

LIQ03

Notice of progress report in voluntary winding up



Companies House

SATURDAY



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17/08/2019

#229

COMPANIES HOUSE

1 Company details

Company number 07792153

Company name in full M Wilson Commercials Limited

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

2 Liquidator's name

Full forename(s) Ian

Surname McCulloch

3 Liquidator's address

Building name/number 1 Winckley Court

Street Chapel Street

Post town Preston

County/Region

Postcode PR18BU

Country

4 Liquidator's name ①

Full forename(s) Dean

Surname Watson

① Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 1 Winckley Court

Street Chapel Street

Post town Preston

County/Region

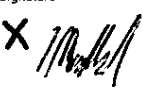
Postcode PR18BU

Country

② Other liquidator
Use this section to tell us about
another liquidator.

LIQ03

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6	Period of progress report											
From date	^d	^d	^m	^m	^y	^y	^y	^y				
	2	1	0	6	2	0	1	8				
To date	^d	^d	^m	^m	^y	^y	^y	^y				
	2	0	0	6	2	0	1	9				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	<div>Signature</div> <div>X </div> <div>X</div>											
Signature date	^d	^d	^m	^m	^y	^y	^y	^y				
	1	5	0	8	2	0	1	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

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

Address

2 - 3 Winckley Court**Chapel Street**

Post town

Preston

County/Region

Postcode

P	R	1		8	B	U
---	---	---	--	---	---	---

Country

DX

preston@begbies-traynor.com

Telephone

01772 202000**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

M Wilson Commercials Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 20/06/2019

S of A £		£	£
	SECURED ASSETS		
7,940.92	Book Debts	NIL	NIL
	SECURED CREDITORS		
(7,940.92)	Lloyds Bank Commercial Finance	NIL	NIL
	ASSET REALISATIONS		
NIL	Leasehold Improvements	NIL	
Uncertain	Plant & Machinery	NIL	
	Cash at Bank	615.00	
	Bank Interest Gross	1.34	616.34
	COST OF REALISATIONS		
	Statutory Advertising	169.20	(169.20)
	UNSECURED CREDITORS		
(35,760.76)	Trade Creditors	NIL	
(36,638.77)	HMRC (PAYE/NIC)	NIL	
(75,485.67)	HMRC (VAT)	NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
(147,985.20)			447.14
	REPRESENTED BY		
	Vat Receivable		33.84
	Bank 2 Current		413.30
			447.14



Ian McCulloch
Joint Liquidator

Ian McCulloch and Dean Watson were appointed joint liquidators on 21 June 2018

M Wilson Commercials Limited (In Creditors' Voluntary Liquidation) ("the Company")

Joint Liquidators' Progress Report and Report for the purposes of approval of their remuneration and disbursements

Period: 21 June 2018 to 20 June 2019

Contents

- ☐ Interpretation
- ☐ Company and liquidators' details
- ☐ Progress since appointment
- ☐ Creditor claims and 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. Joint liquidators' account of receipts and payments for the period from 21 June 2018 to 20 June 2019
 2. Joint liquidators' time costs and expenses
 3. Details of the work that the Liquidators consider that they will need to undertake to administer the liquidation and an Estimate of expenses;

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	M Wilson Commercials Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 21 June 2018.
"the liquidators", "we", "our" and "us"	Ian McCulloch and Dean Watson, both of Begbies Traynor (Central) LLP, 2 - 3 Winckley Court, Chapel Street, Preston, PR1 8BU
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England & 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 AND LIQUIDATORS' DETAILS

Company registered number:	07792153
Nature of business:	Automotive - Motor Trade
Former trading address:	134 Clydesdale Place, Moss Side Industrial Estate, Leyland, PR26 7QS
Date winding up commenced:	21 June 2018
Names of joint liquidators:	Ian McCulloch and Dean Watson
Date of liquidators' appointment:	21 June 2018
Changes in office holder (if any):	None
Registered office address:	2 - 3 Winckley Court, Chapel Street, Preston, PR1 8BU
Former registered office address:	Units 1-2 Charnley Fold Lane, Bamber Bridge, Preston, PR5 6AA

3. PROGRESS SINCE APPOINTMENT

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 21 June 2018 to 20 June 2019.

