

In accordance with
Rule 18.7 of the
Insolvency (England &
Wales) Rules 2016 and
Sections 92A, 104A and
192 of the Insolvency
Act 1986.

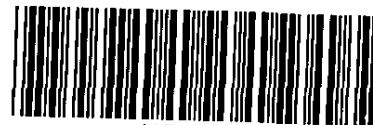
LIQ03

Notice of progress report in voluntary winding up



Companies House

FRIDAY



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18/05/2018

#376

COMPANIES HOUSE

1 Company details

Company number 0 8 6 6 2 4 4 0

Company name in full Art Trade Gallery Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Jamie

Surname Taylor

3 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G

Country

4 Liquidator's name

Full forename(s) Lloyd

Surname Biscoe

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number The Old Exchange

Street 234 Southchurch Road

Post town Southend on Sea

County/Region Essex

Postcode S S 1 2 E G



Country

② 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 2	^d 4	^m 0	^m 3	^y 2	^y 0	^y 1	^y 7				
To date	^d 2	^d 3	^m 0	^m 3	^y 2	^y 0	^y 1	^y 8				
7	Progress report											
	<input checked="" type="checkbox"/> The progress report is attached											
8	Sign and date											
Liquidator's signature	<div style="display: flex; align-items: center;"> <div style="margin-right: 10px;"> ^{Signature}  </div> <div style="margin-left: 10px;">  </div> </div>											
Signature date	^d 1	^d 0	^m 0	^m 5	^y 2	^y 0	^y 1	^y 8				

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	George Langley									
Company name	Begbies Traynor (Central) LLP									
Address	The Old Exchange 234 Southchurch Road									
Post town	Southend on Sea									
County/Region										
Postcode	S	S	1		2	E	G			
Country										
DX										
Telephone	01702 467255									

**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

Art Trade Gallery Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 24/03/2017 To 23/03/2018 £	From 24/03/2016 To 23/03/2018 £
	COSTS OF REALISATION	
	Legal Fees	
	1,000.00	1,000.00
	(1,000.00)	(1,000.00)
	ASSET REALISATIONS	
5,651.00	Cash at Bank	5,638.27
30,000.00	Cash held by the Authorities	NIL
	Bank Interest Gross	0.43
	0.26	5,638.70
	COST OF REALISATIONS	
	Statement of Affairs Fee	4,166.67
	Storage Costs	140.25
	(4,306.92)	(4,306.92)
	UNSECURED CREDITORS	
(15,577.00)	Trade & Expense Creditors	NIL
(61.00)	Contingent Creditors	NIL
(7,400.00)	Director's Loan (Mr. Esat Kartal)	NIL
(6,900.00)	H M Revenue & Customs (VAT)	NIL
	NIL	NIL
	DISTRIBUTIONS	
(1.00)	Ordinary Shareholders	NIL
	NIL	NIL
5,712.00	(5,306.66)	331.78
	REPRESENTED BY	
	Vat Receivable	28.05
	Bank 1 Current	303.73
		331.78

Jamie Taylor
Joint Liquidator

Art Trade Gallery Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 24 March 2017 to 23 March 2018

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"	Art Trade Gallery Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 24 March 2016.
"the liquidators", "we", "our" and "us"	Jamie Taylor and Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
"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):	As above
Company registered number:	08662440
Company registered office:	The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
Former trading address:	14 Basil Street, Knightsbridge, London, SW3 1AJ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	24 March 2016
Date of liquidators' appointment:	24 March 2016
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 24 March 2017 to 23 March 2018. For details of asset realisations and costs incurred since our appointment, creditors should refer to reports previously issued to creditors.

Asset Realisations

Bank Interest Gross

£0.26 has been received in respect bank interest gross on monies held in the liquidation bank account.

Cost of Realisations

Statement of Affairs Fee

£4,166.67 has been paid to Begbies Traynor (Central) LLP for preparing the Director's Statement of Affairs and assisting with placing the Company into Liquidation.

What work has been done in the period of this report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details>. Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached at Appendix 2. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

- General filing and printing of incoming communications;
- Creation, review and update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories.
- General case updates to include internal meetings on case strategy and effect of instruction;
- Periodic reviews of the case generally;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;

- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- The issuing of various questions and requests for supporting documentation to the recipients of large transfers and cash withdrawals from the Company's bank accounts. Responses have been analysed and decided upon;
- Further investigation into the providers of the art sold by the Company and the recipients of any large amounts of commission paid on the sale of art.

