

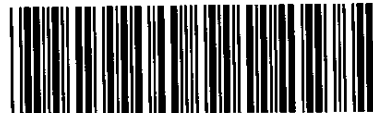
LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



L8EWX4TC

LD4

27/09/2019

#229

COMPANIES HOUSE

1 Company details

Company number 0 7 1 5 9 5 6 1

Company name in full Mosaic Hospitality Ltd

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul

Surname Stanley

3 Liquidator's address

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y

Country

4 Liquidator's name

Full forename(s) Jason Dean

Surname Greenhalgh

Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number C/O Begbies Traynor

Street 340 Deansgate

Post town Manchester

County/Region

Postcode M 3 4 L Y



Country

Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6		Period of progress report															
From date	^d 0 ^d 1		^m 0 ^m 8		^y 2 ^y 0		^y 1 ^y 8										
To date	^d 3 ^d 1		^m 0 ^m 7		^y 2 ^y 0		^y 1 ^y 9										
7		Progress report															
		<input checked="" type="checkbox"/> The progress report is attached															
8		Sign and date															
Liquidator's signature	Signature		<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;">  </div> <div style="text-align: center;">  </div> </div>														
Signature date	^d 2 ^d 6		^m 0 ^m 9		^y 2 ^y 0		^y 1 ^y 9										

LIQ03

Notice of progress report in voluntary winding up



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 **Paul Stanley**

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

Address
340 Deansgate
Manchester

Post town **M3 4LY**

County/Region

Postcode

Country

DX **manchester@begbies-traynor.com**

Telephone **0161 837 1700**



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

Mosaic Hospitality Ltd (In Creditors' Voluntary Liquidation)

Progress report

Period: 1 August 2018 to 31 July 2019

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.

Contents

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Mosaic Hospitality Ltd (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 1 August 2018.
"the liquidators", "we", "our" and "us"	Paul Stanley and Jason Dean Greenhalgh of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"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"	(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):	Mosaic Hospitality Ltd
Company registered number:	07159561
Company registered office:	340 Deansgate, Manchester, M3 4LY
Former trading address:	Unit 2, Carriocca Business Park, Hellidon Close, Manchester, M12 4AH

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	1 August 2018
Date of liquidators' appointment:	1 August 2018
Changes in liquidator (if any):	n/a

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 August 2018 to 31 July 2019.

Receipts

Goodwill

During this reporting period £15,000 has been received in respect of the goodwill of the Company, which has been purchased by Mosaic Event Catering Limited.

Kitchen Equipment

During this reporting period £6,750 has been received from the proceeds of the sale of kitchen equipment to Mosaic Event Catering Limited.

Office Furniture, Equipment and Fittings

During this reporting period £250 has been received from the proceeds of the sale of office furniture, equipment and fittings to Mosaic Event Catering Limited.

Motor Vehicles

During this reporting period £1,500 has been received from the proceeds of the sale of two vans to Mosaic Event Catering Limited.

Stock

During this reporting period £1,500 has been received from the proceeds of the sale of stock to Mosaic Event Catering Limited.

Book Debts

During this reporting period book debts in the sum of £5,571.90 have been collected. Further details in relation to the debtor position may be found in Section 8 below.

Contribution to Costs

£7,000 has been received as a contribution towards the costs of the liquidation.

Bank Interest Gross

During this reporting period £61.86 has been received in respect of bank interest.

Payments

Petitioners Costs

During this reporting period £875 has been paid to HM Revenue and Customs ("HMRC") to reimburse their costs in petitioning for the Company to be wound-up.

Pre-appointment Fees

During this reporting period the liquidators have drawn £7,000 in pre-appointment fees, which were approved by creditors, on 1 August 2018, to be paid as an expense of the liquidation.

Statutory Advertising

During this reporting period £253.80 has been paid to Courts Advertising Limited in relation to the liquidators statutory obligations to advertise their appointment in the London Gazette.

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.

General case administration and planning

Insolvency Practitioners 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.

Time charged to "General Case Administration and Planning" in the period covered by this report will include work of this nature, together with sundry tasks such as filing and photocopying, along with email correspondence with the members of staff handling the case and correspondence with the directors and the purchasing company to provide updates on the progression of the case.

