to establish if the Company has any right, title or interest in any other assets.

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

Case administration and planning will continue for the duration of this assignment. This involves dealing with general correspondence and continuing file management. In addition, regular cashiering tasks and banking will continue to be undertaken for the duration of the case. There is no direct financial benefit to creditors but this work is necessary to administer the case properly.

Compliance with the Insolvency Act, Rules and best practice

- Bond and Case Reviews;
- Banking (payments and reconciliations);
- Cashiers review and signing;
- Preparation of the administrators' progress and final reports, when applicable.

These items, listed above, are not necessarily financially beneficial to any class of creditor, but are requirements of the Insolvency legislation. The extension will enable the administrators to continue with their duty to maximise the return to creditors, if applicable.

Investigations

We will continue with our investigations although the details must remain confidential. These investigations could result in further recoveries although the outcome remains uncertain at this stage.

Realisation of assets

We are still undertaking a review as to the right, title and interest the Company may have in other assets. In the event that we identify assets or transactions that can be pursued we may be able to increase realisations and improve the outcome for creditors.

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

We shall continue to liaise with the secured creditor and with other classes of creditor as and when required.

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

We will submit the necessary returns to HM Revenue & Customs in respect of VAT and Corporation tax and seek tax clearance to close the Administration when appropriate.

How much will this further work cost?

As matters are still being investigated, namely the ownership of assets by the Company and associated companies, the exact cost of the ongoing work will be determined by the level of work involved. We currently estimate that the cost of the additional work will not exceed the fee estimate provided in our proposals.

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 8 July 2016 which included all of the expenses that we anticipate that we will incur throughout the administration.

10. OTHER RELEVANT INFORMATION

Extension of administration

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

Proposed exit route from administration

Based on the information currently available, we anticipate that the Company will exit Administration via Dissolution as there are currently insufficient funds to enable a return to any class of creditor.

11. CREDITORS' RIGHTS

Right to request further information

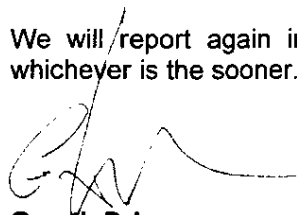
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors,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

Right to make an application to court

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

12. CONCLUSION

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

A handwritten signature in black ink, appearing to read 'G Prince', with a long horizontal flourish extending to the right.

Gareth Prince
Joint Administrator

Dated: 25 October 2017

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 1 April 2017 to 30 September 2017

S P Holding Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs		From 01/04/2017 To 30/09/2017	From 17/05/2016 To 30/09/2017
£		£	£
	ASSET REALISATIONS		
Uncertain	Plant & Machinery	NIL	NIL
Uncertain	Motor Vehicles	NIL	NIL
Uncertain	Book Debts	NIL	330.00
	Rates Refund	1,429.09	1,429.09
9,378.58	Cash at Bank	NIL	9,378.58
	Bank Interest Gross	0.50	4.58
	Sundry Refunds	100.00	100.00
	MOT/Road Tax Refund	NIL	3,494.00
		<u>1,529.59</u>	<u>14,736.25</u>
	COST OF REALISATIONS		
	Pre Administration Costs	900.00	900.00
	Legal Fees (1)	NIL	2,425.00
	Legal Disbursements	NIL	82.00
	Professional Fees	NIL	700.00
	Re-Direction of Mail	185.00	710.00
		<u>(1,085.00)</u>	<u>(4,817.00)</u>
	PREFERENTIAL CREDITORS		
(5,804.05)	RPO re Arrears/Holiday Pay	NIL	NIL
(3.21)	Employees re Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FLOATING CHARGE CREDITORS		
(70,000.00)	National Westminster Bank plc	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(200,683.48)	Trade Creditors	NIL	NIL
(3.21)	Employees	NIL	NIL
(27,955.83)	RPO	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
(295,171.20)		<u>444.59</u>	<u>9,919.25</u>
	REPRESENTED BY		
	Vat Receivable		180.00
	Bank 1 Current		9,739.25
			<u>9,919.25</u>

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 1 April 2017 to 30 September 2017 and
- c. Cumulative Time Costs Analysis for the period from 17 May 2016 to 30 September 2017.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

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

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

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

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

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

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

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

² Ibid 1

Expenses which should be treated as Category 2 disbursements (approval required) – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

Services provided by other entities within the Begbies Traynor group

It may become necessary to instruct Eddisons Commercial Limited to provide 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

(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

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 Birmingham office as at the date of this report are as follows:

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

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

Time is recorded in 6 minute units.

