

AM10

Notice of administrator's progress report



Companies House

SATURDAY



A8YCLVYX

A14

08/02/2020

#316

COMPANIES HOUSE

1 Company details

Company number 0 8 7 8 3 4 2 4

Company name in full NYC Partnership Limited

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

2 Administrator's name

Full forename(s) Joanne Louise

Surname Hammond

3 Administrator's address

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

4 Administrator's name ①

Full forename(s) Claire Elizabeth

Surname Dowson

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

5 Administrator's address ②

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	2	m	0	m	2	y	2	y	0	y	1	y	9
To date	d	2	d	9	m	0	m	1	y	2	y	0	y	2	y	0

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

[Handwritten signature]

X

Signature date

d	2	d	9	m	0	m	1	y	2	y	0	y	2	y	0
---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

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 **Kirsty Radford**

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

Address **3rd Floor, Westfield House
60 Charter Row**

Post town **Sheffield**

County/Region

Postcode **S 1 3 F Z**

Country

DX

Telephone **0114 2755033**



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

NYC Partnership Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 22/08/2019 To 29/01/2020 £	From 22/02/2018 To 29/01/2020 £
	SECURED ASSETS		
38,495.00	Goodwill & Intellectual Property	NIL	38,495.00
(580,000.00)	Barclays Bank plc	NIL	(10,000.00)
1.00	Customer Contracts	NIL	1.00
1.00	Company Records	NIL	1.00
		<u>NIL</u>	<u>28,497.00</u>
	ASSET REALISATIONS		
3.00	Assignment Properties	NIL	3.00
	Bank Interest Gross	0.62	29.37
20,000.00	Plant & Machinery	NIL	20,000.00
	Rent	NIL	43,374.71
1,500.00	Stock	NIL	1,500.00
	Utilities Refunds	NIL	952.68
		<u>0.62</u>	<u>65,859.76</u>
	COST OF REALISATIONS		
	Administrators' Fees		
	Pre-Appointment Fees	NIL	10,000.00
	Post Appointment Fees	4,500.00	30,000.00
	Agents/Valuers Fees (1)	NIL	5,500.00
	Bank Charges	3.42	27.62
	Disbursements		
	Mileage	NIL	227.70
	Postage	NIL	133.56
	Employment Costs		
	Pre-Appointment	NIL	522.50
	Post Appointment	NIL	1,570.50
	Insurance of Assets	208.03	208.03
	Legal Fees (1)		
	Post Appointment Fees	NIL	1,250.00
	Pre-Appointment Fees	NIL	20,000.00
	Pre-Appointment Disbursements	NIL	374.66
	Post Appointment Fees	NIL	2,000.00
	Post Appointment Disbursements	NIL	27.00
	Licence Fees		
	Darlington	NIL	13,740.00
	Stocksbridge	NIL	8,673.19
	Specific Bond	NIL	30.00
	Statutory Advertising		
	Advertising	NIL	72.00
		<u>(4,711.45)</u>	<u>(94,356.76)</u>
	PREFERENTIAL CREDITORS		
(39,615.00)	Employees re Arrears/Hol Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(29,417.00)	Employees	NIL	NIL
(48,000.00)	HMRC - PAYE	NIL	NIL
(9,500.00)	HMRC - VAT	NIL	NIL
(613,818.00)	Trade Creditors	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>

Joanne Louise Hammond and Claire Elizabeth Dowson appointed joint administrators on 22 February 2018

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

NYC Partnership Limited (In Administration)

Final Progress Report of the joint administrators

Period: 22 August 2019 to 29 January 2020

Important Notice

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

Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of administrators
- ❑ Progress during the period
- ❑ Outcome for creditors
- ❑ Administrators' proposals
- ❑ Summary of steps taken during the administration
- ❑ Remuneration and disbursements
- ❑ Expenses
- ❑ Creditors' rights
- ❑ Assets that remain to be realised
- ❑ Other relevant information
- ❑ Conclusion
- ❑ Appendices
 - 1. Account of receipts and payments
 - 2. Summary of administrators' proposals, including major amendments to, and deviations from them
 - 3. Time costs and disbursements
 - 4. Statement of expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	NYC Partnership Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 22 February 2018
"the administrators", "we", "our", "us"	Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Claire Elizabeth Dowson of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act.