On this engagement, the work identified above potentially has a direct financial benefit to creditors as the outcome of investigations contributes to the maximum possible realisations.

Realisation of assets

- As detailed in our previous report the authorities were concerned regarding the Company's trading and undertook steps to seize the sum of £30,026.96 which had been held by the Company. We had received confirmation that they no longer had legal authority to hold the £30,026.96 seized from the Company. This sum is currently being held by our instructed solicitors as we continually investigate the source of these funds.

Trading

- None

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

Creditors:

- Receipt of creditor claims and input on internal case management software;
- Review of creditor claim supporting information;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes. However, should a dividend become payable claim agreement has been undertaken in accordance with the Insolvency Act and Rules together with best practice to ensure that all creditor claims have been correctly lodged and fairly adjudicated on and will therefore rank for dividend where eligible.

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

Tax / VAT

- Post appointment tax compliance – submission of corporation tax return(s).
- Post appointment VAT compliance – submission of VAT returns.

On this assignment, the reconciliation of input and output VAT and the subsequent submission of VAT returns has enabled further realisation of assets for the estate but of insufficient value from which creditors may directly benefit. It is a requirement of the office holders to complete and file VAT returns until conclusion of the matter.

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 and in our progress report for the period 24 March 2016 to 23 March 2017.

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

Secured creditor

There are no known secured claims.

Preferential creditors

There are no known preferential claims.

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

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 on realisations received to date and estimated realisations, we consider that there are unlikely to be sufficient funds to enable a dividend to be paid to the unsecured creditors. However, this will be subject to our ongoing investigations as to whether the aforementioned funds are subject to the general body of creditors or specific trust creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration has been fixed by a resolution of creditors by 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 20 April 2016 in the sum of £26,240 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 24 March 2016 to 23 March 2018 amount to £24,603.50 which represents 114.9 hours at an average rate of £214.13 per hour.

This includes 43.6 hours spent in the period covered by this report, 23 March 2017 to 22 March 2018, at an average composite rate of £220.56 per hour resulting in time costs of £9,616.50.

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

- ☐ Time Costs Analysis for the period 24 March 2017 to 23 March 2018;

- ❑ Cumulative Time Costs Analysis for the period from 24 March 2016 to 23 March 2018;
- ❑ Begbies Traynor (Central) LLP's charging policy.

To 23 March 2018, we have not drawn any remuneration, against total time costs of £24,603.50 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. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

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

As can be seen from the information above, and the cumulative Time Costs Analysis, our fees estimate of £26,240 has not been exceeded. It is anticipated that our fees will likely be exceeded however the Joint Liquidator has taken the decision to address this after the conclusion of our investigations.

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 summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors on 24 March 2016 and paid partially from personal finances/funds made available by the Director prior to our appointment.

Disbursements

To 23 March 2018, we have also drawn disbursements in the sum of £140.25.

Why have subcontractors been used?

BTMK Solicitors ("BTMK") were instructed to assist with liaising with the relevant authorities which has led to the receipt of the seized funds. BTMK were instructed on a time cost basis and to date have been paid the sum of £1,000 in respect of their costs.

BTMK were chosen due to their expertise in insolvency litigation.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case: since the date of our appointment.

Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any ass has an interest	
Type and purpose	Amount £
Archived Facilities (Southend) Limited, which is a member of the Begbies Traynor group, has provided storage facilities. The purpose of obtaining such	£140.25

services was the correct and adequate storage of Company Records.	
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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. A cumulative statement showing the total expenses incurred since the date of our appointment also appears 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 £5,485. 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

Assets that remain to be realised: There remain no assets to be realised. Any further realisation of assets will be dependent on the results of our investigations.

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

- The preparation, drafting and issue of this report to creditors and members to include all necessary information;
- Update of case compliance checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. Creditors benefit from this work as it ensures this particular engagement is dealt with to the standards expected and also in a timely fashion. Elements of this work are required to comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;

Closure

- Preparing, reviewing and issuing final report to members and creditors;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure;

On this engagement, the work identified above does not hold a direct commercial benefit to creditors. It is the duty of the appointed office holder to comply with the Insolvency Act and Rules and creditors benefit from this being done to a standard expected of this firm.

Investigations

- Our investigations are currently ongoing however further information will not be disclosed at this time as it may prejudice the Joint Liquidators' enquiries.

Realisation of assets

- There remain no assets to be realised. Any further realisation of assets will be dependent on the results of our investigations.

