

AM03

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 0 8 9 0 6 7 2

Company name in full Estvestia Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Claire Elizabeth

Surname Dowson

3 Administrator's address

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

4 Administrator's name ①

Full forename(s) Joanne Louise

Surname Hammond

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 3rd Floor, Westfield House

Street 60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03
Notice of Administrator's Proposals

6 Statement of proposals

<input checked="" type="checkbox"/>	I attach a copy of the statement of proposals	
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7 Sign and date

Administrator's Signature	Signature × <i>W. Hammend</i> ×									
Signature date	<table><tr><td>^d 1</td><td>^d 5</td><td>^m 0</td><td>^m 9</td><td>^y 2</td><td>^y 0</td><td>^y 2</td><td>^y 1</td></tr></table>	^d 1	^d 5	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1	
^d 1	^d 5	^m 0	^m 9	^y 2	^y 0	^y 2	^y 1			

AM03

Notice of Administrator's Proposals



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	Kerry Norton
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 and dated 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

Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. ①
Attach this to the relevant form.
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by *

1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

2 Insolvency practitioner's name

Full forename(s)

Mark

Surname

Malone

3 Insolvency practitioner's address

Building name/number

8th Floor

Street

Post town

One Temple Row

County/Region

Birmingham

Postcode

B 2 5 L G

Country

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.

Estvestia Limited (In Administration)

Statement of proposals for achieving the purpose of administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 3.35 of the Insolvency (England and Wales) Rules 2016

Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. 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. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Estvestia Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 11 August 2021
"the administrators", "we", "our", "us"	Claire Elizabeth Dowson of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Mark Andrew Malone of Begbies Traynor (Central) LLP, 8 th Floor, One Temple Row, Birmingham, B2 5LG
"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	Estvestia Limited				
Trading name(s):	Estvestia Limited				
Date of Incorporation:	31 July 2017				
Company registered number:	10890672				
Company registered office:	3rd Floor Westfield House, 60 Charter Row, Sheffield, S1 3FZ				
Former registered office:	Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD				
Trading address(es):	Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD				
Principal business activities:	Buying and selling of own real estate				
Directors and details of shares held in the Company (if any):	<table><tr><th>Name</th><th>Shareholding</th></tr><tr><td>Matthew Corden</td><td>-</td></tr></table>	Name	Shareholding	Matthew Corden	-
Name	Shareholding				
Matthew Corden	-				
Company Secretary and details of the shares held in Company (if any):	<table><tr><th>Name:</th><th>Shareholding</th></tr><tr><td>N/A</td><td>-</td></tr></table>	Name:	Shareholding	N/A	-
Name:	Shareholding				
N/A	-				
Accountants:	MH Preece & Co.				
Share capital:	100 ordinary shares of £1 each				
Shareholders:	Alacrity Capital Holdings Limited – 100 ordinary shares				

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment:	11 August 2021
Date of resignation:	N/A
Court:	High Court of Justice, The Business and Property Court Leeds
Court Case Number:	CR-2021-LDS-000324
Person(s) making appointment / application:	The director of the Company situated at Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, Worcestershire B60 4AD
Acts of the administrators:	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.

Type of Proceedings: The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended).

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows:

- “3 (1) The administrator of a company must perform his functions with the objective of-
- (a) rescuing the company as a going concern, or
 - (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors.
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole.
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company's creditors as a whole.
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
 - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole.”

4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

The following background information is provided to assist creditors who may have limited knowledge of the Company and its affairs to better understand the reasons for the Company's insolvency.

The summary below is based on information provided by the director of the Company and has not been verified by the Joint Administrators at this stage.

Company Background

The Company was incorporated on 31 July 2017, as a Special Purpose Vehicle ('SPV') for a freehold property situated at Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD (the "**Property**"). The Property is a 6,500sq ft office block, being both the Company's registered and trading address.

The Company was supported by HSBC Bank Plc ("HSBC") in the purchase of the Property in 2017 which was subsequently refurbished and modernised. HSBC were granted a fixed charge over the Property created on 6 November 2017 and registered on 11 November 2017. The Property was used as the main office for a sister company called Interlearn Limited ("Interlearn"). HSBC have cross guarantee security on the Property from the Company, Interlearn and Alacrity Capital Holdings Limited, the Company's shareholder. Interlearn initially traded as a recruitment company which evolved to delivering Government funded programmes to support individuals back into employment.

Rationale for Administrators' Appointment

In March 2020, the Covid-19 pandemic hit the UK and many businesses were forced to cease trading. In response, Interlearn adapted to staff working remotely and invested in significant resources to ensure that their services could be provided solely online. Unfortunately, the Department of Education was only providing significant funding to specific colleges which had a detrimental impact on much of the training sector. Given the limitations on face to face lectures, Interlearn's turnover dramatically reduced, causing many staff to be placed on furlough.

The Company's only revenue stream was the rent from Interlearn and as their financial position worsened, the Company was no longer receiving rental payments in respect of the Property. As the Property was no longer being utilised, the Company decided to instruct GJS Dillon Limited ("GJS"), as agents, to market the Property for sale.

The Property was placed on the market in March 2021 however, the Company had received no substantial offers and therefore, on 30 June 2021, the Company's director approached Wilson Field Limited ("**Wilson Field**"), a team of licensed Insolvency Practitioners, to review the Company's financial position and, having concluded that the business was insolvent, provided initial advice of the options available to the director.

Given the level of the indebtedness due to the secured creditor, HSBC Bank Plc ("HSBC"), the director was advised that HSBC would only consent to the appointment of an Insolvency Practitioner that was a member of its approved panel of advisers. The director was therefore introduced to Begbies Traynor.

Claire Elizabeth Dowson, Joanne Louise Hammond and Mark Andrew Malone were subsequently appointed Joint Administrators of the Company on 11 August 2021.

5. STATEMENT OF AFFAIRS

Following the Joint Administrators appointment, a request has been made to the Company's director for the completion of a statement of affairs. As a result of these proposals being issued relatively soon after our appointment, such documentation has not yet been received although we are aware that it is in the process of being completed.

Notwithstanding the above, the director has provided sufficient information to enable the preparation of the estimated statement of affairs of the Company as at 11 August 2021 which is attached at Appendix 2. This incorporates a list of the Company's creditors, as supplied by the Company, the accuracy of which the Joint Administrators are unable to vouch for.

The estimated statement of affairs also makes no provision for the costs of the administration or any subsequent liquidation. The Joint Administrators' comments on the statement of affairs are provided in the appendices to this report.

Upon receipt, the directors' statement of affairs will be filed at Companies House and available for creditors to review.

Please note that the estimated to realise figure for the Property has been included at the asking price, as set by GJS however, this is subject to offers being received at this level.

