

AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



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26/07/2017

#25

COMPANIES HOUSE

1 Company details

Company number 0 8 0 6 8 7 5 4
Company name in full AC GARAGE SERVICES LIMITED

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

2 Administrator's name

Full forename(s) MICHELLE
Surname WEIR

3 Administrator's address

Building name/number ONE
Street COURTENAY PARK
Post town NEWTON ABBOT
County/Region DEVON
Postcode T Q 1 2 2 H D
Country UK

4 Administrator's name ①

Full forename(s) JULIE
Surname PALMER

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

5 Administrator's address ②

Building name/number UNITS 1-3
Street HILLTOP BUSINESS PARK
DEVIZES ROAD
Post town SALISBURY
County/Region WILTSHIRE
Postcode S P 3 4 U F
Country UK

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 2	d 5	m 1	m 2	y 2	y 0	y 1	y 6
To date	d 2	d 4	m 0	m 6	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 1	m 0	m 7	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 **LAUREN KESSEL**

Company name **LAMEYS**

Address **ONE COURTENAY PARK**

Post town **NEWTON ABBOT**

County/Region **DEVON**

Postcode

T	Q	1	2	2	H	D
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Country **UK**

DX

Telephone **01626 366 117**



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

AC TRAINING LIMITED
(“Training”)

AC LANDSCAPE & TREE WORKS LIMITED
(“Landscape”)

AC GARAGE SERVICES LIMITED
(“Garage”)

(Together, hereinafter referred to as “the Companies”)

JOINT ADMINISTRATORS PROGRESS REPORT
FOR THE PERIOD 25 DECEMBER 2016 TO 24 JUNE 2017

LAMEYS
One Courtenay Park
Newton Abbot
Devon
TQ12 2HD

CONTENTS

1. Statutory Information
2. Administrators' Proposals
3. Progress of the Administrations
4. Investigations
5. Administrators' Remuneration
6. Ending the Administrations

APPENDICES

- A. Receipts & Payments Account for the period 25 December 2016 to 24 June 2017, as well as for the whole period of the Administration to 24 June 2017.
- B. Time Analysis for the period 25 December 2016 to 24 June 2017. Cumulative time analysis for the period 25 June 2015 to 24 June 2017.
- C. Additional information in relation to Administrators' Fees pursuant to Statement of Insolvency Practice 9 (SIP9)

1. Statutory Information

I was appointed Joint Administrator of the Companies along with Julie Palmer of Begbies Traynor LLP ("Begbies") on 25 June 2015 by the Directors of the Companies. The Administrations are registered in Exeter County Court under the following reference numbers:-

- 79 of 2015 (Training)
- 75 of 2015 (Landscape)
- 80 of 2015 (Garage)

The registered office of the Companies is c/o Lameys, One Courtenay Park, Newton Abbot, Devon, TQ12 2HD and its registered numbers are:-

- 08029118 (Training)
- 06279951 (Landscape)
- 08068754 (Garage)

The Companies' head office and main trading address was Tourism House, Woodwater Park, Pynes Hill, Exeter, EX2 5WS and it also had other trading addresses at Unit 3 Broadway Road, Kingsteignton, Devon, TQ12 3PJ and Central Boulevard, Blythe Valley Business Park, Birmingham, B90 8AG. Details of the Companies officers and shareholding is set out below:-

Training

Directors:

M B C J Cockcroft
Mr S W Ablett
Ms S Phillips
Mr L N Saunders

Secretary:

None

Issued Share Capital:

100 ordinary shares of £1 each

Shareholders:

M B C J Cockcroft (50)
Mr S W Ablett (30)
Ms S Phillips (20)

Landscape

Directors:

M B C J Cockcroft
Mr S W Ablett
Ms S Phillips (resigned 17 October 2014)

Secretary:

Mr B C J Cockcroft

Issued Share Capital:

50 A ordinary shares of £1 each
50 B ordinary shares of £1 each

Shareholders:

AC Group SW Limited

Garage

Directors:

M B C J Cockcroft
Mr S W Ablett
Ms S Phillips
Mr C P Lodge

Secretary:

None

Issued Share Capital:

100 ordinary shares of £1 each

Shareholders:

AC Group SW Limited

2. Administrators' Proposals

As previously advised, the Administrators must perform their functions with the purpose of achieving one of the following objectives:-

- Rescuing the Company as a going concern;
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

As it was not possible to achieve the first objective, the second objective of achieving a better result for the Company's creditors than would be likely if the Company were wound up without first being in Administration was pursued.