Trading

- None

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

Creditors:

- The issue of this report and associated required documents;
- Taking and dealing with phone calls from creditors;

On this engagement, the work detailed above has no financial benefit to the creditors as no dividend is payable from the insolvent estate.

Other matters which includes meetings, tax, litigation, pensions and travel

- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC.

The above has no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules.

How much will this further work cost?

It is estimated that further work will cost in the region of £5,000. However this will depend upon on the results of our investigations.

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 20 April 2017 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

Our original fees estimate failed to disclose storage costs which were provided by an entity within the Begbies Traynor group however this was approved by creditors on the 19 July 2017.

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.

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.

As previously mentioned in this report we are currently establishing the source of the seized monies and investigating the recipients of various payments out of the Company's bank accounts

Further information will not be disclosed at this time as it may prejudice the Joint Liquidator's enquiries.

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.


Jamie Taylor
Joint Liquidator

Dated: 10 May 2018

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 24 March 2017 to 23 March 2018

**Art Trade Gallery Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs		From 24/03/2017 To 23/03/2018	From 24/03/2016 To 23/03/2018
£		£	£
	COSTS OF REALISATION		
	Legal Fees	1,000.00	1,000.00
		<u>(1,000.00)</u>	<u>(1,000.00)</u>
	ASSET REALISATIONS		
5,651.00	Cash at Bank	NIL	5,638.27
30,000.00	Cash held by the Authorities	NIL	NIL
	Bank Interest Gross	0.26	0.43
		<u>0.26</u>	<u>5,638.70</u>
	COST OF REALISATIONS		
	Statement of Affairs Fee	4,166.67	4,166.67
	Storage Costs	140.25	140.25
		<u>(4,306.92)</u>	<u>(4,306.92)</u>
	UNSECURED CREDITORS		
(15,577.00)	Trade & Expense Creditors	NIL	NIL
(61.00)	Contingent Creditors	NIL	NIL
(7,400.00)	Director's Loan (Mr. Esat Kartal)	NIL	NIL
(6,900.00)	H M Revenue & Customs (VAT)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
5,712.00		<u>(5,306.66)</u>	<u>331.78</u>
	REPRESENTED BY		
	Vat Receivable		28.05
	Bank 1 Current		303.73
			<u>331.78</u>

Jamie Taylor
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 24 March 2017 to 23 March 2018;
- c. Cumulative Time Costs Analysis for the period from 24 March 2016 to 23 March 2018.

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.

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*).

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*. The following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval):

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case should it become necessary (subject to approval):

Instruction of Eddisons Commercial Limited to provide assistance with the sale of assets. Their charges will be based on a percentage of realisations plus disbursements.

Instruction of Eddisons Commercial Limited to provide a valuation of the Company's physical assets. Their charges will be based on a fixed fee to be agreed plus 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

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the

case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

Services provided by an entity in which an Office Holder has an interest

The following items of expenditure which relate to services provided by an entity that a licensed insolvency practitioner within the firm has an interest in, are also to be charged to the case (subject to approval):

Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes; Four to Two Hundred Boxes charged at £11 per quarter per box; over two hundred boxes are charged at half the aforementioned price, (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required, and at £15 per hour for each hour thereafter. All figures stated are net.

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 Southend-on-Sea as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Partner	495	495-550
Director	395	395
Senior Manager	365	365
Manager	315	315
Assistant Manager	270	285
Senior Administrator	235	250
Administrator	185	220
Trainee Administrator	160	n/a
Junior Administrator	n/a	160
Support	160	n/a
cashier	n/a	160
secretarial	n/a	160

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.

The office holder may use the services of BTG Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division is a specialist department of the office holder's firm which provides forensic investigating services. The current charge-out rates applying to work carried out by BTG Contentious Insolvency Division are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Director	395	395
Senior Manager	365	365
Assistant Manager	270	285

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

² Ibid 1

SIP9 Art Trade Gallery Limited - Creditors Voluntary Liquidation - 03AR231 CVL : Time Costs Analysis From 24/03/2016 To 23/03/2018