6. THE ADMINISTRATION PERIOD

Receipts and Payments

Attached at Appendix 1 is the Joint Administrators' account of receipts and payments from the commencement of administration, 11 August 2021 to 15 September 2021.

As you will see from the attached receipts and payments account, no transactions have occurred within the administration estate since the Joint Administrators' appointment.

The Company's main asset relates to its freehold Property. This is currently being marketed by GJS who, were instructed by the Company prior to the Joint Administrators involvement. As detailed above, the Property is detailed within the statement of affairs at the asking price as stated by GJS.

In addition, there is unpaid share capital for a nominal amount which, will be investigated during the administration proceedings together with an inter-company debt due.

Work undertaken by the Administrators and their staff

Following the Joint Administrators' appointment, steps were taken to instruct Irwin Mitchell LLP ("Irwins"), to carry out a review of the validity of the secured creditors security, including the inter-company cross guarantees. To date, IM are currently awaiting documentation from the secured creditor in order to finalise their advice in relation to the same. However, the Joint Administrators have based these proposals and the statement of affairs on the basis of the information provided by the secured creditor. The Joint Administrators do however, reserve the right to amend the same should the position change in the future, following IM's review of the validity of their security.

In addition, time has been spent instructing Eddisons Insurance Services Ltd ("EIS") to review the most appropriate insurance strategy for the Property and, liaising with GJS with regard to the Property which is currently on the open market.

Also, time has been spent instructing RemoteZone, a party which is part of Eddisons and which is therefore connected to Begbies Traynor (SY) LLP to inspect the Property and to implement additional security measures to fully safeguard the Property.

7. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the Joint Administrators' estimated statement of affairs) are as follows:

Secured creditors

HSBC have a legal mortgage charge dated 6 November 2017 registered against the Company, against the Property. HSBC's principal indebtedness totals £536,419.36 which relates to the commercial mortgage and interest. It is anticipated that the balance of the realisations from the sale of the Property will be allocated to defray the cross-guarantee in respect of an associated Company, Interlearn Limited – In Administration. Therefore included within this amount as detailed within the attached statement affairs, is the sum of £209,725.00 which relates to the sum anticipated to be paid under the cross-guarantee. .

In addition to HSBC's legal mortgage, they also had the benefit of a fixed and floating charge debenture dated 13 October 2017. The Joint Administrators are advised that a Notice of Satisfaction in respect of this

debenture was incorrectly filed at Companies House and that this security should still be in place. Irwins have been instructed to provide advice on the implications of the incorrect removal of this security.

Augusta Ventures Limited ("**Augusta**") hold a fixed and floating charge debenture dated 5 August 2019 over the Company's property. The Joint Administrators have been advised that Augusta are not owed any funds by the Company and that this security should have been released prior to their appointment. However, this is currently being reviewed as the security is still registered at Companies House, Augusta have been treated as a secured creditor and, for the purposes of drafting these proposals and for obtaining the necessary approval to the Joint Administrators' resolutions.

Preferential creditors

There are no known preferential creditors in this matter.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs ("**HMRC**") are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £3,440.59 in respect of VAT.

Unsecured creditors

Claims of unsecured creditors were estimated at £59,814.29. This sum includes a bounce back loan obtained from HSBC who have preliminarily advised that this will fall outside of the scope of their security. We are currently seeking advice from Irwins to confirm that this reflects the position in the security documentation.

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

Secured creditors

HSBC will be repaid under their fixed charge following the sale of the freehold Property, in relation to its commercial mortgage. It will depend upon the sale price of the Property as to whether HSBC will be repaid in full or receive a partial payment in respect of their indebtedness due from an associated Company, Interlearn Limited – In Administration, under the terms of their cross guarantee.

As detailed above, we do not believe the Company is indebted to Augusta and therefore no distribution will be made.

Preferential creditors

As mentioned above, there are no known preferential creditors.

Secondary preferential creditors

Based on current estimations, it is anticipated that there will be insufficient funds to facilitate a payment to secondary preferential creditors as a result of the indebtedness of the secured creditor.

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 administrator 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 floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. 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 £800,000

An administrator will not be required to set aside the *prescribed part of net property* if:

- ❑ the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit; (Section 176A(3)) or
- ❑ the administrator 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)).

The Joint Administrators have estimated, to the best of their knowledge and belief, the Company's net property, to be £6,109.41 and the prescribed part of the Company's net property to be £0.00 as we do not anticipate that there will be any distribution under a floating charge.

As a result of the above, the Joint Administrators do not intend to make an application to court for an order not to distribute the prescribed part of net property to the unsecured creditors. However, they reserve their position generally in this regard should circumstances materially change.

Unsecured creditors

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors, other than by way of the prescribed part as detailed in the above section.

Effect of administration on limitation periods under the Limitation Act 1980

As explained in our initial correspondence confirming our appointment as administrators, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

Purpose of the Administration

The Joint Administrators are required to set out their proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above.

For the reasons set out in this report, they presently consider that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. Furthermore, the Joint Administrators consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole.

Due to the level of the Company's insolvency, it was not possible to rescue the Company as a going concern, therefore objective 3(1)(a) cannot be achieved.

In addition, based on the anticipated realisations and costs of the administration, and due to the extent of the secured and secondary preferential creditor claims, it is not anticipated that there will be sufficient funds to enable a distribution to be made to the Company's unsecured creditors in this matter therefore, objective 3(1)(b) cannot be achieved.

The purpose of administration we will be pursuing is therefore that specified in 3(1)(c), i.e. facilitating a distribution to the Company's secured creditor, HSBC.

Details of proposals

As detailed in Section 6, the Joint Administrators have discussed the marketing of the Property with GJS and have agreed to leave the marketing with them. In addition, the Joint Administrators will also carry out a review of the unpaid share capital and inter-company debt during the administration proceedings.

It is anticipated that the realisation of the Property will result in HSBC's principal indebtedness being repaid in full and dependent upon the level of realisations achieved from the sale, a distribution to the secured creditor in respect of the cross guarantee it holds.