Compliance with the Insolvency Act, Rules and best practice

Insolvency Practitioners are required to comply with the provisions of The Insolvency Act 1986 (as amended) and The Insolvency Rules 1986 (as amended), together with best practice guidelines laid down within the profession (for instance the Statements of Insolvency Practice set out by the R3 body which represents business recovery professionals). This includes the undertaking of periodic reviews of case progression, ensuring that a specific bond is in place at the correct value to insure the sums realised and the issuing of periodic reports on the progress of the insolvency to creditors.

Time charged to "Compliance with the Insolvency Act, Rules and Best Practice" in the period covered by this report includes the undertaking of these tasks, including the preparation and sending of the initial notifications to Companies House and HM Revenue & Customs. In addition the preparation of the initial creditors letter and circulation of the same has been completed.

Investigations

Insolvency Practitioners are required, in accordance with the provisions of Statement of Insolvency Practice 2, to carry out investigations into the conduct of business by the director or directors of an insolvent company to the extent that it is proportional and in the interests of creditors. This will include a review of the books and records of an insolvent company, an investigation into the causes of the failure of an insolvent company and an assessment of whether there have been any transactions (or similar dispositions) that would result in the formulation and quantification of a civil claim against any party.

When seeking specific redress from the beneficiaries of a transaction which was not entered into in the best interests of an insolvency company or its creditors, an insolvency practitioner will need to consider the likelihood of any action being successful (i.e. does the practitioner have sufficient evidence in support of the claim or is it considered that a satisfactory defence will be able to be put forward by the respondent) and whether the action is financially viable (i.e. is the proposed action strong enough for a solicitor to act on a Conditional Fee Agreement (or "no win no fee") basis, will the costs of taking action likely outweigh any benefits to creditors.

Time charged to "Investigations" has included completing our confidential report on the conduct of the directors of the Company which we have submitted to the Department for Business, Energy and Industrial Strategy.

Realisation of assets

The primary duty of an Insolvency Practitioner is to identify and to realise the value of an insolvent company's property for the benefit of creditors.

Since our appointment, time has been incurred in agreeing a sale of the Company's assets and collecting the payments due from the purchaser. We have been liaising with our agents Eddisons Commercial Limited and also the purchaser regarding this matter. The £25,000 was received in 10 monthly instalments and payment has been received in full. In addition to the above, we have also taken steps to collect the Company's book debts, and have sought assistance from the purchasing company in collecting some of the known problem debtors

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

Insolvency Practitioners will need to deal with the claims of creditors during the course of their time in office, which will include the recording of those claims together with the provision of ad hoc updates to creditors and dealing with general queries from those creditors. When funds allow, the Insolvency Practitioner will make distributions to creditors in accordance with the specified order of priority governing secured claims, preferential claims and unsecured claims.

Time charged to "Dealing with All Creditors' Claims" in the period covered by this report relates to the unsecured creditor claims we have received and correspondence.

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

In addition to the above categories, Insolvency Practitioners will also have to attend meetings when applicable (whether this be with directors, the respondents in any potential recovery action commenced in the course of the insolvency, solicitors, creditors or other interested party), tend to an insolvent company's pre and post insolvency tax affairs (including the submission of annual corporation tax returns and periodic VAT returns), enter into litigation in conjunction with appointed solicitors (usually applicable in instances where investigations have quantified a civil action that was unable to be settled directly between the Insolvency Practitioner and the respondent), deal with the winding up of a company pension scheme (where applicable) and undertake travel when applicable (for instance to attend meetings incidental to the progression of the insolvency).

Time charged to "Other Matters" in this period relates to reviewing the Company's Corporation Tax and the submission of the relevant VAT returns.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs.

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

Secured creditors

Alfandari Private Equities Limited ("Alfandari") were owed £46,541 which related to assets subject to a Hire Purchase Agreement. Our agent advises that there was no equity in the assets, therefore they were abandoned by the joint liquidators. We have not yet received a claim from Alfandari for the shortfall.

Preferential creditors

There are no known preferential creditors.

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:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

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 dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a decision of the creditors on 31 August 2018 obtained via a Decision Procedure by way of correspondence 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 winding up as set out in the fees estimate dated 3 August 2018 in the sum of £48,085 and we are 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, which is attached at Appendix 2 of this report. Our time costs for the period from 1 August 2018 to 31 July 2019 amount to £22,803 which represents 98.4 hours at an average rate of £231.74 per hour.

