

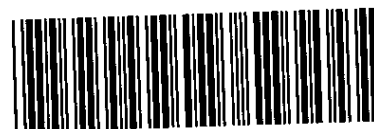
In accordance with Rule 18.7 of the Insolvency (England & Wales) Rules 2016 and Sections 92A, 104A and 192 of the Insolvency Act 1986.

LIQ03

Notice of progress report in voluntary winding up



Companies House



A19 *A8BHMGA2* 09/08/2019 #374
COMPANIES HOUSE

FRIDAY

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

1	Company details	
Company number	0 2 4 6 7 2 5 6	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	A.C. Wellard & Partners Limited	
2	Liquidator's name	
Full forename(s)	Jamie	
Surname	Taylor	
3	Liquidator's address	
Building name/number	The Old Exchange	
Street	234 Southchurch Road	
Post town	Southend on Sea	
County/Region		
Postcode	S S 1 2 E G	
Country		
4	Liquidator's name ①	
Full forename(s)	Alan	① Other liquidator Use this section to tell us about another liquidator.
Surname	Clark	
5	Liquidator's address ②	
Building name/number	Recovery House, Hainault Business Park	② Other liquidator Use this section to tell us about another liquidator.
Street	15-17 Roebuck Road	
Post town	Ilford	
County/Region	Essex	
Postcode	I G 6 3 T U	
Country		

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 0	^d 6	^m 0	^m 6	^y 2	^y 0	^y 1	^y 8
To date	^d 0	^d 5	^m 0	^m 6	^y 2	^y 0	^y 1	^y 9

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X

X

Signature date	^d 0	^d 5	^m 0	^m 8	^y 2	^y 0	^y 1	^y 9
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LIQ03

Notice of progress report in voluntary winding up



Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name **David Farmer**

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

Address **The Old Exchange**
234 Southchurch Road

Post town **Southend on Sea**

County/Region

Postcode **S S 1 2 E G**

Country

DX **southend@begbies-traynor.com**

Telephone **01702 467255**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



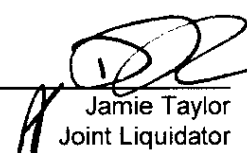
Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

A.C. Wellard & Partners Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 06/06/2018 To 05/06/2019 £	From 06/06/2016 To 05/06/2019 £
SECURED ASSETS		
Leasehold Land & Property	NIL	68,098.00
	NIL	68,098.00
SECURED CREDITORS		
Barclays Bank Plc	NIL	68,098.00
	NIL	(68,098.00)
ASSET REALISATIONS		
Administration Surplus	NIL	47,312.79
Bank Interest Gross	59.65	91.37
Bank Refund	77.42	110.91
VAT Refund	14,500.00	14,500.00
	14,637.07	62,015.07
COST OF REALISATIONS		
Corporation Tax	5.89	5.89
Insurance of Assets	25,615.75	26,157.78
Joint Administrator's o/s time costs	30,400.00	30,400.00
Legal Fees (1)	1,500.00	1,500.00
Liquidators' Expenses	44.00	44.00
Liquidators' Fees	2,420.00	2,420.00
Specific Bond	230.00	230.00
Stationery & Postage	145.14	145.14
Statutory Advertising	75.14	75.14
	(60,435.92)	(60,977.95)
	(45,798.85)	1,037.12
REPRESENTED BY		
Bank 1 Current		73.12
Vat Control Account		964.00
		1,037.12


 Jamie Taylor
 Joint Liquidator

A.C. Wellard & Partners Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 06/06/2018 to 05/06/2019

Important Notice

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

Contents

- ❑ Interpretation
- ❑ Company information
- ❑ Details of appointment of liquidators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ Remuneration and disbursements
- ❑ Liquidators' expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
 - 1. Liquidators' account of receipts and payments
 - 2. Liquidators' time costs and disbursements
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	A.C. Wellard & Partners Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 6 June 2016.
"the liquidators", "we", "our" and "us"	Jamie Taylor of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Alan Clark of Carter Clark, Recovery House, Hainault Business Park, 15-17 Roebuck Road, Ilford, Essex, IG6 3TU
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	A.C. Wellard & Partners Limited
Company registered number:	02467256
Company registered office:	Recovery House, 15-17 Hainault Business Park, Roebuck Road, Ilford, Essex, IG6 3TU
Former trading address:	Port Zone, Old Park, Whitfield, CT16 2HQ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	06 June 2016
Date of liquidators' appointment:	06 June 2016
Changes in liquidator (if any):	None

4. PROGRESS DURING THE PERIOD

During the period we have continued to undertake our statutory, compliance and best practice obligations. We have now been able to agree and settle the costs of insurance previously taken to cover the assets of the business the prior pending sale. The liquidation is now being prepared for closure.

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 06/06/2018 to 05/06/2019.

Receipts

The sum of £59.65 has been received in relation to bank interest.

The sum of £77.42 has been realised in relation to a bank refund.

The sum of £14,500 has been realised in relation to a VAT refund.