In order that the purpose of the administration may be fully achieved, the Joint Administrators propose to remain in office as administrators in order to conclude the realisation of the Company's Property, share capital and inter-company debt and to ensure that all necessary statutory duties are adhered to. The principal matters to deal with in this respect are:

- Monitoring and completing compliance matters internally to ensure that the case is progressed as efficiently as possible, in order to progress to closure as and when is necessary;
- Ensuring that their internal diaries and records are kept up to date to enable statutory requirements to be adhered to and statutory deadlines are met within the appropriate timescales;
- Carrying out regular banking duties by way of posting incoming and outgoing transactions into the estate bank account;
- Communicating with the Company's creditors by way of verbal and written communications in relation to their claims and queries received within the administration and entering any claims received onto the Joint Administrators internal systems;
- Seeking and obtaining approval of the Proposals and associated resolutions contained therein;
- Reviewing and agreeing the secured and secondary preferential creditor claims (if necessary);
- Arranging for a distribution to be issued to the Company's secured creditor as and when funds permit;
- Arranging for fees and expenses to be discharged from the administration estate upon receipt of the necessary authority from creditors;
- Undertaking investigations into the Company's failure and directors' conduct;
- Liaising with GJS in respect of the marketing of the Company's freehold Property;
- Entering into negotiations, alongside GJS, with potential purchasers of the Property; and
- Compiling statutory six-monthly progress reports in line with the Insolvency Act.

Following these events, the Joint Administrators propose to finalise distributions to HSBC as and when appropriate. The Joint Administrators will also discharge the liabilities incurred during the administration proceedings, pay any professional costs and discharge their remuneration (subject to the necessary approval being obtained), prior to taking steps to finalise the administration proceedings.

Exit from Administration

On present information the Joint Administrators consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. Consequently, as soon as they are satisfied that they have fully discharged their duties as administrators and that the purpose of the administration has been fully achieved, they propose to deliver a notice of moving from administration to dissolution to the Registrar of

Companies. Upon the registration of such notice their appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if the Joint Administrators are not able to conclude the sale of the freehold Property. The appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, their term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months. It may therefore become necessary at some future time for the Joint Administrators to seek creditor consent to extending the period of the administration for up to a further twelve months following the anniversary of their appointment in order to ensure that the objective of the administration can be fully achieved.

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then unless the court makes an order permitting such a distribution on the Joint Administrators' application, they will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances.

9. PRE-ADMINISTRATION COSTS

As detailed above, Wilson Field provided the director with initial advice on the Company's financial position and the administration process. This included undertaking a review of the financial position and collecting the necessary information to determine that an administration was the best option for the Company's creditors. By undertaking this work, Wilson Field limited the amount of pre-appointment time spent by Begbies Traynor.

In the period before the Company entered administration, Begbies Traynor carried out work consisting of liaising with the director, Wilson Field and HSBC in relation to the proposed administration, reviewing the financial information provided by the director and Wilson Field, liaising with Irwins in relation to the proposed appointment and HSBC's security and formulating a strategy to implement immediately following the appointment ("the Work"). The Work was carried out pursuant to an agreement made between us and the Company entered into on 22 July 2021 ("the Agreement"). The Agreement provides for the payment of our fees and the discharge of expenses incurred by us (collectively referred to as "the pre-administration costs") in carrying out the Work.

The Work was carried out before the Company entered administration because the Joint Administrators considered that the Work would further the achievement of the objective of administration being pursued, namely realising property in order to make a distribution to one or more secured or preferential creditors. The pre-administration costs are broken down as follows:

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Begbies Traynor's fees in relation to the Work	Begbies Traynor (SY) LLP	5,198.50	1,039.70	6,238.20
Legal costs	Iriwin Mitchell LLP	3,813.00	762.60	4,575.60
Legal expenses	Irwin Mitchell LLP	71.50	4.30	75.80
Other Insolvency Practitioners fees in relation to the Work	Wilson Field Limited	6,300.00	1,260.00	7,560.00

TOTAL PRE-ADMINISTRATION COSTS		15,383.00	3,066.60	18,449.60
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The pre-administration costs are unpaid, and the Joint Administrators are seeking that they be paid as an expense of the administration. Approval to discharge such costs ("the unpaid pre-administration costs") as an expense is required from the creditors' committee, or in the absence of a committee, or if the committee does not make a determination, by seeking decisions of the secured creditors of the Company and by seeking decisions of the preferential creditors. Payment of the unpaid pre-administration costs requires separate approval and is not part of their proposals subject to approval.

In order to provide sufficient information to consider approval of the payment of the unpaid pre-administration costs, a document detailing the work carried out, the associated costs and the proposed remuneration is provided together with a pre-administration Time Costs Summary at Appendix 3. These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged.

Irwins

Irwins were chosen to advise on the legal matters and advice relating to the appointment. Irwins were instructed due to their extensive experience in dealing with insolvency matters. They have incurred £3,813.00 plus VAT and disbursements of £71.50 plus VAT where applicable in assisting with matters at the pre-appointment stage.

A brief summary of the pre-appointment work undertaken by Irwins is provided below:

- Reviewing Company information in relation to the proposed appointment;
- Liaising with the Joint Administrators ahead of the appointment and discussing the appointment process and steps to be taken;
- Drafting a notice of appointment of administrators ("NOA"), the draft resolutions and the necessary ancillary documents required to appoint administrators;
- Liaising with the Joint Administrators in respect of the timings of the appointment, the post-appointment strategy and outstanding matters to be dealt with prior to the appointment;
- Pre appointment review of HSBC's security;
- Liaising with the Joint Administrators and the director of the Company in respect of the appointment process; and
- Arranging for the filing of the NOA and ancillary documentation at Court on 11 August 2021 appointing the administrators of the Company.

Please note that in relation to Irwins' pre appointment fees as detailed above, the Joint Administrators have been advised that this sum is based on an old HSBC Panel rate and is in the process of being revalued. Therefore, this figure may increase slightly. Further approval will be required in due course for any increase in this regard.

10. REMUNERATION AND EXPENSES

Remuneration

The Joint Administrators have not at this time drawn any funds on account of their remuneration, nor on account of certain expenses as approval has not previously been sought. Best practice guidance provides that payments to an office holder should be fair and reasonable and reflect the work that has been, and will be, properly carried out. The following proposal represents what they believe is a fair and reasonable fee basis, based on the work which has been carried out to date and the work which is yet to be undertaken.

The Joint Administrators propose that the basis of their remuneration be fixed under Rule 18.16 of the Rules by reference to the time properly given by them and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP for attending to matters as set out in the fees estimate at Appendix 3.

The Joint Administrators consider that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of the prescribed part fund of any net floating charge property). In these circumstances, if there is no creditors' committee, or the committee does not make a determination, it is for each secured creditor and the preferential creditors of the Company to determine the basis of their remuneration under Rule 18.18 of the Rules. Please note that the Joint Administrators are required to disclose any business or personal relationships with parties responsible for approving their remuneration. The Joint Administrators' firm is currently on the secured creditor's, HSBC, panel of approved suppliers of insolvency services. As a result, the Joint Administrators consider that their firm has a business relationship with the secured creditor. However, they do not consider that the relationship will give rise to a conflict of interest in this case.