Receipts

Cash at Bank

Cash held in the Company's business current account in the sum of £615.00 has been received in full.

Bank Interest Gross

During the course of the liquidation the funds have been placed in interest bearing accounts and the sum of £1.34 has been received during the period of this report.

Payments

With the exception of standard disbursements, there have been no payments made during the period of this report. Legal fees have been incurred pursuing the outstanding Book Debts and will be discharged accordingly upon completion of the collection exercise.

What work has been done since appointment, 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 / Compliance with the Insolvency Act, Rules and best practice

The majority of time costs incurred following appointment relates to these classifications. The work included within them is generally a statutory or compliance requirement and provides no financial benefit to creditors.

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 post-appointment notifications, 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.

Investigations

Insolvency Practitioners are required to, 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.

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. Collection of the cash at bank was undertaken as part of a standard appointment activity and recorded accordingly.

Time costs have been incurred in this particular matter pursuing the outstanding Book Debts. Work completed in pursuit of the outstanding debts is to the direct benefit of the liquidation estate.

Prior to appointment, the director indicated that the business had ceased and assets of the Company had been abandoned. Accordingly, the director's statement of affairs indicated that there was an uncertain prospect of asset realisations in this regard. Meanwhile a new company, Mick Wilson Commercial Ltd ("Mick Wilson") had commenced trading from the Company's former premises. This appears to be an unconnected company and our investigations are ongoing regarding this matter.

A number of debtors remained outstanding to the Company.

The Company had previously operated a debt factoring account with Lloyds Bank Commercial Finance. Following discussions, it was concluded that all recoveries had been exhausted and that no further collections were due in respect of the factored debts. There remained a debit balance of £3,559.50 in respect of this facility and the bank confirmed that the balance was written-off and the facility was closed.

The Company also had a number of outstanding unsecured debts. The director indicated that Mick Wilson had recovered these debtors and held the balance estimated at £29,343. Efforts to contact Mick Wilson regarding this matter were not successful and accordingly, we engaged the services of Forbes Solicitors to pursue these debtors.

Mick Wilson has responded to our solicitor's correspondence indicating that whilst it may have received some payments due to the Company, a number of its own debtors, being customers who previously traded with the Company, have paid sums into the bank account of the Company and a right of set-off exists. Our enquiries into this matter are ongoing.

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, Correspondence and Distributions" relates to dealing with claims and creditor 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 charge to "Other matters" includes the completion of VAT and corporation tax returns. These are statutory requirements and provide no direct financial benefit to creditors.

4. CREDITOR CLAIMS AND 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 we estimate an outcome for each class of the Company's creditors as follows:

Secured creditors

Lloyds Bank Commercial Finance Ltd hold a Debenture containing fixed and floating charges created on 23 May 2013 and delivered to Companies House on 30 May 2013. The Debenture was created following the granting of a debt factoring facility to the Company and to secure the same.

Lloyds Bank have confirmed that after exhausting the outstanding ledger, a debit balance of £3,559.50 was outstanding. As stated above, Lloyds Bank have written this balance off and closed the facility. Due to the debit position, no surplus realisations will be available under this heading.

Preferential creditors

As anticipated, no preferential claims have been received.

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)).

We have estimated, based on present realisations, 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 after the costs of liquidation are applied.

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 £147,885.20.

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

5. REMUNERATION & DISBURSEMENTS

We have not at this time drawn any funds on account of our remuneration, nor on account of certain expenses.

Accordingly, we are seeking approval that our remuneration be fixed as a set amount. We are also seeking approval to draw disbursements, including disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance with our firm's policy.

To assist creditors in determining whether to approve this basis of remuneration, as well as our expenses, the following information is set out at Appendix 2:

- Begbies Traynor (Central) LLP's charging policy

In addition, Appendix 3 contains the following:

- Details of the work that the Liquidators consider that they will need to undertake to administer the liquidation;
- Estimate of expenses;

Disbursements

To 20 June 2019, we have also drawn disbursements in the sum of £169.20. These are disbursements that do not require approval by creditors, unlike those contained in the Charging Policy at Appendix 2.