Creditors will recall that a sale of the Company's business and assets as a going concern was completed on 25 June 2015, thereby maximising realisations. This has allowed the second objective to be achieved in accordance with my proposals as agreed by creditors.

3. Progress of the Administration

This report should be read in conjunction with my Reports to Creditors dated 22 January 2016, 19 July 2016 and 23 January 2017.

Attached at Appendix A is my Receipts & Payments Account for the period 25 December 2016 to 24 June 2017.

Receipts

Future Profits

As advised in my previous progress report, the only remaining receipt to collect was the additional profit consideration provided for in the pre-packaged sale agreement. I can confirm this was received as follows:-

Training	£704.61
Landscape	£19,494.21
Garage	£3,288.18

The monies received is classed as goodwill. Goodwill is a fixed charge asset in Landscape and will be repaid to the fixed charge holder, after the relevant costs have been deducted. As advised previously, Training and Garage do not have any secured creditors, therefore goodwill is an uncharged asset.

VAT and bank interest

Other than final VAT refunds, there are no other assets to realise in the administrations. The only other receipts in the period covered by this report have been gross bank interest and post administration VAT refunds.

Payments

Administrators Fixed Remuneration

As advised in my previous progress report, the goodwill as stated above, is a fixed charge asset in Landscape and therefore due to Lloyds Commercial Finance ("Lloyds CF"), as the charge holder. Lloyds CF have confirmed that the administrator's remuneration and costs in keeping Landscapes case open can be paid out of these fixed charge realisations. The administrators agreed to cap their fixed charge fees, in this regard, as follows:

	Fee cap agreed	Drawn to date
Lameys	£5,000	£4,000
Begbies	£1,000	£795

Michelmores LLP

Michelmores solicitors have received £1,673.50 plus VAT which has accrued since the last progress report of the administrators. This is in respect of advice given on the additional profit consideration.

Peplows Limited

Peplows have received £1,400 plus VAT. This primarily dealing with the submission of the post administration Corporation Tax Return's.

4. Investigations

Our investigations into the Companies, their Directors/former Directors and the reason for failure have been carried out in accordance with the relevant legislative requirements, and the appropriate report was submitted to The Insolvency Service. As creditors will be aware, the report is strictly confidential in nature and I am unable to disclose its contents.

5. Administrator's Remuneration

Training

Unsecured Creditors, approved that the basis of the Administrators' remuneration be fixed by reference to the time properly spent by the Administrators' and their staff in managing the Administration.

Julie Palmer (Beggies)

Total time costs to date are £2,661 (excluding VAT). This represents 12.4 hours at an average rate of £214.6 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. No fees have been drawn in the period covered by this report.

Michelle Weir (Lameys)

Time costs for the period 25 December 2016 to 24 June 2017 amount to £1,161 (excluding VAT). This represents 8.7 hours at an average rate of £133.45 per hour. Total time costs to date are £10,877 (excluding VAT). This represents 67.7 hours at an average rate of £160.66 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. During the period covered by this report the sum of £600 (plus VAT) has been drawn.

Attached at Appendix C is additional information in relation to my policy on staffing, the use of sub-contractors, disbursements and details of Lameys current charge-out rates by staff grade.

The time costs incurred for both Lameys and Beggies have been primarily as a consequence of dealing with matters associated with realisations of profit consideration and the general administration of the case. I advise that the following activities have been undertaken:-

- == Necessary administration and planning of the administrations, including progress meetings, case reviews and general management.
- = Preparation of the Creditors' Reports and all other statutory duties.
- == Liaising and dealing with calls and correspondence from creditors, including Crown Departments and trade/expense creditors.
- == Completing post appointment VAT Returns.
- == Correspondence regarding the profit consideration.

Set out below are details of the expenses paid/incurred during the period covered by this report. The payments include payment of any accrued costs detailed in the last progress report:

Nature of Expense	Amount
Searches	£3.00
Lameys - Postage	£57.48

Landscape

The secured creditor, Lloyds Bank Plc, approved that the basis of the Administrators' remuneration be fixed by reference to the time properly spent by the Administrators' and their staff in managing the Administration.