2. STATUTORY INFORMATION

Name of Company	NYC Partnership Limited
Trading name(s):	NYC Bar & Grill and Shake N' Burger
Date of Incorporation:	20 November 2013
Company registered number:	08783424
Company registered office:	c/o Bawtry Accountants, Beehive Centre, Bawtry Hall, Bawtry, Doncaster

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators:	Joanne Louise Hammond, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Claire Elizabeth Dowson, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
Date of appointment:	22 February 2018
Date of resignation:	Not applicable
Court:	High Court of Justice, Business & Property Courts in Leeds
Court Case Number:	2018-295 of 2018
Person(s) making appointment / application: Acts of the administrators:	The Company The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EU Regulation on Insolvency Proceedings:	Regulation (EU) 2015/848 of the European Parliament and of the Council applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration was extended with the consent of the secured creditor until 22 February 2020.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 22 August 2019 to 29 January 2020.

Receipts

There have been no receipts during the period covered by this report.

Payments

Administrators Fees

The joint administrators have drawn the sum of £4,500.00 during the period covered by this report, in accordance with the fee resolutions detailed in section 6 of this report.

Bank Charges

Santander have been paid £2.80 in relation to the maintenance of the estate bank account, during the period covered by this report

Insurance of Assets

Eddisons Insurance Services Limited ("EIS") have been paid £208.03 in relation to the insurance cover placed on the Company's trading premises.

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 3. 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

Time has been spent where the joint administrators have undertaken periodic case reviews to ascertain which works remained outstanding. The case specific diary has been regularly monitored and updates to ensure all works have been completed prior to their statutory due dates.

This work has not provided a financial benefit to the Company creditors however is a duty that the joint administrators must undertake therefore cannot be avoided.

Compliance with the Insolvency Act, Rules and best practice

The joint administrators have issued their progress report to the Company's creditors as well as issuing the receipts and payments account to the Registrar of Companies, pursuant to the Insolvency Act 1986.

A final closure review has been compiled to ensure that all matters have been conducted prior to closure of the case. Once this was completed, this final report was prepared and issued to all relevant parties.

The estate bank account has been regularly monitored and reconciled against our internal system to ensure that all receipts and payments have been accounted for.

The joint administrators have undertaken regular bond reviews to ensure that the statutory bond has remained at an appropriate level.

These works have not resulted in a financial benefit to the Company's creditors, however the joint administrators have a duty to undertake the same therefore these costs cannot be avoided.

Investigations

No investigations have been undertaken during the period covered by this report.

Realisation of assets

The joint administrators have not spent any time on this particular matter during the period covered by this report.

Trading

The Company has not traded whilst in administration therefore no time has been incurred in this regard.

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

The joint administrators have spent nominal time corresponding with the Company's creditors by way of verbal and written communications in relation to their claims and queries in relation to the prospect of a dividend.

This work has not provided a financial benefit to the Company's creditors however it has provided them with an understanding on the process of the administration.

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

Time has been spent preparing and submitting VAT returns as appropriate to reclaim any VAT receivable for the benefit of the estate.

A VAT7 form has also been prepared and submitted to HM Revenue & Customs in order to deregister the Company for VAT purposes.

This has not resulted in a financial benefit to the Company's creditors however, is a duty that the joint administrators must undertake therefore cannot be avoided.

5. OUTCOME FOR CREDITORS

Secured creditor

The Company is indebted to Barclays Bank plc for £580,000.00. Following the sale of the Goodwill to N&M Investments, Barclays Bank have been paid the sum of £10,000.00 under their fixed charge.

Preferential creditors

There have been insufficient realisations to pay a dividend to the preferential creditors.

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

Details of how the prescribed part is calculated have previously been provided in our statement of proposals

We have not made a distribution of the prescribed part as there has been no floating charge distribution and therefore, no prescribed part has been calculated.

Unsecured creditors

There have been insufficient realisations to pay a dividend to unsecured creditors as the funds have been distributed to the secured creditor and used to defray the costs of the administration.

Ending the administration

Once the Notice of move from administration to dissolution (Form AM23) has been registered (which we anticipate shortly), our appointment as administrators will cease to have effect and, unless the court makes an order otherwise, the Company will be deemed to be dissolved at the end of the period of three months from the date of registration of the notice.

6. ADMINISTRATORS' PROPOSALS

Attached at Appendix 2 is a summary of our proposals as deemed approved under Rule 3.38(4) of the Rules in the absence of an initial meeting of creditors.

7. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

Eddisons Commercial Limited ("Eddisons") (an entity within Begbies Traynor Group), were instructed to value the business and seek expressions of interest in a pre-packaged sale. A sales teaser was published and a deadline for best and final offers was set.