SIP9 S P Holding Limited - Administration - 60SP113ADM : Time Costs Analysis From 01/04/2017 To 30/09/2017

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mgr	Asst Mgr	Sr Admn	Admn	Jr Admn	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning			0.2						0.2	53.00	265.00
	Administration						0.4	2.2	0.6	3.2	362.00	113.13
	Total for General Case Administration and Planning:			0.2			0.4	2.2	0.6	3.4	415.00	122.06
	Appointment											0.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding							0.2	1.6	1.8	198.00	110.00
	Case Closure											0.00
	Statutory reporting and statement of affairs			1.2				1.0		2.2	428.00	194.55
	Total for Compliance with the Insolvency Act, Rules and best practice:			1.2				1.2	1.6	4.0	626.00	156.00
Investigations	COCA and Investigations											0.00
	Total for Investigations:											0.00
Realisation of assets	Debt collection											0.00
	Property, business and asset sales			6.1						6.1	1,616.50	265.00
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets:			6.1						6.1	1,616.50	265.00
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured			1.0						1.0	265.00	265.00
	Others			0.2						0.2	53.00	265.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:			1.2						1.2	318.00	265.00
Other matters which includes meetings, lun, litigation, pensions and travel	Seeking decisions of creditors including meetings											0.00
	Other											0.00
	Tax							0.6		0.6	66.00	110.00
	Litigation											0.00
	Total for Other matters:							0.6		0.6	66.00	110.00
	Total hours by staff grade:			8.7			0.4	4.0	2.2	15.3		
	Total time cost by staff grade:			2,302.50			54.00	440.00	242.00		3,041.50	
	Average hourly rate £:	0.00	0.00	265.00	0.00	0.00	125.00	110.00	110.00		188.79	
	Total fees drawn to date £:										0.00	

SIP9 S P Holding Limited - Administration - 60SP113.ADM : Time Costs Analysis From 17/05/2016 To 30/09/2017

Staff Grade	Consultant/Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
Costs Case Administration and Planning	Case planning	0.8		2.1						2.9	872.50	300.86
	Administration		3.6	0.9	0.1	0.5	0.4	6.1	5.9	17.5	2,836.50	162.09
	Total for General Case Administration and Planning:	0.8	3.6	3.0	0.1	0.5	0.4	6.1	6.9	29.4	3,709.00	161.81
	Appointment	0.1	0.3			4.1				4.5	850.00	188.89
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding		0.5	0.2				0.4	6.4	7.5	956.00	127.47
	Case Closure											0.00
	Statutory reporting and statement of affairs	1.2	2.8	6.5		13.0		6.4		32.9	7,076.50	215.15
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.3	3.3	6.7		17.1		6.8	6.4	44.9	8,934.00	197.87
Investigations	COA and investigations	0.5	0.1			1.8				2.4	543.50	226.46
	Total for investigations:	0.5	0.1			1.8				2.4	643.50	226.46
Realisation of assets	Debt collection											0.00
	Property, business and asset sales			6.1						6.1	1,616.50	265.00
	Retention of Third party assets							0.5		0.5	55.00	110.00
	Total for Realisation of assets:			6.1				0.5		6.6	1,671.00	253.26
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured		0.3	1.0						1.3	358.00	275.38
	Others	0.6	1.7	0.7				0.2		3.4	1,050.50	308.97
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.6	2.0	1.7				0.2		4.7	1,408.50	298.88
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors including meetings											0.00
	Other											0.00
	Tax			0.3				0.6	1.6	2.5	321.50	128.60
	Litigation											0.00
	Total for Other matters:			0.3				0.6	1.6	2.5	321.50	128.60
	Total hours by staff grade:	3.4	9.3	17.8	0.1	19.4	6.4	14.2	13.9	81.5		
	Total time cost by staff grade:	1,343.00	2,883.00	4,717.00	20.50	3,395.00	54.00	1,852.00	1,528.00		16,538.50	
	Average hourly rate £:	385.00	310.00	265.00	205.00	175.00	135.00	110.00	110.00			202.93
	Total fees drawn to date £:										0.00	

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				
Mail Re-direction	Royal Mail	185.00	185.00	Nil
Disbursement - Postage	Royal Mail	33.77	Nil	31.28
Disbursement – Statutory Advertising	Courts Advertising	48.47	Nil	48.47
Disbursement – Legal Costs	The Wilkes Partnership	15.44	Nil	15.44
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
None				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Legal Fees and Disbursements	Squire Patton Boggs	2,507.00
Professional Fees	Insol Group	700.00
Mail Redirection	Royal Mail	710.00
Disbursement – Statutory Advertising	Courts Advertising Limited	100.04
Disbursement - Bond	AUA Insolvency Risk Services	21.60
Disbursement – Postage	Royal Mail	156.30
Disbursement – Legal Costs	The Wilkes Partnership	48.47