Julie Palmer (Beggies)

Total time costs to date are £5,170 (excluding VAT). This represents 21.3 hours at an average rate of £242.72 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. No fees have been drawn in the period covered by this report.

Michelle Weir (Lameys)

Time costs for the period 25 December 2016 to 24 June 2017 amount to £ 1,783 (excluding VAT). This represents 14.1 hours at an average rate of £126.45. My time costs to date are £24,164 (excluding VAT). This represents 147.4 hours at an average rate of £163.93 per hour. Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. During the period covered by this report the sum of £6,000 (plus VAT) has been drawn.

Attached at Appendix C is additional information in relation to my policy on staffing, the use of sub-contractors, disbursements and details of Lameys current charge-out rates by staff grade.

The time costs incurred for both Lameys and Beggies have been primarily as a consequence of dealing with matters associated with realisations of profit consideration and the general administration of the case. I advise that the following activities have been undertaken:-

- Necessary administration and planning of the administrations, including progress meetings, case reviews and general management.
- Preparation of the Creditors' Reports and all other statutory duties.
- Liaising and dealing with calls and correspondence from creditors, including Crown Departments and trade/expense creditors.
- Completing post appointment VAT Returns.
- Correspondence regarding the profit consideration.
- Correspondence with the secured creditor, Lloyds Bank Plc, calculation and payment of the distribution due under the Bank's debenture.

Set out below are details of the expenses paid/incurred during the period covered by this report. The payments include payment of any accrued costs detailed in the last progress report:

Nature of Expense	Amount
Michelmores LLP – Legal Fees	£1,673.50
Peplows Limited – Accountancy Fees	£1,400.00
Lameys - Postage	£267.63

Garage

Unsecured Creditors, approved that the basis of the Administrator's remuneration be fixed by reference to the time properly spent the Administrators' and their staff in managing the Administration.

Julie Palmer (Beggies)

Total time costs to date are £8,297.5 (excluding VAT). This represents 30.6 hours at an average rate of £271.16 per hour. Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. No fees have been drawn in the period covered by this report.

Michelle Weir (Lameys)

Time costs for the period 25 December 2016 to 24 June 2017 amount to £1,389 (excluding VAT). This represents 11.1 hours at an average rate of £125.14. My time costs to date are £12,953 (excluding VAT). This represents 84.5 hours at an average rate of £153.29 per hour.

Attached at Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. During the period covered by this report the sum of £3,200 (plus VAT) has been drawn.

Attached at Appendix C is additional information in relation to my policy on staffing, the use of sub-contractors, disbursements and details of Lameys current charge-out rates by staff grade.

The time costs incurred for both Lameys and Begbies have been primarily as a consequence of dealing with matters associated with realisations of profit consideration and the general administration of the case. I advise that the following activities have been undertaken:-

- 1. Necessary administration and planning of the administrations, including progress meetings, case reviews and general management.
- 2. Preparation of the Creditors' Reports and all other statutory duties.
- 3. Liaising and dealing with calls and correspondence from creditors, including Crown Departments and trade/expense creditors.
- 4. Completing post appointment VAT Returns.
- 5. Correspondence regarding the profit consideration.

Set out below are details of the expenses paid/incurred during the period covered by this report. The payments include payment of any accrued costs detailed in the last progress report:

Nature of Expense	Amount
Lameys - Postage	£135.99

6. Ending The Administration

I am waiting on a final VAT refund from HM Revenue & Customs, upon receipt I will make the necessary payments and close these administrations.

On present information it remains unlikely that there will be sufficient funds to enable a distribution to be paid to unsecured creditors. Therefore I believe the most appropriate exit route is that of dissolution of the Company. In this situation the Administrator will file a Notice with the Registrar of Companies to move the Company from Administration to dissolution.



MICHELLE WEIR
JOINT ADMINISTRATOR

**AC TRAINING LIMITED
IN ADMINISTRATION**

**RECEIPTS & PAYMENTS ACCOUNT
25 JUNE 2015 TO 24 JUNE 2017**

	25.12.2016 to 24.06.2017	TOTAL TO DATE
RECEIPTS	£	£
Balance at Bank	-	674.49
Debtors	-	1,840.00
Goodwill	-	5,000.00
Profit Consideration	704.61	704.61
Interest	0.01	1.96
	704.62	8,221.06
PAYMENTS	£	£
Administrator's Remuneration - Lameys	600.00	5,100.00
Statutory Bonding:		
Lameys	-	18.00
Bebbies-Traynor	-	10.00
Advertising	-	87.50
Legal Fees	-	2,500.00
Accountancy Fee	-	143.00
Administrator's Disbursements - Lameys:		
Searches	3.00	3.00
Postage	57.48	90.02
	660.48	7,951.52
		269.54
Held as:		
VAT receivable		120.00
Plus Balance at Bank		149.54
Total		269.54