Upon the expiry of this deadline, two offers had been received with the highest offer being £75,000.00 from N&M Investments Limited ("the Purchaser"). This offer was accepted with the recommendation of Eddisons.

Whilst a sale was being agreed, it transpired that four of the Company's five trading sites had ceased to trade due to a lack of staff and inability to maintain sock levels. The only remaining operational site was Darlington.

Due to the site closures, the Purchaser reduced the offer to £70,000.00 which was agreed. Shortly prior to the completion of the sale, it transpired that the lease in respect of the Bawtry premises was in the director's name personally. As a result the sale price was reduced again to the sum of £60,000 with terms agreed that the Purchaser could acquire the assets at Bawtry for £10,000.00 if access could be obtained.

The sales consideration was paid in full upon completion. Full details of the transaction can be found in the SIP 16 disclosure circulated to creditors upon appointment.

The joint administrators' have taken the relevant steps to either assign or surrender the leases.

Full details of the joint administrators' work carried out can be found in previous progress reports supplied.

8. REMUNERATION & DISBURSEMENTS

The joint administrators' remuneration has been fixed by the secured creditor on by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters as set out in the fees estimate subject to post appointment fees relating to any asset realisations being capped at £10,000.00. Barclays Bank plc have also agreed further fees of £20,000.00 in relation to the costs associated with dealing with the Company's trading premises' and their licenses as per the terms of the Sale Agreement with N&M Investments Limited.

The joint administrators' are also authorised to draw disbursements for services provided by their firm and/or entities within the Begbies Traynor group, in accordance with their firm's policy, details

of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Time costs for the period from 22 August 2019 to 29 January 2020 amount to £5,354.50 which represents 24.5 hours at an average rate of £218.55 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 3:

- ☐ Begbies Traynor (SY) LLP's charging policy;
- ☐ Time Costs Analysis for the period 22 August 2019 to 29 January 2020.

To 29 January 2020, the joint administrators' have drawn the total sum of £30,000.00 on account of our remuneration, against total time costs of £76,486.00 incurred since the date of our appointment.

In addition to the time costs information disclosed at Appendix 3 for the period since our last progress report, a cumulative Time Costs Analysis for the period from 22 August 2018 to 29 January 2020 is also attached at Appendix 3.

In the absence of there being sufficient realisations to discharge the time costs in full, the unbilled time costs of £46,083.00 have been written off as irrecoverable. However, we reserve the right to recover our unbilled time costs in the event that circumstances subsequently permit us to do so.

Disbursements

To 29 January 2020, the joint administrators have also drawn disbursements in the sum of £391.26.

Why have subcontractors been used?

During the period of this report, no subcontractors were instructed.

Category 2 Disbursements

No Category 2 disbursements have been drawn during the period of this report

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

9. EXPENSES

A statement of the expenses incurred and discharged by the joint administrators during the period of this progress report is attached at Appendix 4. A cumulative statement of expenses also appears at Appendix 4 which details the expenses incurred since the date of our appointment.

Creditors will recall that it estimated that the expenses of the administration would total £15,050.00. Unfortunately, the expenses that have incurred so far have exceeded that estimate. As explained in the previous progress report, this was due to a number of problems with the licenses of the Company's former trading premises created by the Purchaser. Consequently more time has been spent liaising with Freeths and therefore the legal fees have exceeded the original estimate of expense.

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 (other than pre-administration costs) which have been incurred during the period of this progress report.

Right to make an application to court

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

11. ASSETS THAT REMAIN TO BE REALISED

There are no assets that remain to be realised.

12. OTHER RELEVANT INFORMATION

Report on Director's conduct

As detailed in the statement of proposals, the joint administrators have a duty to submit a report to the Department for Business, Energy and Industrial Strategy on the conduct of the director. The joint administrators have complied with their duties in this respect.

Investigations completed and action taken

As explained in the Statement of proposals the joint administrators have been investigating the manner in which the business was conducted prior to the administration of the Company and potential recoveries for the estate in this respect.

There were no areas identified that warranted further investigations therefore the joint administrators duties in this respect were concluded.

Extension of administration

The administration was extended until 22 February 2020.

Use of personal information

Please note that although the administration is being concluded, in discharging our remaining duties as Joint Administrators, 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.



