

WU07

Notice of progress report in a winding-up by the court



Companies House

WEDNESDAY



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08/04/2020 #118.
COMPANIES HOUSE

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it
eshouse

1 Company details

Company number 0 9 5 7 3 8 7 1
Company name in full 469-470-471 Southern 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 ①

Full forename(s) Dominik Thiel
Surname Czerwinke

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

5 Liquidator's address ②

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.

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6

Period of progress report

From date	^d 0	^d 3	^m 0	^m 3	^y 2	^y 0	^y 1	^y 9
To date	^d 0	^d 2	^m 0	^m 3	^y 2	^y 0	^y 2	^y 0

7

Progress report

☒ The progress report is attached

8

Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 0	^d 2	^m 0	^m 4	^y 2	^y 0	^y 2	^y 0
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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 **Dominik Thiel Czerwinke**

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

469-470-471 Southern Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 03/03/2019 To 02/03/2020 £	From 03/03/2017 To 02/03/2020 £
SECURED ASSETS		
Freehold Land & Property	340,000.00	340,000.00
	340,000.00	340,000.00
COSTS OF REALISATION		
Agents/Valuers Fees	13,916.50	13,916.50
Legal Fees and disbursements	3,515.00	3,515.00
	(17,431.50)	(17,431.50)
Bank charge		
Bank Charge	28.80	28.80
	(28.80)	(28.80)
COST OF REALISATIONS		
Agents/Valuers Fees (2)	840.00	840.00
DBIS Cheque Fees	3.75	3.75
Irrecoverable VAT	10,917.08	10,917.08
ISA Banking Fee	88.00	264.00
Legal Fees - Gresham	3,618.00	3,618.00
Liquidators' Fees	32,281.40	32,281.40
O.R. Debit Balance	NIL	3,422.70
O.R. General Fee	NIL	6,000.00
Specific Bond	342.00	342.00
Statutory Advertising	169.50	169.50
	(48,259.73)	(57,858.43)
UNSECURED CREDITORS		
Trade Creditors	263,705.62	263,705.62
	(263,705.62)	(263,705.62)
	10,574.35	975.65
REPRESENTED BY		
ISA (Interest Bearing)		975.65
		975.65

Note:



Dominik Thiel Czerwinke
Joint Liquidator



**469-470-471 Southern Limited (In
Compulsory Liquidation)**

High Court of Justice Chancery Division No.
2017-0093 of 2017

Progress report

Period: 03/03/2019 to 02/03/2020

This report has been produced during the Covid-19 HM Government restrictions. As a result, our access to information within our physical case files has been limited as our firm has implemented remote working wherever possible in line with HM Government guidance in order to protect its employees and to limit the spread of the virus. Consequently this report has been prepared from information we are able to access remotely. We have taken every reasonable step to ensure that the information is accurate, but if anything is incorrect or incomplete, we will provide an explanation and corrected information in our next progress report.

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
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- ❑ Details of appointment of liquidators
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- ❑ Other relevant information
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- ❑ Appendices
 - 1. Account of receipts and payments
 - 2. Time costs and disbursements
 - 3. Statement of Liquidators' expenses



1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	469-470-471 Southern Limited (In Compulsory Liquidation)
"the liquidation"	The appointment of liquidators by the Secretary of State pursuant to Section 137 of the Act on 3 March 2017.
"the liquidators", "we", "our" and "us"	Jamie Taylor of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Dominik Thiel Czerwinke of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"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. COMPANY INFORMATION

Trading name(s):	Unknown
Company registered number:	09573871
Company registered office:	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address:	

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date of winding up order:	20 February 2017
Date of liquidators' appointment:	3 March 2017

Changes in liquidator (if any): None

4. PROGRESS DURING THE PERIOD COVERED BY THIS REPORT

This is our third progress report and should be read in conjunction with our previous progress reports.

Receipts and Payments

Receipts

The sum of £340,00.00 has been realised in respect of the sale of the three railway arches

Payments

Agents/Valuers fees have been paid in the sum of £13,916.50. £1,500 has been paid to Glenly LLP, £1,950 has been paid to Strettons Limited, £6,800 has been paid to £6,800 and a further £3,666.50 has been paid Bridgesfield Ltd.

Legal Fees and Disbursements have been paid in the sum of £3,515 to Gateley Plc .

Further Agents/Valuers fees have been paid to ITC in the sum of £840.00.

£3.75 has been paid in respect of DBIS Cheque fees.

Irrecoverable VAT has been written off in the sum of £10,917.08, as the Company is not VAT registered.

Insolvency Service banking fees in the sum of £88 have been incurred.

£32,281.40 has been paid to Begbies Traynor against their Liquidators' Fees.

Bonding cost in the sum is 342 have been incurred.

£169.50 has been paid inspect of Statutory Advertising. A sum of £3,618 has been paid in respect of funds advanced to Gresham and wrongly posted to the advertising code. This will be corrected for the next report.