Notes:

1. Receipts & Payments are stated net of VAT

APPENDIX A

AC LANDSCAPE AND TREE WORKS LIMITED - IN ADMINISTRATION
RECEIPTS & PAYMENTS ACCOUNT
FOR THE PERIOD 25 JUNE 2015 TO 24 JUNE 2017

	25.12.2016 to 24.06.2017 £	Fixed Charge £	Floating Charge £	Total to Date £
RECEIPTS				
Cash at bank	-	-	228.00	228.00
Book debts	-	10,005.76	-	10,005.76
Goodwill	-	5,000.00	-	5,000.00
Plant & machinery	-	-	31,600.00	31,600.00
Motor vehicles	-	-	20,000.00	20,000.00
Work in progress	-	35,289.98	-	35,289.98
Profit Consideration	19,494.21	19,494.21	-	19,494.21
Licence fee	-	-	8,388.84	8,388.84
Fee received for deed of variation	-	-	600.00	600.00
Contribution towards Legal Costs	-	-	420.00	420.00
Sundry refund	-	-	75.55	75.55
Interest on Late Payment	-	-	122.57	122.57
Interest	0.13	-	22.34	22.34
	19,494.34	69,789.95	61,457.30	131,247.25
PAYMENTS				
	£	£	£	£
Pre-administration costs:				
Lameys	-	-	10,000.00	10,000.00
Legal fees	-	-	15,210.00	15,210.00
Agents fees	-	-	5,300.00	5,300.00
Administrators' Remuneration:				
Lameys	6,000.00	4,000.00	10,000.00	14,000.00
Beggies-Traynor	-	795.00	4,205.00	5,000.00
Statutory Bonding:				
Lameys	-	-	108.00	108.00
Beggies-Traynor	-	-	35.00	35.00
Advertising	-	-	50.00	50.00
Legal fees	1,673.50	4,987.50	5,215.50	10,203.00
Accountancy fee	1,400.00	-	1,543.00	1,543.00
Agents fees	-	-	640.00	640.00
Rent	-	-	8,388.84	8,388.84
Administrators' disbursements - Lameys:				
Searches	-	-	3.00	3.00
Postage	267.63	-	459.63	459.63
Payment to fixed charge creditor	-	45,295.74	-	45,295.74
	9,341.13	55,078.24	61,157.97	116,236.21
Balance of funds		14,711.71	299.33	15,011.04
Balance of funds held as follows:				
				3,059.50
VAT receivable				11,951.54
Bank balance				15,011.04

Notes:

1 Receipts and payments are stated net of VAT

**AC GARAGE SERVICES LIMITED
IN ADMINISTRATION**

**RECEIPTS & PAYMENTS ACCOUNT
25 JUNE 2015 TO 24 JUNE 2017**

	25.12.2016 to 24.06.2017	Total to Date
RECEIPTS	£	£
Balance at Bank	-	-
Debtors	-	3,256.64
Goodwill	-	5,000.00
Profit Consideration	3,288.18	3,288.18
Sale of Stock	-	3,000.00
Sale of Office Furniture	-	2,000.00
Plant & Equipment	-	4,000.00
Interest	0.04	3.78
	3,288.22	20,548.60
PAYMENTS	£	£
Administrators' Remuneration:		
Lameys	3,200.00	12,100.00
Bebbies-Traynor	-	7,000.00
Statutory Bonding:		
Lameys		72.00
Bebbies-Traynor		55.00
Advertising	-	87.50
Accountancy Fees	-	143.00
Administrator's Disbursements - Lameys:		
Postage	135.99	253.17
	3,335.99	19,710.67
		837.93
Held as:		
VAT receivable		640.00
Plus Balance at Bank		197.93
Total		837.93

Notes:

1. Receipts & Payments are stated net of VAT

[illegible]