If you wish to know more about how creditors should determine the liquidators' fees, 'A Creditors Guide to Liquidators' Fees (E&W) 2017' which provides guidance on creditors' rights can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact my office and we will arrange to send you a copy. In addition, the Association of Business Recovery Professionals (R3) has set up a website that contains a step-by-step guide designed to help creditors navigate their way through an insolvency process. You can access the website at the following address: <http://www.creditorinsolvencyguide.co.uk/>.

6. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 2. For the avoidance of doubt, these expenses are contained within the estimate of expenses supplied at Appendix 3.

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

Assets that remain to be realised:

As detailed above, our enquiries are ongoing regarding recovery of the outstanding book debts. Other unrealised assets detailed in the director's statement of affairs were Leasehold Improvements and Plant and Machinery. Whilst no realisations have been received to date, our enquiries are ongoing in this regard.

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

Outstanding work is expected to include further discussions with Mick Wilson Commercials Limited and the director.

How much will this further work cost?

Our anticipated costs of this further work are included within the details of work enclosed at Appendix 3.

Expenses

Our estimated expenses for this additional work are included within the estimate of expenses enclosed at Appendix 3.

8. 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.

Investigations carried out to date

We have undertaken an initial assessment of 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 further comments are provided at this time as to do so may prejudice our ongoing enquiries.

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.

9. 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.

10. CONCLUSION

Accompanying this report is a notice providing further information about the decisions being sought by correspondence together with a Voting Form. Please complete and return this form to our office by no later than 11 September 2019 together with proof of your debt (unless a proof has already been submitted) or your vote will be disregarded as will any Voting Forms returned after this date.

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

Our next report will follow the first anniversary of the liquidation or at the conclusion of the winding up, whichever is the sooner.



Ian McCulloch
Joint Liquidator

Dated: 14 August 2019

JOINT LIQUIDATORS' ACCOUNT OF RECEIPTS
AND PAYMENTS FOR THE PERIOD FROM
21 JUNE 2018 TO 20 JUNE 2019

M Wilson Commercials Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments
To 20/06/2019

S of A £		£	£
	SECURED ASSETS		
7,940.92	Book Debts	NIL	NIL
	SECURED CREDITORS		
(7,940.92)	Lloyds Bank Commercial Finance	NIL	NIL
	ASSET REALISATIONS		
NIL	Leasehold Improvements	NIL	
Uncertain	Plant & Machinery	NIL	
	Cash at Bank	615.00	
	Bank Interest Gross	1.34	616.34
	COST OF REALISATIONS		
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(36,638.77)	HMRC (PAYE/NIC)	NIL	
(75,485.67)	HMRC (VAT)	NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
(147,985.20)			447.14
	REPRESENTED BY		
	Vat Receivable		33.84
	Bank 2 Current		413.30
			447.14



Ian McCulloch
Joint Liquidator

JOINT LIQUIDATORS' TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 21 June 2018 to 20 June 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 per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates;

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

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

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

² Ibid 1

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 Preston 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.

SIP9 M Wilson Commercials Limited - Creditors Voluntary Liquidation - 05MW016.CVL : Time Costs Analysis From 21/06/2018 To 20/06/2019

[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				
Statutory advertising	Courts Advertising	169.20	169.20	Nil
Bond	AUA Insolvency Risk Services Ltd	18.00	Nil	18.00
Postage	Royal Mail	82.05	Nil	82.05
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
None				

**DETAILS OF THE WORK THAT THE LIQUIDATORS
CONSIDER THAT THEY WILL NEED TO
UNDERTAKE TO ADMINISTER THE LIQUIDATION;
AND**

AND

**DETAILS OF THE EXPENSES THAT THE
LIQUIDATORS CONSIDER WILL BE, OR ARE
LIKELY TO BE INCURRED**

- a. Details of the work that we anticipate that we will undertake
- b. Details of the expenses that we consider will be or are likely to be incurred