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 report contains details of the work undertaken since our appointment.

General case administration and planning

- Updating the electronically held information at this office;



- Liaising with the CID;
- General filing and printing of incoming communications;
- Dealing with costs / case advance form request from CID;
- 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;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression 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;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary.

Banking:

- Maintaining and managing the insolvent estate bank account;
- Maintaining and managing the officer holders' cash book on this assignment;
- Undertaking regular bank reconciliations of the liquidation bank account;
- Complying with risk management procedures.

On this engagement, the work identified above does not hold 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

- Correspondence in relation to Arches;
- Review update emails and consideration of second opinion re valuation and sale;
- Preparing instructions;
- Correspondence with agents;
- Dealing with valuations of Arches;
- Review of terms and conditions;
- Review quotes and surveyor information;
- Dealing with site access;
- Review and correspondence regarding property sale;

The office holders are obliged under the CDDA to conduct certain investigations into the affairs and conduct of the Company and its directors. A report is subsequently submitted. This work does not directly commercially benefit creditors and is a statutory requirement. However, sometimes this work overlaps with investigations on antecedent transaction which the office holders may pursue.

Realisation of assets

- Correspondence with CID regarding Arches and dealing with insurance;

- Dealing with the sale of Arches;
- Correspondence with agents.
- Review of insurance and security of premises.

On this assignment, the work detailed above may realise assets for the insolvent estate. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations.

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

Creditors:

- Where necessary, consideration of issues to reject claims and issue of appropriate letter to creditor(s) affected in accordance with statutory requirements concerning rejection of all or part claims;
- Review of and adjudication on held and un-agreed claims preceding dividend; and
- Calculation and subsequent payment of dividend to one or more classes of creditors.

On this engagement, the work detailed above has had a direct financial benefit to creditors. 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. All creditors that have not claimed have had a fair chance to submit claims. A dividend to creditors has subsequently been paid and the correspondence issued by this office may serve to additionally assist creditors of their remaining loss for tax and VAT purposes.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period 03/03/2018 to 02/03/2019.

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

Secured creditor

There are no known secured creditors.

Preferential creditors

There are no known preferential claims.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- 50% of the first £10,000 of net property;



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

A liquidator will not be required to set aside the prescribed part of net property if:

- ☐ the net property is less than £10,000 and the liquidator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or
- ☐ the liquidator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors.

Unsecured creditors

A dividend of 75.34 pence in the £1 has been paid to the unsecured creditors.

Dividend	Date of Dividend	Amount (pence in £)
First	16/12/2019	75.34

6. REMUNERATION & DISBURSEMENTS

Remuneration

Our remuneration will be drawn according to the OR Scale Rate, detailed as follows:

The realisation scale

i on the first £5,000 or fraction thereof	20%
ii on the next £5,000 or fraction thereof	15%
iii on the next £90,000 or fraction thereof	10%
iv on all further sums realised	5%

The distribution scale

i on the first £5,000 or fraction thereof	10%
ii on the next £5,000 or fraction thereof	7½%
iii on the next £90,000 or fraction thereof	5%
iv on all further sums distributed	2½%

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

- ☐ Begbies Traynor (Central) LLP's charging policy

To 02/03/2020, we have drawn the total sum of £32,281.40 against our remuneration.

Disbursements

To 02/03/2020, we have also drawn disbursements in the sum of £511.50, as set out below:

Bond	342
Statutory advertising	169.50

Why have subcontractors been used?

No subcontractors have been used.

Category 2 Disbursements

No approval is held in relation to Category 2 disbursements and no payments will be made in this respect.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' 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.

Gateleys PLC are engaged on a time costs basis with 60% uplift.

Grade	Hourly rate	Currently engaged
Partner	£275 - £400	
Legal Director	£275 - £350	
Senior Associate	£260 - £350	1x £275
Associate	£240 - £300	
Assistant Solicitor	£160 - £275	2x £200
Trainee	£150 - £175	1x £150
Paralegal	£100 - £240	1x £125

Gateleys plc have been chosen to act on this matter because of their proven effectiveness in past dealings with antecedent transactions, known insolvency specialisms coupled with sufficient staff resources to act quickly on complex issues and ability to source information internally on matters outside of insolvency where required.

ITC were instructed to conduct a valuation [and sale] of the Company's chattel assets and were chosen due to their insolvency specialism, efficient and competitive market rates. Staff of ITC are MNAVA-RICS (Business Techniques) qualified.

Their engagement to dispose of the Company's assets is based on a 12.5% commission on realisations up to £10,000 plus disbursements and 10% commission on realisations over £10,000. Where they are required to deal with matters associated to their instruction, their rates are charged at £80 per hour.



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

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

There are no further assets to realise and the investigations have now concluded. Once the final dividend has been paid the administrative duties can be concluded.