Appendix 3 sets out the Joint Administrators firm's hourly charge out rates, their fees estimate and the time that the Joint Administrators and their staff have spent in attending to matters arising in the administration since 11 August 2021.

Expenses

The Joint Administrators propose that expenses for services provided by their firm and/or entities within the Begbies Traynor group, be charged in accordance with their firm's policy, details of which are set out at Appendix 3. These expenses will be identified by them and will be payable subject to the approval of those responsible for determining the basis of their remuneration.

Estimate of expenses

The Joint Administrators are required by the Rules to provide creditors with details of the expenses that they consider will be, or are likely to be, incurred in the course of the administration. This information also appears at Appendix 3.

Expenditure incurred to date

To date, no significant expenditure has been incurred to date, as can be seen from the attached receipts and payments account.

11. OTHER INFORMATION TO ASSIST CREDITORS

Report on the conduct of directors

The Joint Administrators have a statutory duty to investigate the conduct of the director and any person they consider to be or have been a shadow or de facto director during the period of three years before the date of their appointment, in relation to their management of the affairs of the Company and the causes of its failure. The Joint Administrators are obliged to submit confidential reports to the Department for Business, Energy and Industrial Strategy.

As administrators of the Company they are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to their attention any potential recoveries for the estate. If you would like to bring any such issues to the Joint Administrators attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs.

Investigations carried out to date

The Joint Administrators have undertaken an initial assessment of possible actions in relation to the manner in which the business was conducted prior to the administration of the Company and potential recoveries for the estate in this respect.

Connected party transactions

The Joint Administrators have not been made aware of any sales of the Company's assets to connected parties.

Deemed delivery

These proposals will be deemed to have been delivered on 17 September 2021.

Use of personal information

Please note that in the course of discharging their statutory duties as Joint Administrators, they 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.

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 the Joint Administrators' remuneration or expenses which have been incurred during the period of this progress report.

Right to make an application to court

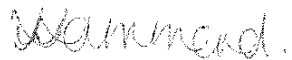
Pursuant to Rule 18.34 of the Rules, any secured creditor or any unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor, (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court) 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 the Joint Administrators' remuneration is inappropriate.

12. CONCLUSION

The Joint Administrators presently consider that neither of the objectives specified in paragraph 3(1)(a) and (b) of Schedule B1 to the Act can be achieved.

In the circumstances, they are not required to seek a decision from the creditors on the approval of their proposals. However, creditors, whose debts amount to at least 10% of the total debts of the Company, may request that a decision is sought from the unsecured creditors as to whether to approve their proposals, via a qualifying decision procedure. Any such request must be delivered to their office in writing within 8 business days of 17 September 2021. If no such requests are received, their proposals are deemed to have been approved by the creditors. Where the proposals are deemed to have been approved, the Joint Administrators will write to you to confirm that is the position.

Subject to the approval of their proposals they will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.



Joanne Louise Hammond
Joint Administrator

Date: 15 September 2021

ACCOUNT OF RECEIPTS AND PAYMENTS

11 AUGUST 2021 TO 15 AUGUST 2021

**Estvestia Limited
(In Administration)**

**Summary of Receipts & Payments
11 August 2021 to 15 September 2021**

RECEIPTS	Total (£)
	<hr/>
	0.00
	<hr/>
PAYMENTS	
	<hr/>
	0.00
	<hr/>
Balance In Hand	0.00
	<hr/>
	0.00
	<hr/>

**JOINT ADMINISTRATORS' ESTIMATED
STATEMENT OF AFFAIRS AS AT 11 AUGUST 2021**

Insolvency Act 1986

Estvestia Limited
Company Registered Number: 10890672

Estimated Statement Of Affairs as at 11 August 2021

	Book Value £	Estimated to Realise £	£
ASSETS			
Freehold Land & Property	800,000.00	745,000.00	
Uncalled Share Capital	100.00	Uncertain	
HSBC Bank plc (Inc. Cross Guarantee)		(745,000.00)	
		<u>NIL</u>	NIL
Augusta Ventures Limited	NIL	NIL	
Inter-Company Debt - Alacrity Capital	9,550.00		9,550.00
Inter-Company Debt - Interlearn Ltd	NIL		<u>NIL</u>
			9,550.00
LIABILITIES			
PREFERENTIAL CREDITORS:-			
			<u>NIL</u>
			9,550.00
2nd PREFERENTIAL CREDITORS:-			
HMRC - VAT		3,440.59	
			<u>3,440.59</u>
			6,109.41
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
			<u>NIL</u>
			6,109.41
Estimated prescribed part of net property where applicable (to carry forward)			<u>NIL</u>
			6,109.41
DEBTS SECURED BY FLOATING CHARGES POST 14 SEPTEMBER 2003			
			<u>NIL</u>
			6,109.41
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			6,109.41
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade Creditors (Count=2)		9,214.29	
HSBC Bank plc		50,000.00	
HMRC (non VAT)		200.00	
HMRC (VAT)		<u>400.00</u>	
			59,814.29
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			<u>(53,704.88)</u>
			(53,704.88)
Issued and called up capital			

Insolvency Act 1986

Estvestia Limited
Company Registered Number: 10890672

Estimated Statement Of Affairs as at 11 August 2021

	Book Value	Estimated to Realise
	£	£
Ordinary Shareholders		100.00
		100.00
TOTAL SURPLUS/(DEFICIENCY)		(53,804.88)

Begbies Traynor (SY) LLP
Estvestia Limited
Company Registered Number: 10890672
B - Company Creditors

Key	Name	Address	£
CB00	Bromsgrove Council	Parkside Market Street, Bromsgrove, B61 8DA	8,191.91
CF00	Fire Safe Services Limited	Saturn House, Saxon Business Park, Hanbury Road, Stoke Prior, Bromsgrove, B60 4AD	1,022.38
CH00	HSBC Bank Plc	LMU, Level 16, 8 Canada Square, Canary Wharf, London E14 5HQ	50,000.00
CH01	HM Revenue & Customs	Debt Management, EIS-C, BX9 1SH	4,040.59
4 Entries Totalling			63,254.88

Signature _____

Begbies Traynor (SY) LLP
Estvestia Limited
Company Registered Number: 10890672
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HA00	Alacrity Capital Holdings Limited	Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD	Ordinary	1.00	100	1.00	100.00
1 Ordinary Entries Totalling					100		

Signature _____

ESTIMATED STATEMENT OF AFFAIRS

Notes to the Joint Administrators' estimated Statement of Affairs.