Time Cost Analysis Summary

Period of Time Costs from: **25 December 2016**
to: **24 June 2017**

	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Description of Work							
Administration and Planning	0.50		4.70	2.60	7.80	£ 1,064.00	£ 136.41
Realisations of Assets	0.10			0.30	0.40	£ 52.00	£ 130.00
Tax/VAT				0.50	0.50	£ 45.00	£ 90.00
Total Hours	0.60		4.70	3.40	8.70	£ 1,161.00	£ 133.45

Total Time Costs (£)	<u>£</u>	<u>1,161.00</u>
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Time Cost Analysis Summary

Period of Time Costs from: 25 June 2015
to: 24 June 2017

Description of Work	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Administration and Planning	2.90	19.50	14.10	15.80	52.30	£ 8,357.00	£ 159.79
Investigations	0.20				0.20	£ 50.00	£ 250.00
Realisations of Assets	1.60	3.30	2.90	1.10	8.90	£ 1,627.00	£ 182.81
Creditors				1.10	1.10	£ 99.00	£ 90.00
Tax/VAT	0.90	0.50	1.20	2.60	5.20	£ 744.00	£ 143.08
Total Hours	5.60	23.30	18.20	20.60	67.70	£10,877.00	£ 160.66

Total Time Costs (£)

<u>£</u>	<u>10,877.00</u>
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AC Landscape & Tree Works Ltd - Administration - 25AC089.ADM : Time Costs Analysis From 25/06/2015 To 24/06/2017												
Staff Grade	Director	Sr Mgr	Mgr	Asst Mgr	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £	
General Case Administration and Planning												
Case planning												
Administration			3	1			0.9		4.9	1,099.00	224.29	
Total for General Case Administration and Planning:			3	1			0.9		4.9	1,099.00	224.29	
Appointment											0	
Banking and Bonding							0.2		0.2	22	110	
Case Closure											0	
Statutory reporting and statement of affairs											0	
Total for Compliance with the Insolvency Act, Rules and best practice:							0.2		0.2	22	110	
Investigations												
CDDA and investigations	3.7		4.5	3		3.5			14.7	3,741.50	254.52	
Total for Investigations:	3.7		4.5	3		3.5			14.7	3,741.50	254.52	
Realisation of assets												
Debt collection											0	
Property, business and asset sales											0	
Retention of Title/Third party assets											0	
Total for Realisation of assets:											0	
Trading											0	
Total for Trading:											0	
Dealing with all creditors claims (including employees), correspondence and distributions											0	
Secured											0	
Others											0	
Creditors committee											0	
Total for Dealing with all creditors claims (including employees), correspondence and distributions:											0	
Other matters which includes meetings, tax, litigation, pensions and travel												
Meetings			1.5						1.5	307.5	205	
Other											0	
Tax											0	
Litigation											0	
Total for Other matters:				1.5					1.5	307.5	205	
Total hours by staff grade:	3.7		7.5	6.5		3.5	1.1		21.3			
Total time cost by staff grade:	1,461.50		1,987.50	1,127.50		472.5	121			5,170.00		
Average hourly rate £:	395	0	265	205	0	135	110	0			242.72	
Total fees drawn to date £:										5,000.00		

Time Cost Analysis Summary

Period of Time Costs from: 25 December 2016
to: 24 June 2017

	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Description of Work							
Administration and Planning	0.50		5.20	4.90	10.60	£ 1,346.00	£ 126.98
Realisations of Assets Creditors	0.10	0.70	0.10	0.30	1.10	£ 199.00	£ 180.91
Tax/VAT	0.10			0.10	0.20	£ 24.00	£ 120.00
Total Hours	0.70	0.70	5.30	7.40	14.10	£ 1,783.00	£ 126.45

Total Time Costs (£)	<u>£</u>	<u>1,783.00</u>
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AC LANDSCAPE & TREE WORKS LIMITED - ADMINISTRATION

APPENDIX B

Time Cost Analysis Summary

Period of Time Costs from: **25 June 2015**
to: **24 June 2017**

Description of Work	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Administration and Planning	8.90	20.70	18.00	37.50	85.10	£12,647.00	£ 148.61
Investigations	0.20				0.20	£ 50.00	£ 250.00
Realisations of Assets	15.70	14.30	3.30	4.80	38.10	£ 7,855.00	£ 206.17
Creditors	0.80	7.00	0.90	6.50	15.20	£ 2,390.00	£ 157.24
Tax/VAT	1.30	1.00	1.70	4.80	8.80	£ 1,222.00	£ 138.86
Total Hours	26.90	43.00	23.90	53.60	147.40	£24,164.00	£ 163.93