Joanne Louise Hammond
Joint Administrator

Date: 29 January 2020

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 22 August 2019 to 29 January 2020

NYC Partnership Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 22/08/2019 To 29/01/2020 £	From 22/02/2018 To 29/01/2020 £
	SECURED ASSETS		
38,495.00	Goodwill & Intellectual Property	NIL	38,495.00
(580,000.00)	Barclays Bank plc	NIL	(10,000.00)
1.00	Customer Contracts	NIL	1.00
1.00	Company Records	NIL	1.00
		NIL	28,497.00
	ASSET REALISATIONS		
3.00	Assignment Properties	NIL	3.00
	Bank Interest Gross	0.62	29.37
20,000.00	Plant & Machinery	NIL	20,000.00
	Rent	NIL	43,374.71
1,500.00	Stock	NIL	1,500.00
	Utilities Refunds	NIL	952.68
		0.62	65,859.76
	COST OF REALISATIONS		
	Administrators' Fees		
	Pre-Appointment Fees	NIL	10,000.00
	Post Appointment Fees	4,500.00	30,000.00
	Agents/Valuers Fees (1)	NIL	5,500.00
	Bank Charges	3.42	27.62
	Disbursements		
	Mileage	NIL	227.70
	Postage	NIL	133.56
	Employment Costs		
	Pre-Appointment	NIL	522.50
	Post Appointment	NIL	1,570.50
	Insurance of Assets	208.03	208.03
	Legal Fees (1)		
	Post Appointment Fees	NIL	1,250.00
	Pre-Appointment Fees	NIL	20,000.00
	Pre-Appointment Disbursements	NIL	374.66
	Post Appointment Fees	NIL	2,000.00
	Post Appointment Disbursements	NIL	27.00
	Licence Fees		
	Darlington	NIL	13,740.00
	Stocksbridge	NIL	8,673.19
	Specific Bond	NIL	30.00
	Statutory Advertising		
	Advertising	NIL	72.00
		(4,711.45)	(94,356.76)
	PREFERENTIAL CREDITORS		
(39,615.00)	Employees re Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(29,417.00)	Employees	NIL	NIL
(48,000.00)	HMRC - PAYE	NIL	NIL
(9,500.00)	HMRC - VAT	NIL	NIL
(613,818.00)	Trade Creditors	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(1.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL

(1,260,351.00)

REPRESENTED BY
Bank 1 Current

(4,710.83)

0.00

0.00

0.00

Joanne Louise Hammond
Joint Administrator

SUMMARY OF ADMINISTRATORS' PROPOSALS, INCLUDING MAJOR AMENDMENTS TO AND DEVIATIONS FROM THEM

Proposals deemed approved under Rule 3.38(4) of the Insolvency (England and Wales) Rules 2016 (as amended)

As detailed within the proposals circulated to the creditors on 1 March 2018 the joint administrators have been pursuing the following objectives:-

(c) namely, realising property in order to make a distribution to the secured creditor.

The above objective has been achieved as Barclays Bank plc have received a distribution as detailed in section 5 of this report.

The joint administrators have been able to achieve this purpose by obtaining a pre-packaged sale, with the assistance of specialist agents, Eddisons, who valued and negotiated the sale prior to an offer being accepted. As detailed previously, the sale wasn't straight forward due to problems transpiring in respect of some of the leases and obtaining access to the sites.

The sales consideration was paid in full on completion and full details of the transaction were supplied to creditors within the SIP16 disclosure.

The joint administrators have taken the relevant steps to either assign or surrender the leases.

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 22 August 2019 to 29 January 2020,
- c. Cumulative Time Costs Analysis for the period from 22 February 2018 to 29 January 2020.

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 physical 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

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.

(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 Sheffield 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	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.

SJP9 NYC Partnership Limited - Administration - 91NY004 ADM : Time Costs Analysis From 22/08/2019 To 29/01/2020