1. As mentioned above, HSBC have a legal mortgage charge dated 6 November 2017 registered against the Company, against the freehold Property situated at Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD. GJS have professionally valued the freehold Property and have set an asking price of £745,000.00 which has been included as the estimated to realise value in the statement of affairs. Please note that this is subject to offers being received at this level.
2. There currently remains unpaid share capital with a value of £100.00. It is believed that Alacrity Capital Holdings Limited have not paid for the share capital therefore, investigations will be carried out to confirm this within the administration proceedings. As a result, this is shown as uncertain within the statement of affairs.
3. You will see that there are two inter-company debts. One relates to Interlearn Limited which is in administration with no prospect of a distribution to unsecured creditors therefore, this is shown as nil within the statement of affairs and a debt due from Alacrity Capital Holdings Limited.
4. The claims of the Department for Business, Energy and Industrial Strategy represent employees' estimated claims under The Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially, and pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 which are non-preferential.

There are no preferential creditors.

5. Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts. "**Net property**" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation). The **prescribed part** is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000).

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

- a. The net property is less than £10,000 and we think that the cost of distributing the prescribed part would be disproportionate to the benefit;
 - b. Or if the net property is more than £10,000, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds.
6. Further to the changes to the Finance Act 2020, HM Revenue & Customs ("HMRC") are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student Loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

The secondary preferential claim of HM Revenue & Customs is estimated at £3,440.59 in respect of VAT.

7. There is a trade creditor ledger in the sum of £59,814.29 which consists of two creditors and a bounce back loan from HSBC.
8. The unsecured claim of HMRC is in the sum of £600.00. £400 of this relates to outstanding VAT surcharges.
9. The Company is subject to cross guarantees in respect of amounts advanced by its secured creditor, in respect of two associated companies, Alacrity and Interlearn.
10. Creditors' claims are subject to agreement and will not be prejudiced by omission from the Statement of Affairs or by inclusion in a different amount from that claimed.
11. The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs.
12. Transactions with directors and associates.

Standard practice requires disclosure to the creditors of any transactions (other than in the ordinary course of business) between the Company (including any of its subsidiaries or any other company in which it has or had an interest) and any of its directors or their associates (as defined in Section 435 of the Act) in the period of two years prior to the commencement of administration, and in the period since the commencement of the administration, or proposed to be undertaken. Relevant details are as follows:

The Joint Administrators are not aware of any such transactions.

REMUNERATION AND EXPENSES

Total time spent to 15 September 2021 on this assignment amounts to 33.5 hours at an average composite rate of £152.23 per hour resulting in total time costs to 15 September 2021 of £10,222.00.

To assist creditors in determining this matter, the following further information appears in this appendix:

- ☐ Begbies Traynor (SY) LLP's charging policy;
- ☐ Pre-administration work, costs and proposed remuneration with Pre-Administration Time Costs Analysis is attached;
- ☐ Summary of work to be undertaken, payments and expenses;
- ☐ Table of time spent and charge-out value;
- ☐ The Administrators' fees estimate; and
- ☐ Details of the expenses that the Administrators consider will be, or are likely to be, incurred.

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights can be obtained online at www.begbies-traynor.com/creditorsguides Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

Finally, the Association of Business Recovery Professionals (R3) has set up a website that contains a step-by-step guide designed to help creditors navigate their way through an insolvency process which includes information in relation to remuneration. You can access the website at the following address: <http://www.creditorinsolvencyguide.co.uk/>

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy 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 creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy 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 guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of 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 their 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 in 6 minute units 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

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 expenses (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 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) 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; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and 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 (London £150) per meeting;
- ☐ Car mileage which is charged at the rate of 45 pence per mile

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

The following expenses 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 (subject to approval):

It may become necessary during the course of the administration to instruct Eddisons Commercial (Property Management) Limited to conclude the sale of the Company's freehold Property. Their fees will be charged at 10% of realisations.

Eddisons Commercial Limited are also instructed to provide risk management and property security services via RemoteZone who are part of Eddisons, and in particular the management of insurance compliance works for vacant properties and security for the site. There charges for providing these services will be calculated as follows:

Compliance Costs

Void property inspections	-	£35.00 per visit
Lock changes	-	£45.00 per lock change
Drain down	-	£350.00 approx.
Electricity supply switch off	-	£25.00
Letterbox seal	-	£10.00
Window secure	-	£15.00 per window
Combustibles and paperwork clearance	-	quotes to be obtained

Alarm Costs

Install and commission	-	£250.00
Weekly rental charge of 1 x system	-	£75.00
(costs include all monitoring charges, data charges, services and battery changes)		
Alarm response if required	-	£45.00 per hour
Key holding	-	£25.00 per month
Uninstall & decommissioning of all	-	£150.00

All the above prices are subject to VAT at the normal rate of 20%

It may become necessary during the course of the administration to instruct Eddisons Insurance Services Limited ("EIS") to provide assistance in relation to a claim on the Company's Business Interruption Insurance Policy. Their fees in relation to this work will be between 7.5% and 10% of realisations depending upon the circumstances regarding the claim.

Instruction of Eddisons Insurance Services Limited ("EIS") 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 forecasted cost of insurance for the duration of the administration is

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

estimated at £4,565.00 plus VAT. 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. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the 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.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

General Office Overheads.

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 expense*:

- ☐ 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 December 2018 until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

As detailed above, time is recorded in 6 minute units.

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

DETAILS OF THE WORK CARRIED OUT PRE ADMINISTRATION, THE ASSOCIATED COSTS AND THE PROPOSED REMUNERATION FOR THE WORK

CASE NAME: Estvestia Limited

CASE TYPE: Administration

OFFICE HOLDERS: Claire Elizabeth Dowson, Joanne Louise Hammond and Mark Andrew Malone

DATE OF APPOINTMENT: 11 August 2021

1 CASE OVERVIEW

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case.

1.2 Time costs information

Details of the time spent by each grade of staff prior to the appointment of the administrators and the overall average hourly charge out rate for the pre-administration work are set out in the attached table.

Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals.

1.3 Overview of work undertaken prior to appointment

As advised in Section 4 of the Proposals, the director first approached Wilson Field for advice on the Company's financial position. When it became apparent that the secured creditor, HSBC Bank Plc ("HSBC"), required an Insolvency Practitioner on their panel of approved advisers, the director was introduced to Begbies Traynor.

In the period prior to the joint administrators' appointment, the following work was undertaken:

- A review of the Company's financial position;
- Collation of the necessary financial information;
- An assessment of the various insolvency options available to the Company;
- The provision of advice in relation to the administration process;
- Liaising with GJS Dillon Limited ("GJS") in respect of the sale of the Company's freehold property;
- Liaising with HSBC in relation to the proposed administration; and
- Undertaking all statutory and internal pre-appointment compliance checks.