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

- Time Costs Analysis for the period 1 August 2018 to 31 July 2019
- Begbies Traynor (Central) LLP's charging policy

To 31 July 2019, we have not drawn any liquidators' fees against our total time costs of £22,803, incurred since the date of our appointment.

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.

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 our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators were approved by the creditors on 1 August 2018.

Disbursements

To 31 July 2019, we have not drawn any disbursements.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' 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 during the period of this progress report is attached at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £11,547.05. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

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

As outlined above, we have been continuing to collect the Company's book debts with the assistance of Mosaic Event Catering Limited ("MECL"). MECL have collected an additional £8,000 on behalf of the Joint Liquidators, and we anticipate that the funds will be paid to us shortly. Once received we will complete a reconciliation exercise to ascertain whether any further debts can be collected. Following this steps will be taken to bring the liquidation to a close.

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

- General administration of case, filing, photocopying
- Periodic review of case / manager reviews
- Updating checklists - computerised and manual
- Closing computerised system
- Arranging for final costs to be paid

Compliance with the Insolvency Act, Rules and best practice

- Completion of final progress report
- Completion of forms to Companies House attaching the final progress report
- Calculating and payment of the final costs
- Final bordereau reviews
- Bank reconciliation
- General banking functions

Realisation of assets

- Continued collection of the book debts
- Liaise with MECL in relation to the funds currently held by them

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

- Responding to creditors correspondence
- Assess if a dividend is payable

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

- Submission and completion of VAT returns (including the final return)
- Submission and completion of Corporation Tax Returns (including the final return)

How much will this further work cost?

As previously mentioned in this report, the liquidators received approval from creditors regarding their post appointment remuneration on 31 August 2018, in accordance with their fees estimate of £48,085 issued on 3 August 2018. Our current time costs stand at £22,803 and we estimate further time costs of £12,000 in order to close the liquidation, therefore we anticipate total time costs finishing within the initial fee estimate we provided.

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 3 August 2018 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

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, 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 Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties.

Use of personal information

Please note that in the course of 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 Stanley', written over a faint, circular stamp or watermark.

Paul Stanley
Joint Liquidator

Dated: 26 September 2019

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 1 August 2018 to 31 July 2019

Statement of Affairs	01/08/2018 to 31/07/2019
£	£
HIRE PURCHASE	
(46,541) Alfandari Private Equities Limited	NIL
6,000 Financed Assets	NIL
	<hr/> NIL
ASSET REALISATIONS	
15,000 Goodwill	15,000
NIL Bramall Lease	NIL
6,750 Kitchen Equipment	6,750
Uncertain Kitchenware	NIL
Office Furniture, Equipment &	
250 Fittings	250
1,500 Motor Vehicles	1,500
1,500 Stock	1,500
45,500 Book Debts	5,571.90
NIL Prepayments	NIL
Contribution to Costs	7,000
Bank Interest Gross	61.86
	<hr/> 37,633.76
COST OF REALISATIONS	
Petitioners Costs	875.00
Pre Appointment Fees	7,000.00
Statutory Advertising	253.80
	<hr/> (8,129)
UNSECURED CREDITORS	
(118,255.17) Trade Creditors	NIL
(8,172) Directors	NIL
(35,000) Banks/Institutions	NIL
(132,587) HM Revenue & Customs (PAYE)	NIL
(48,327) HM Revenue & Customs (VAT)	NIL
(105,833) Loans	NIL
(8,000) Former Directors	NIL
	<hr/> NIL
DISTRIBUTIONS	
(100) Ordinary Shareholders	NIL
	<hr/> NIL
	<hr/>
(426,315.17)	<u><u>29,504.96</u></u>

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 1 August 2018 to 31 July 2019

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.

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

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

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

- Telephone and facsimile
- Printing and photocopying
- Stationery

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

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

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Prior to 1 December 2018, the following rates applied:

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	60 - 110

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

Time is recorded in 6 minute units.

[illegible]

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				
Petitioners Costs	HM Revenue & Customs	875	875	Nil
Statutory Advertising	Courts Advertising Services	253.80	253.80	Nil
Bonding	Insolvency Risk Services	67.50	Nil	67.50
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
Agents Fees	Eddisons	6,000	Nil	6,000