Total Time Costs (£)

£	24,164.00
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[illegible]

AC GARAGE SERVICES LIMITED - ADMINISTRATION

APPENDIX B

Time Cost Analysis Summary

Period of Time Costs from: **25 December 2016**
to: **24 June 2017**

	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Description of Work							
Administration and Planning	0.50		4.70	3.00	8.20	£ 1,100.00	£ 134.15
Realisations of Assets	0.10			0.30	0.40	£ 52.00	£ 130.00
Tax/VAT			0.20	2.30	2.50	£ 237.00	£ 94.80
Total Hours	0.60		4.90	5.60	11.10	£ 1,389.00	£ 125.14

Total Time Costs (£)	<u>£</u>	<u>1,389.00</u>
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APPENDIX B

Period of Time Costs from: 25 June 2015
to: 24 June 2017

	Partner	Senior Manager	Administrators	Assistants & Support Staff	Total Hours	Total Cost	Average Rate £/hr
Description of Work							
Administration and Planning	3.10	19.50	14.00	21.40	58.00	£ 8,896.00	£ 153.38
Investigations	0.20				0.20	£ 50.00	£ 250.00
Realisations of Assets	2.10	3.80	5.40	2.90	14.20	£ 2,394.00	£ 168.59
Creditors	0.30	2.00		3.40	5.70	£ 801.00	£ 140.53
Tax/VAT	0.50	0.50	1.60	3.80	6.40	£ 812.00	£ 126.88
Total Hours	6.20	25.80	21.00	31.50	84.50	£12,953.00	£ 153.29

Total Time Costs (£)	£	12,953.00
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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. 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 in Appendix 3

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 in Appendix 3. This is only applicable to those cases where the office holder is remunerated on a time costs basis.

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.

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

² Ibid 1

(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 Salisbury 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.

LAMEYS

ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATORS FEES AND EXPENSES

1 Policy

Detailed below is Lameys policy in relation to:-
Staff allocation and the use of sub-contractors
Professional advisors
Disbursements

1.1 Staff allocation and the use of sub-contractors

Lameys general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, Manager, Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case.

It has been my policy as Administrator to delegate the routine administration of the case to senior staff in order to maximise the cost effectiveness of the work performed. These staff are supervised by the Administrator. Any matter of particular complexity or significant that requires responsibility of exceptional kind will be dealt with by the Administrator or a Partner.

In common with all professional firms, the Administrator's scale rates increase from time to time over the period of the administration of each Insolvency case. Lameys or any successor firm reserves the right to change the rates and grade structure.

Lameys does not utilise the services of any sub-contractors.

1.2 Professional advisors

On this assignment I have used the professional advisors listed below. I have also indicated alongside, the basis of my fee arrangement with them, which is subject to review on a regular basis.

Professional Advisor	Nature of Work	Basis of Fee Arrangement
Michelmores LLP	Legal Advice	Time Cost
Peplows Limited	Accountancy Works	Time Cost

The choice was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. Lameys seeks to recover those expenses and costs that constitute Category 1 disbursements, if funds permit.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. It is Lameys policy not to charge for Category 2 disbursements, other than business mileage at the published rate.

2 Charge out rates

A schedule of Lameys charge-out rates was issued to creditors at the time the basis of the Administrator's remuneration was approved. Time is recorded in 6 minute units. There have been no material increases in charge-out rates since that date.

The current charge-out rates are as follows:-

IP/Partner	£250 per hour
Senior Manager	£210 per hour
Assistant Manager	£170 per hour
Other Senior Professionals	£150 per hour
Assistants & Support Staff	£90 per hour

3 Requests for further information/Rights to challenge remuneration and expenses

3.1 Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with the permission of the Court, may request in writing the Administrator to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

The Administrator must provide the requested information within 14 days unless he considers that, the time or cost involved would be excessive; disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person; or the Administrator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing it.

3.2 If a creditor believes that the Administrator's remuneration is in the circumstances excessive, the basis is inappropriate or the expenses incurred are excessive, he may, subject to certain conditions, make application to Court.

Any such application must be made within 8 weeks of receipt of the Progress Report and can be made by either (a) any secured creditor; (b) any secured creditor with either the concurrence of at least 10% in value of the creditors (including that creditor) or the permission of the Court.