This work was undertaken by both Wilson Field and Begbies Traynor. The work undertaken by Wilson Field was necessary to enable the director to make an informed decision on the Company's financial position and the administration process. Wilson Field's work has ultimately resulted in a reduction in the amount of time spent by Begbies Traynor.

1.4 Complexity of work undertaken prior to appointment

The majority of the work undertaken was 'high level' as it involved the provision of formal advice on the Company's insolvency and the administration process. Consequently, this work was undertaken predominantly by the joint administrators and other senior members of their team.

1.5 Exceptional responsibilities

As detailed above, given the nature of the majority of the work undertaken it was carried out by senior members of the Begbies Traynor team. In particular, the provision of advice on the financial position and the complex nature of HSBC's security position attracted a high level of responsibility.

1.6 The proposed Administrators' effectiveness

For the reasons set out in the attached proposals, the joint administrators presently consider that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors.

The work undertaken allowed the Company to enter into administration in a timely manner with the support of the secured creditor. The appointment of administrators has also facilitated:

- Enabling the Joint Administrators to liaise with GJS with regard to the Property disposal; and
- The Joint Administrators are able to fully investigate the circumstances of the Company's insolvency.

1.7 The views of the creditors

As detailed above, the joint administrators liaised with HSBC throughout the pre-appointment period. HSBC are supportive of the strategy implemented by the joint administrators.

Augusta were also contacted and were advised of the strategy.

1.8 Approval of fees, and expenses incurred in the period prior to appointment

The Joint Administrators pre appointment costs have not been sought directly until this point. Please however note that given a proportion of the pre appointment work was carried out by Wilson Field, such work has added value as this has mitigated the joint administrators pre appointment costs. On this basis, approval will be sought for the payment of Wilson Field's reasonable costs in carrying out their pre appointment work in this matter.

The joint administrators are seeking a resolution in relation to their pre-administration costs as follows: "That the unpaid pre-administration costs detailed in the joint administrators' Statement of Proposals for achieving the purpose of administration, be approved for payment".

1.9 Expenses incurred in the period prior to appointment where payment is proposed to be made to Begbies Traynor and/or another entity with Begbies Traynor Group

Category 2 Expenses

There are no Category 2 disbursements to be charged in relation to the period prior to our appointment.

1.10 Other professionals employed & their costs

IM were instructed to assist the proposed joint administrators with the filing of the notice of intention to appoint administrators and also the filing of the notice of appointment. IM have also spent a nominal amount of time pre appointment reviewing the bank's security. IM's pre appointment fees are estimated in the sum of £3,813.00 plus VAT and expenses of £71.50 (£21.50 of which is subject to VAT). IM have however advised that this sum is based on an old HSBC Panel rate and is in the process of being revalued. Therefore, this figure may increase slightly. Further approval will be required in due course for any increase in this regard.

1.11 Staffing and management

The pre appointment phase has been managed predominantly by Wilson Field however, the proposed joint administrators, with the assistance from administrative and case staff where necessary, have provided assistance where required and report to the proposed office holders.

2 EXPLANATION OF OFFICE HOLDERS' CHARGING POLICY

- 2.1 Begbies Traynor (SY) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3.
- 2.2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3.

ESTVESTIA LIMITED

SUMMARY OF WORK TO BE UNDERTAKEN, PAYMENTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs attached, is intended to provide sufficient information to enable the body responsible for the approval of the Joint Administrators' fees and the payment of certain expenses to make an informed judgement about the reasonableness of their request for approval of the same.

What work has been done since they were appointed, why was that work necessary and what has been the financial benefit (if any) to creditors?

To assist creditors the Joint Administrators have used the headings from their Fees Estimate and Time Costs Analysis attached, to categorise the work that has been and will be undertaken in the administration.

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

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached.

General case administration and planning

The Joint Administrators have arranged for the Company's statutory information that is within their possession to be reviewed and updated onto their systems to enable the relevant statutory documentation to be issued. In addition, the statutory checklists have been completed to ensure that the necessary paperwork following their appointment has been issued where relevant.

A case specific diary template has been added to their system, which assists them in keeping all statutory matters up to date.

Time has been spent updating internal systems to ensure that all information required to allow them to effectively manage the administration of the case, has been obtained and held.

The Joint Administrators have formulated an appropriate strategy and monitored and reviewed that strategy to ensure that the case is administered and progressed efficiently.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. They have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports with Companies House and the filing of a final report at the end of the period. They are also required to notify various bodies of their appointment, including creditors, Companies House, and advertise their appointment in the London Gazette.

The Joint Administrators are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an

interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

During the reporting period, in line with the requirements of the Insolvency Act 1986 and recognised best practice, the Joint Administrators have:

- 1) Dealt with the post appointment statutory formalities including statutory advertising and notifying varying parties of their appointment;
- 2) Prepared the accompanying Proposals for circulation to creditors, together with other written resolutions by correspondence, for approval;
- 3) Notified creditors of their appointment;
- 4) Notified Companies House of their appointment and updated the registered office address;
- 5) Obtained a statutory bond to cover the proposed realisations into the case for the benefit of the creditors; and
- 6) In addition, the Joint Administrators have arranged for a case bank account to be opened in order that incoming and outgoing transactions can be posted onto the system and carried out accordingly.

Whilst these items of work are not of a direct financial benefit to creditors, they are either a statutory or regulatory requirement that they must adhere to and it is of benefit to creditors as it ensures that they are advised of matters arising and progress within the administration. Moreover, it presents the administrators' Proposals to creditors for their agreement or otherwise. The Proposals are also accompanied by certain resolutions as regards remuneration and expenses which must be presented to creditors for their approval.

Investigations

Due to the limited time which has passed since their appointment, the Joint Administrators have not expended any time on this particular matter to date.

Realisation of assets

Following their appointment, the Joint Administrators have continued to liaise GJS Dillon Limited ("GJS") in regard to the marketing of the Company's freehold property situated at Alacrity House, Saxon Business Park, Hanbury Road, Stoke Prior, B60 4AD (the "Property").

The Joint Administrators have also continued to liaise with Wilson Field in respect of the pre-appointment work carried out in order to mitigate duplication of costs and allow the Joint Administrators to progress the realisation of the Property post-appointment.

Time was spent instructing Eddisons Insurance Services Limited ('EIS') to arrange appropriate insurance cover. This is necessary to ensure that the Company's Property is protected from insured risks until realisation.

RemoteZone, a party which is a part of Eddisons and which is therefore connected to Begbies Traynor (SY) LLP, were instructed to attend the Company's premises and undertake a review of security for insurance purposes.

Having attended site they provided a quote for works required and for an alternative alarm service to be installed. Steps were taken to then obtain a second quote for comparison purposes. Having reviewed the same, RemoteZone have been instructed to implement the required actions as soon as possible.