General case administration and planning

- The preparation, drafting and issue of this report to creditors and members to include all necessary information;
- Obtaining up to date estimates from agents instructed in relation to their costs;
- Updating case strategy plan;
- 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 effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists; and
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

On this engagement, the work identified above holds 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.

There is no direct commercial benefit to creditors in relation to the above matters, but creditors benefit from case progression and accuracy. This work is necessary to progress the case and comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

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;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

Banking:

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.

- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices;
- Preparing and processing remittance advises for incoming funds;
- Processing of BACS/electronic payments where applicable;

Closure

- Preparing, reviewing and issuing final report to members and creditors;
- Preparation and issue of advert convening final meetings of members and creditors to London Gazette;
- Convening and holding the final meeting of members and creditors;
- Completion of minutes of final meeting;
- Filing of final return at Companies House;
- Update physical and electronic case records following closure;

On this engagement, the work identified above holds 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.

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

- Review of and adjudication on held and un-agreed claims preceding dividend;
- Calculation and subsequent payment of dividend to one or more classes of creditors; and
- Add any case specific matters here, including secured creditor issues.

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.

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

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

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors.

How much will this further work cost?

Our fees will be charged based on the Official Receiver's scale rates.

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 follows:

£



Photocopying
Postage

20-50
20.00

9. OTHER RELEVANT INFORMATION

Investigations

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. We can confirm that we have discharged our duties in these respects.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that we provide further information about our remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

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

11. CONCLUSION

We will report again in approximately twelve months time or at the conclusion of the liquidation, whichever is the sooner.



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APPENDIX 1

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 03/03/2019 to 02/03/2020

469-470-471 Southern Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 03/03/2019 To 02/03/2020 £	From 03/03/2017 To 02/03/2020 £
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	<u>340,000.00</u>	<u>340,000.00</u>
COSTS OF REALISATION		
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Legal Fees and disbursements	3,515.00	3,515.00
	<u>(17,431.50)</u>	<u>(17,431.50)</u>
Bank charge		
Bank Charge	28.80	28.80
	<u>(28.80)</u>	<u>(28.80)</u>
COST OF REALISATIONS		
Agents/Valuers Fees (2)	840.00	840.00
DBIS Cheque Fees	3.75	3.75
Irrecoverable VAT	10,917.08	10,917.08
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Specific Bond	342.00	342.00
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UNSECURED CREDITORS		
Trade Creditors	263,705.62	263,705.62
	<u>(263,705.62)</u>	<u>(263,705.62)</u>
	<u>10,574.35</u>	<u>975.65</u>
REPRESENTED BY		
ISA (Interest Bearing)		975.65
		<u>975.65</u>

Note:



Dominik Thiel Czerwinke
Joint Liquidator



TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Photocopying is charged at 20p per sheet.

(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 sundry photocopying
- Stationery

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

² Ibid 1



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

Grade of staff	Charge-out rate (£ per hour) 18 March 2019 – until further notice
Consultant/Partner	645 - 710
Director	515
Senior Manager	440
Manager	410
Assistant Manager	315
Senior Administrator	290
Administrator	220
Trainee	160
Administrator	
Support	160

Prior to 18 March 2019, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	395-550
Director	395
Senior Manager	365
Manager	315
Assistant Manager	285
Senior Administrator	250
Administrator	220
Junior Administrator	160
Cashier	160
Support	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.

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				
Bonding	Insolvency Risk Services	342	342	0
Advertising	The Stationery Office	169.50	169.50	0
Legal Fees and Disbursements	Gateley Plc	3,515	3,515	0
Agents/Valuers fees	Glenny LLP	1,500	1,500	0
Agents/Valuers fees	Strettons Limited	1,950	1,950	0
Agents/Valuers fees	Acorn Limited	6,800	6,800	0
Agents/Valuers fees	Bridgeshield Ltd	3,666.50	3,666.50	0
Agents fees	Gresham	3,618.00	3,618.00	0
ISA Banking Fee	ISA Banking Fee	88	88	0
Agents/Valuers fees 2	ITC Valuers	840	840	0
DBIS Cheque Fees	ISA Payment Fee	3.75	3.75	0
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Char Policy</i>)				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
O.R. Debit Balance	O.R. Debit Balance	3,400
O.R. Debit Balance	Shortland Writers Charge	22.70
O.R. General Fee	O.R. General Fee	6,000
ISA Banking Fee	ISA Banking Fee	264
Bonding	Insolvency Risk Services	342



Advertising	The Stationery Office	169.50
Legal Fees and Disbursements	Gateley Plc	3,515
Agents/Valuers fees	Glenny LLP	1,500
Agents/Valuers fees	Strettons Limited	1,950
Agents/Valuers fees	Acorn Limited	6,800
Agents/Valuers fees	Bridgeshield Ltd	3,666.50
Agents/Valuers fees 2	ITC Valuers	840
Agents fees	Gresham	3,618.00
DBIS Cheque Fees	ISA Payment Fee	3.75