Staff Grade	Consultant/Partner	Director	Srnt Mngt	Mngt	Asst Mngt	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	1.6				1.0				5.8	2,158.50	372.16
	Administration	0.3		0.5		5.3		5.4		11.5	2,395.50	207.43
	Total for General Case Administration and Planning:	1.9		0.5		6.3		5.4		17.3	4,554.00	262.66
	Appointment					1.4	3.7	18.8		25.5	4,418.50	173.27
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding	2.0					7.7		1.8	11.5	2,801.50	226.22
	Class Closure											0.00
	Statutory reporting and statement of affairs						5.5			7.7	1,865.50	245.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	2.0				1.4	13.9	18.8	1.8	44.7	8,906.50	198.25
Investigations	CCDA and investigations	3.0				3.1	7.7	10.4		24.2	5,117.50	211.47
	Total for Investigations:	3.0				3.1	7.7	10.4		24.2	5,117.50	211.47
Realisation of assets	Debt collection					2.5				2.5	587.50	235.00
	Property, business and asset sales											0.00
	Retention of Titled/Third party assets											0.00
	Total for Realisation of assets:					2.5				2.5	587.50	235.00
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others			2.5		2.6	1.6	14.1		22.5	4,622.00	205.42
	Creditors committee							0.2		0.2	32.00	160.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:			2.5		2.6	1.6	14.3		22.7	4,654.00	205.02
Other matters which includes seeking decisions of creditors, meetings, lit, litigation, pensions and travel	Seeking decisions of creditors											0.00
	Meetings	0.8								0.8	270.00	450.00
	Other											0.00
	Tax					1.2		1.4	0.3	2.9	524.00	180.89
Litigation	Litigation											0.00
	Total for Other matters:	0.8				1.2		1.4	0.3	3.6	794.00	220.66
	Total hours by staff grade:	7.5		3.0		17.1	26.2	51.3	2.1	114.9		
	Total time cost by staff grade:	3,237.50		945.00		4,018.50	4,847.00	8,205.00	308.00		24,603.50	
Average hourly rate £:		431.67		315.00		235.00	185.00	180.00	145.71			214.13
	Total fees drawn to date £:										4,106.07	

SIP9 Art Trade Gallery Limited - Creditors Voluntary Liquidation - 03AR231.CVL : Time Costs Analysis From 24/03/2017 To 23/03/2018

Staff Grade	Consultant/Partner	Director	Sr Mgr	Mgr	Asst Mgr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning		1.1				1.0				2.8	946.00	337.86
	Case planning											
	Administration	0.3		0.2		0.4		2.4		3.3	859.50	199.85
	Total for General Case Administration and Planning:	1.4		0.2		1.4		2.4		8.1	1,605.00	203.20
Compliance with the Insolvency Act, Rules and best practice	Appointment					1.4	3.7			5.1	1,013.50	198.73
	Banking and Bonding	0.4					4.3		1.6	6.3	1,226.00	194.60
	Case Closure											0.00
	Statutory reporting and statement of affairs		1.1				5.5			6.5	1,452.00	220.00
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice	0.4				1.4	13.5		1.6	18.0	3,691.50	205.08
	CDDA and investigations					3.1	7.7			10.8	2,153.00	199.35
	Total for Investigations:					3.1	7.7			10.8	2,153.00	199.35
	Debt collection					2.5				2.5	587.50	235.00
Realisation of assets	Property, business and asset sale											0.00
	Retention of Third Party assets											0.00
	Total for Realisation of assets:					2.5				2.5	587.50	235.00
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Total for Trading:											0.00
	Secured											0.00
	Others		1.3			0.8	1.6	0.4		4.2	1,085.00	258.33
	Creditors committee											0.00
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		1.3			0.8	1.6	0.4		4.2	1,085.00	258.33
	Seeking decisions of creditors											0.00
	Meetings	0.6								0.6	270.00	450.00
	Other											0.00
Total for Other matters:	Tax							1.4		1.4	224.00	160.00
	Litigation											0.00
	Total for Other matters:	0.6						1.4		2.0	494.00	247.00
	Total hours by staff grade:	2.4	3.1	0.2		9.3	22.8	4.2	1.6	43.6		
Average hourly rate £:	Total time cost by staff grade:	997.50	1,224.50	63.00		2,183.50	4,216.00	672.00	256.00	9,018.50		
	Average hourly rate £:	415.63	395.00	315.00	0.00	233.00	185.00	160.00	160.00			220.56
	Total fees drawn to date £:										4,166.67	

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				
Telephone, Postage & Stationery	The Royal Mail Group	£46.15	-	£46.15
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
Photocopies & Faxes	Begbies Traynor (Central) LLP	£56.80	-	£56.80

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Travel Expenses	TFL Rail	£15.50
Specific Penalty Bond	AUA Insolvency Risk Services	£67.50
Telephone, Postage & Stationery	The Royal Mail Group	£112.39
Statutory Advertising	The Stationery Office Limited	£238.20
Photocopies & Faxes	Begbies Traynor (Central) LLP	£470.80