In addition to the above, time has been spent writing to the Company's bank requesting for any credit funds to be transferred into the administration estate.

All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

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

Time has been spent by the Joint Administrators reviewing the received Creditor Proof of Debt forms and updating their IPS system. The Joint Administrators have also dealt with creditor queries and concerns received since their appointment.

If there is likely to be a distribution, creditors will be made aware of this at the earliest possibility, whether it be detailed in their initial correspondence, a progress report or by notice of intended dividend issued during the course of administering the case.

Creditors' claims will be dealt with in accordance with the order of priority, and therefore only if there is a prospect of a dividend in the insolvency proceedings, will those specific claims be adjudicated on.

Time will be spent dealing with all creditor queries as and when required.

This work has not provided any financial benefit to creditors at this stage, however, this work is required to ensure that creditors' claims are dealt with effectively and in a timely manner.

Other matters which include, seeking decisions from creditors (via DCP and/or via Decision Procedures), tax, litigation, pensions and travel

No time has been spent on this matter since the Joint Administrators' appointment.

Time Costs Analysis

An analysis of time costs is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by the Joint Administrators and their staff following their appointment only.

Pre-Administration costs

Details of the resolution in regard to the Joint Administrators' pre-administration costs are detailed in the main body of the Proposals at Section 9.

Why have subcontractors been used?

Irwin Mitchell LLP ("IM")

IM were instructed by the joint administrators to assist with drafting the appointment paperwork in order that the necessary paperwork could be filed at Court and served on the necessary parties. In addition, IM have been instructed to carry out a review of the bank's security for validity purposes.

GJS Dillon Limited ("GJS")

GJS were appointed to market the property prior to the Joint Administrators appointment. As a result of GJS having the necessary knowledge of the Company's property, the Joint Administrators agreed to GJS continuing with the marketing of the property.

MH Preece & Co accountants ("MHP")

MHP have been instructed to assist with the provision of information to enable the directors to prepare the statement of affairs. They have been chosen based on their knowledge of the financial position of the Company.

RemoteZone

RemoteZone were instructed to inspect the Property and were subsequently instructed to implement additional security measures to fully safeguard the Property.

Eddisons Insurance Services Limited ("EIS")

EIS were instructed to provide adequate insurance cover for the Company's assets. EIS were chosen based on their experience and qualifications and they are able to provide insurance and security services which the Joint Administrators are unable to do.

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 Joint Administrators will continue to ensure that their files are maintained and will carry out regular compliance reviews of the case in order to ensure that matters are being progressed in an efficient and timely manner. As mentioned above, whilst the above work is not of a direct financial benefit to creditors, they are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

The Joint Administrators will continue to complete works required to maintain the administration including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the administration and, in readiness for closure as and when applicable.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the administration will be compiled and issued on the statutory due dates. Also, time will be spent updating the electronic diary facility.

Periodic case reviews will be carried out at one, three- and six-monthly intervals to ensure that all statutory documentation has been completed and issued in the relevant timescales and that any outstanding matters within the administration have been concluded as necessary.

There will be no financial benefit to creditors from the Joint Administrators' work in this area. However, they have a duty to undertake this work and therefore these costs cannot be avoided.

Compliance with the Insolvency Act, Rules and best practice

The Joint Administrators will prepare and submit to all relevant parties the statutory administrators' deemed approval notice, six monthly progress report and final report pursuant to The Insolvency Act 1986 and deal with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

In addition, banking duties will be carried out by way of the posting of income and expenditure, and reconciling the bank account together with the processing of bank statements etc.

Also, periodic bond reviews will be carried out to ensure that the case remains adequately bonded and remains bonded throughout the administration process.

Again, there will be no financial benefit to the creditors from the work carried out in this area. However, the Joint Administrators have a duty to undertake this work and therefore, these costs cannot be avoided.

Investigations

The Joint Administrators have a statutory obligation to submit a report on the directors' conduct to The Department for Business, Energy and Industrial Strategy ("DBEIS"). The contents of this report are of a confidential nature between the Joint Administrators and DBEIS and any necessary investigations will be conducted in due course.

The Joint Administrators are in the process of undertaking an initial assessment of the manner in which the business was conducted prior to the administration of the Company, to determine whether there may be potential actions against any one or more parties which could be brought against them for the benefit of creditors generally. They have carried out limited enquiries at this juncture, and it is difficult to estimate what time they may have to incur for this purpose. Clearly, any cost incurred which results in a successful recovery will be of direct benefit to creditors.

The Joint Administrators will seek to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out their investigations. Any person who is or has been a director, or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with investigations.

In order that the above work can be carried out, the Joint Administrators will carry out a thorough review of the Company's books and records together with a review of the Company's bank statements to identify any unusual payments that may have occurred during the period prior to the Joint Administrators' appointment. In addition, the Joint Administrators will review any concerns received from creditors with regard to the directors' conduct.

Dependent upon their findings following the above investigations, this could uncover potential claims which may need to be investigated further during the course of the administration. Any such investigations will be carried out if and when required.

To date, the Joint Administrators are unaware as to whether the above work will provide any financial benefit to the Company's creditors as it is uncertain as to whether any realisations will be achievable from these sources.

Realisation of assets

As mentioned above, the Joint Administrators will continue to liaise with GJS in relation to the marketing and sale of the Company's freehold Property.

Time will also be spent reviewing the unpaid share capital position with the associated company.

In addition, time will be spent liaising with the inter-company debtor for repayment of the funds due to the Company.

The Joint Administrators anticipate that the above work will provide a financial benefit to the Company's creditors as it should enable a distribution to be paid to creditors.

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

Time will be spent dealing with creditor queries as and when received as well as updating the Joint Administrators IPS system with any claims received.

The above work will not provide a financial benefit to creditors in general however, this work is required in order to progress the administration and therefore these costs cannot be avoided.

Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures) tax, litigation, pensions and travel

Time will be spent submitting the relevant VAT and Corporation Tax returns as and when they fall due.

The joint Administrators will review the Company's insurance documentation in conjunction with EIS to ascertain if a Business Interruption Insurance claim is viable.

The Joint Administrators will also review the viability of a Terminal Loss Relief claims and take the appropriate steps following the review.

The above work will not provide a financial benefit to creditors however, this work is of a statutory nature and therefore these costs cannot be avoided.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been carried out and completed. As you know, this work is necessary in order that the Joint Administrators may complete the administration as envisaged. It is not anticipated that the cost of completing this work will exceed any amounts that the Joint Administrators are seeking approval for at this point.