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												
Case Planning												
Administration	0.1				1.4		0.3	0.1	0.5	2.4	536.00	223.33
Total for General Case Administration and Planning	0.1				1.4		0.3	0.1	0.5	2.4	536.00	223.33
Compliance with the Insolvency Act, Rules and best practice												
Appointment												0.00
Banking and Bonding				0.4	0.2		0.2		2.9	3.7	829.00	170.00
Case Closure					4.0		5.0			9.0	1,875.00	208.33
Statutory reporting and statement of affairs		2.0			2.7			3.2	0.7	8.6	2,111.00	245.47
Total for Compliance with the Insolvency Act, Rules and best practice:		2.0		0.4	6.9		5.2	3.2	3.6	21.3	4,615.00	216.67
Investigations												0.00
CCDA and investigations												0.00
Total for Investigations:												0.00
Realisation of assets												0.00
Debt collection												0.00
Property, business and asset sales												0.00
Retention of Third/Party assets												0.00
Total for Realisation of assets												0.00
Trading												0.00
Trading												0.00
Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions								0.1		0.1	14.00	140.00
Secured												0.00
Others												0.00
Creditors committee												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions:								0.1		0.1	14.00	140.00
Other matters which includes seeking decisions of creditors, meetings, correspondence, pensions and travel												0.00
Seeking decisions of creditors												0.00
Meetings												0.00
Other												0.00
Tax		0.3							0.4	0.7	189.50	270.71
Logation												0.00
Total for Other matters:		0.3							0.4	0.7	189.50	270.71
Total hours by staff grade:	0.1	2.3		0.4	8.3		5.5	3.4	4.5	24.5		
Total time cost by staff grade	48.50	1,025.50		138.00	2,075.00		962.50	476.00	630.00		5,354.50	
Average hourly rate £	495.00	445.00	0.00	345.00	250.00	0.00	175.00	140.00	140.00		216.55	
Total fees drawn to date £											4,500.00	

SIP9 NYC Partnership Limited - Administration - 91NY004.ADM - Time Costs Analysis From 22/02/2018 To 29/01/2020

Staff Grade	Case planning	Director	Sr Mgr	Mgr	Asst Mgr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost	Average hourly rate £
General Case Administration and Planning	1.2	0.9		0.3	1.7	1.2	0.2			5.5	1,593.50	289.73
	0.4	7.6		0.6	10.1	6.5	0.5	24.5	12.6	62.8	10,620.50	169.12
	1.6	8.6		0.9	11.6	7.7	0.7	24.6	12.6	68.1	12,214.00	178.83
Compliance with the Insolvency Act, Rules and best practice												0.00
	0.2	5.6		0.6	0.2	0.6	0.2	1.7	18.1	25.4	5,048.00	198.74
		1.4			6.2		5.4			13.0	3,116.00	239.65
		33.0		1.2	14.9	0.6		13.4	4.9	68.0	17,840.00	263.82
Investigations	0.2	40.2		1.8	21.3	1.2	5.8	18.1	21.0	108.4	26,506.00	245.36
		16.4		2.6	4.2	11.1		4.5		39.0	10,407.50	266.86
		18.4		2.8	4.2	11.1		4.6		36.0	10,407.50	285.06
Realisation of assets		0.3		0.3	0.3					0.6	165.00	275.00
		03.8						2.5		66.3	23,101.00	348.43
		63.8		0.3	0.3			2.5		66.9	23,266.00	347.77
Trading												0.00
												0.00
Dealing with all creditors claims (including employees), correspondence and distributions		6.5				4.1	0.6	6.2	0.2	17.6	3,960.00	225.00
												0.00
		8.5				4.1	0.6	6.2	0.2	17.6	3,960.00	225.00
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel												0.00
												0.00
		0.3			0.4			0.1	1.9	2.7	504.50	186.85
								0.2		0.2	25.00	140.00
		0.3			0.4			0.3	1.9	2.6	532.50	183.82
	1.8	135.7		4.4	38.0	24.1	8.9	54.1	35.7	301.1		
	791.00	48,186.80		1,977.00	8,408.50	4,382.50	1,175.50	7,033.00	3,644.00		76,486.00	
	439.44	262.46	0.00	340.86	221.22	178.45	170.36	132.82	162.07			234.02
											30,000.00	

STATEMENT OF EXPENSES FOR THE PERIOD

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				
Bank Charges	Santander	2.80	2.80	Nil
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Insurance of Assets	Eddisons Insurance Limited	208.03	208.03	Nil

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Agents/Valuers Fees	Eddisons Commercial Limited	5,500.00
Bank Charges	Santander	27.00
Disbursements – Mileage	Begbies Traynor (SY) LLP	227.70
Disbursements – Postage	Royal Mail	133.56
Employment Costs – Pre appointment	UK Employment Law Consultants	522.50
Employment Costs – Post appointment	UK Employment Law Consultants	1,570.50
Insurance of Assets	Eddisons Insurance Services Limited	208.03
Legal Fees & Disbursements	Pinset Masons Freeths LLP	20,374.66 3,277.00
Licence Fees	GVFM Property Management Freeths LLP	8,673.19 13,740.00
Specific Bond	Willis Limited	30.00
Statutory Advertising	EPE Reynell Advertising Limited	72.00