M WILSON COMMERCIALS LIMITED

DETAILS OF THE WORK THAT THE LIQUIDATORS CONSIDER THAT THEY WILL NEED TO UNDERTAKE TO ADMINISTER THE LIQUIDATION

Further to our appointment as liquidators, we are seeking that our remuneration be fixed at a set amount of £22,500. The work that we consider that we will need to undertake in order to administer the liquidation to closure is as follows:

1. 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. Whilst Insolvency Practitioners are obliged to carry out case administration and effective planning, taken alone these tasks are unlikely to result in a direct financial benefit to creditors.

2. 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.

Whilst Insolvency Practitioners are required to ensure full compliance with the Act, Rules and best practice, this is unlikely to result in a direct financial benefit to creditors.

3. Investigations

Insolvency Practitioners are required to, 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).

4. 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. The Liquidators will endeavour to realise the Company's assets as disclosed in its Statement of Affairs.

As detailed within our Progress Report, enquiries are ongoing regarding recovery of the outstanding book debts. Other unrealised assets detailed in the director's statement of affairs were Leasehold

Improvements and Plant and Machinery. Whilst no realisations have been received to date, enquiries are ongoing in this regard.

5. *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.

There are a number of creditors and employees in this matter and therefore it is anticipated that a number of enquiries will be received following our appointment. Whilst enquiries may be expected to decline during the term of the appointment, any correspondence will likely result in additional queries.

Employees make their initial claims to the Redundancy Payment Service ("RPS") and correspondence will be entered into to complete the statutory report and to establish the extent of the claim of the RPS in these proceedings which may rank preferentially and non-preferentially. Further correspondence may be entered into with the RPS or the employees, particularly relating to rejected or withheld claims. Whilst the modest number of employees may suggest such time will be minimal, creditors should consider that the tenure of a number of the employees may provide otherwise.

6. *Other matters which include seeking decisions from creditors via Deemed Consent Procedures 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).

Where decisions of creditors are required, some considerable time will be undertaken completing reports which contain the statutory level of information required, in addition to any information which the Liquidators consider is reasonable in the circumstances to provide. Although this work may incur additional costs, it is necessary to ensure creditors hold sufficient information to vote on the matters requiring their consideration.

This basis requested is expected to produce a fair and reasonable reflection of the work for the following reasons:

- The amount requested is commensurate with the anticipated level of work for dealing with a similar case of this manner, based on a review of similar cases
- There are not expected to be significant realisations in this matter. Accordingly, the costs of producing a detailed schedule of costs likely to be incurred is considered disproportionate to the level of anticipated realisations.
- Whilst the costs of dealing with this matter are expected to be in the region of £22,500, the level of remuneration drawn will be limited to the level of realisations after the application of pre-appointment costs. Should realisations be greater than anticipated, the liquidators may draw their

additional costs up to the level agreed without the need to incur further costs seeking creditors' approval. Additional approval will only be sought where additional realisations justify doing so.

Should creditors require a more detailed explanation of the work that falls into the categories mentioned above this can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>.

Dated: 14 August 2019

M WILSON COMMERCIALS LIMITED

**DETAILS OF THE EXPENSES THAT THE LIQUIDATORS CONSIDER WILL BE, OR ARE LIKELY TO
BE INCURRED**

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment, meetings, dividends etc.	169.20
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	18.00
3.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	25.00
4.	Machinery & business asset agent's valuation fees and disbursements	Fees for the identification and preparation of inventories and their anticipated disbursement	2,500
5.	Machinery & business asset agent's sale fees and disbursements	Fees for the sale of assets and their anticipated disbursements	10% on sales plus disbursements
6.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements	2,500.00
7.	Debt collection fees and disbursements	The fees of any third party instructed by the Insolvency Practitioner to assist with the collection of the debts of the insolvent entity and their anticipated disbursements	Unknown
8.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	Unknown
9.	Investigation expenses	Any sums paid to any third party that assists the Insolvency Practitioner with investigating the affairs of the insolvent entity	Unknown