Expenses

Details of the expenses that the Joint Administrators expect to incur in connection with the work that remains to be done referred to above, as well as expenses that they have already incurred, are set out in the estimate of anticipated expenses attached at Appendix 3.

What is the anticipated payment for administering the case in full?

The joint administrators estimate that the cost of administering the case will be in the region of £71,170.00, and consequently they are seeking approval to draw their remuneration up to that level. However, as you are aware, the remuneration that the joint administrators can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the administration, the joint administrators estimate that total remuneration drawn will be in the region of £71,170.00. Costs incurred over and above the level approved will be written off.

Please note that should there be additional or unexpected asset realisations, the Joint Administrators will look to draw their remuneration from those too, capped at the level that the creditors approve.

Staff Grade	Case planning	Director	Senior Manager	Manager	Assistant Manager	Senior Admin	Admin	Support	Total Hours	Time cost £	Average hourly rate £
General Case Administration and Planning	Case planning	1.1				0.7			1.8	647.00	359.44
	Administration	2.4				0.7			15.2	3,290.50	216.48
	Total for General Case Administration and Planning	3.5				1.4			17.0	3,937.50	231.62
Compliance with the Insolvency Act, Rules and best practice	Appointment										
	Banking and Bonding	0.2		0.1		0.7		1.0	2.0	421.00	210.50
	Case Closure										0.00
	Statutory reporting and statement of affairs	7.6				2.4			10.2	4,811.00	339.24
	Total for Compliance with the Insolvency Act, Rules and best practice	8.0		0.1		3.1		1.0	12.4	4,460.00	359.69
Investigations	GDPA and investigations										0.00
	Total for investigations:										0.00
Realisation of assets	Debt collection	0.3							0.3	133.50	445.00
	Property, business and asset sales	1.9							1.9	845.50	445.00
	Retention of Title/Third party assets										0.00
	Total for Realisation of assets:	2.2							2.2	979.00	445.00
Trading	Trading										0.00
	Total for Trading:										0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured	1.6							1.6	501.00	445.00
	Others	0.1							0.1	44.50	445.00
	Creditors committee										0.00
	Total for dealing with all creditors claims (including employees), correspondence and distributions:	1.9							1.9	545.50	445.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors										0.00
	Meetings										0.00
	Other										0.00
	Tax										0.00
	Litigation										0.00
	Total for Other matters:										0.00
	Total hours by staff grade:	16.8		0.1		4.5		1.0	33.5		
	Total time cost by staff grade £:	6,342.00		34.50		1,012.50		238.00		10,222.00	
	Average hourly rate £:	445.00	6.00	345.00	6.00	225.00		140.00			152.23
	Total fees drawn to date £:									0.00	

ESTVESTIA LIMITED**THE ADMINISTRATORS' FEES ESTIMATE**

Further to our appointment as administrators, we are seeking to be remunerated on a time costs basis. Details of our firm's hourly charge-out rates are set out in the charging policy which accompanies this estimate. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be approved at the same time as the basis of our remuneration.

Our fees estimate for the administration is set out below. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column.

Details of the work that the administrators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	48.00	11,595.00	241.56
Compliance with the Insolvency Act, Rules and best practice	43.00	10,720.00	249.30
Investigations	50.00	13,025.00	260.50
Realisation of assets	71.00	20,280.00	285.63
Trading	0.00	0.00	0.00
Dealing with all creditors' claims (including employees), correspondence and distributions	42.00	11,335.00	269.88
Other matters which include seeking decisions from creditors via Deemed Consent Procedures or Decision Procedures, tax, litigation, pensions and travel	16.00	4,215.00	263.44
Total hours	270.00		
Total time costs		71,170.00	
Overall average hourly rate £			263.59

What is the anticipated payment for administering the case?

Although the fees estimate indicates that the total time costs for this matter will be £71,170.00, we are aware that the Company's assets relate to its Property, unpaid share capital and an inter-company debt and so the time costs that we will be able to draw will be limited to the amount that is realised for these. This is expected to be in the region of £754,550.00 which is in excess of our estimated time costs however, does not take into account the costs to be deducted. However, please note that should there be additional or unexpected asset realisations, we will look to draw our fees from those too.

For the avoidance of any doubt, the above estimate relates to the period of administration only, it does not relate to any work that is to be undertaken in any insolvency procedure following the administration.

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from our website at <http://www.begbies-traynorgroup.com/work-details>. There is also a case specific explanation in the letter accompanying this fee estimate

Dated: 15 September 2021

ESTVESTIA LIMITED

DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment, requisitioned meetings, dividends etc.	£255.00 + VAT
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds.	£250.00 + VAT
3.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity. Administration fees may also be charged on the policy.	£4,565.00 + VAT
4.	Insurance review of Business Interruption Insurance Policy	The fees of any agents instructed to assist the Insolvency Practitioner in relation to the review and submission of a claim against any Business Interruption Insurance Policy, if applicable.	7.5% and 10% of any successful claim
5.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	£53.20 + VAT
6.	Pre appointment Legal fees and expenses	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated expenses for work carried out prior to the Insolvency Practitioners appointment.	£3,813.00 + VAT (fees) £71.50 (expenses)
7.	Legal fees and expenses	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated expenses.	£11,000.00 + VAT (fees) £350.00 + VAT (expenses)
8.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate.	£50.00
9.	Property agent's sale fees	GJS Dillion Limited ("GJS") fees and anticipated expenses.	£12,600.00 (Inc. irrecoverable VAT)
10.	Rates	Business rates in respect of the Property.	£12,000.00 + VAT
11.	Security Costs	Costs associated with securing the Company's Property until the sale completes.	£2,766.00 (Inc. Irrecoverable VAT)
12.	Property Insurance	Costs associated with insuring the Company's freehold Property.	£4,565.00 + IPT
13.	Utilities	Utilities incurred in respect of the Property.	£1,500.00 + VAT

14.	Subscriptions	Monthly charges in respect of the Xero subscription in respect of the Company's electronic records.	£240.00 + VAT
15.	Statement of Affairs Fee	Assistance provided by the Company's accountant in respect of the director's statement of affairs.	£2,000.00 + VAT
16.	Postage	Charges incurred in issuing letters to the Company's creditors and other parties during the administration proceedings.	£500.00 + VAT
17.	Miscellaneous costs	Any costs which are incurred in relation to miscellaneous items during the administration proceedings.	£1,000.00 + VAT
18.	Previous Insolvency Practitioners pre appointment costs	The pre appointment costs incurred by the previous insolvency practitioner for the work carried out prior to the joint administrator's appointment.	£6,300.00 + VAT

For the avoidance of any doubt, the above estimate relates to the period of administration only, it does not relate to any expenses that will or may be incurred in any insolvency procedure following the administration.