Payments

Corporation tax has been paid in the sum of £5.89.

Insurance costs have been settled in the sum of £25,615.75 and paid to AUA Insolvency Risk Services Limited.

The sum of £30,400 has been paid towards the Joint Administrators outstanding time costs. Fees of the former Administrators have been discharged in the sum of £2,420 although this has been misposted to the liquidators' fees code. This will be remedied prior to the issue of the next report.

Legal fees in the fixed sum of £1,500 have been paid to Dentons. Dentons have assisted the joint liquidators with final matters pertaining to the leasehold premises conveyance and were chosen due their prior known effectiveness and experience with insolvency matters.

Liquidators expenses have been paid in the sum of £44.

Bonding costs have been paid in the sum of £230.

Postage costs have been paid in the sum of £145.14.

Statutory advertising costs have been paid in the sum of £75.14.

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

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

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

General case administration and planning

- Updating the electronically held information at this office;
- Updating case diary;
- General case review;
- Virtual cabinet filing and scanning for case documents;
- Updating IPS correspondence details;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9.

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

Compliance with the Insolvency Act, Rules and best practice

- Drafting and finalising annual report to creditors and Companies House;
- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary.

Banking:

- Undertaking regular bank reconciliations of the liquidation bank account;
- Complying with risk management procedures;
- Dealing with incoming funds;
- Dealing with post appointment payment vouchers and invoices;
- Accounting for accruing interest on the cash book.

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

Realisation of assets

- Dealing with HMRC submissions in relation to VAT refund;
- Calls with HMRC.

The office holders are duty bound to realise and get in the Company's property and maximise asset realisations. In some cases this does not yield sufficient realisations to enable creditors to have a direct financial benefit.

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

Creditors:

- Update creditor records.

On this engagement, the work detailed above has not had any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

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

Tax / VAT

- Post appointment tax compliance – submission of corporation tax returns;
- Correspondence with joint liquidators regarding VAT position and sale proceeds;
- Post appointment VAT compliance – submission of VAT returns 426 and 100;
- VAT correction form 700 submission;
- Dealing with VAT matters pertaining to administration period;
- Dealing with VAT receivable and journal matters.

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

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the Joint Administrators' proposals prior to the liquidation.

The sums owed to creditors at the date of appointment were as follows:

Secured creditor

Barclays Bank Plc hold a fixed and floating charge were estimated to be owed the sum of £219,631.

Preferential creditors

There are no known preferential claims.

Unsecured creditors

It was estimated that there were 115 unsecured creditors estimated at a total sum of £1,887,253.

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

Secured creditor

Barclays Bank Plc have confirmed that their liability has been discharged in full through a combination of director's personal guarantee and disposal of the lease.

Preferential creditors

There are no known preferential claims.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge

assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of net property;
- ❑ 20% of net property thereafter;
- ❑ Up to a maximum amount to be made available of £600,000

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

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

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be nil and the prescribed part of the Company's net property to be nil.

There will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits.

Unsecured creditors

No dividend is available for unsecured creditors because the funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation.

6. REMUNERATION & DISBURSEMENTS

Remuneration

No fees have been drawn by the joint liquidators.

On 2 September 2015 the secured and unsecured creditors agreed that the remuneration of the Administrator be fixed in accordance with Rule 2.106 of the Insolvency Rules 1986 by reference to the time properly given by the Administrator and his staff in attending to matters arising in the Administration. Barclays Bank subsequently provided consent in its capacity as secured creditor.

Begbies Traynor (Central) LLP

Our time costs for the period from 06/06/2018 to 05/06/2019 amount to £6,573.50 which represents 26.70 hours at an average rate of £246.20 per hour.

Carter Clark

Our time costs for the period from 06/06/2018 to 05/06/2019 amount to £2,091.50 which represents 7.40 hours at an average rate of £282.64 per hour.

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

- ❑ Time Costs Analysis for Begbies Traynor and Carter Clark for the period 06/06/2018 to 05/06/2019
- ❑ Begbies Traynor (Central) LLP's charging policy

To 05/06/2019, we have drawn £2,420 on account of the remuneration of the former administrators. The entry has been wrongly posted to liquidators fees and will be amended prior to the issue of the next report.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

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

Disbursements

The sum of £494.28 has been drawn on account of our disbursements.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. A copy of 'A Creditors Guide to Liquidators' Fees' also published by R3, together with an explanatory note which shows Carter Clark's fee policy are available at the link www.carterclark.co.uk. Please note that there are different versions of the Guidance Notes and in this case you should refer to the November 2011 version.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3.

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

There are no further assets to be realised. The case will shortly be progressed to closure.

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

General case administration and planning

- The preparation, drafting and issue of this and subsequent reports to creditors and members to include all necessary information;

- update of case compliance checklists;
- Dealing with correspondence (physical and electronic) that is considered routine in the context of the engagement and otherwise does not directly fall into other categories;
- General case updates to include internal meetings on case strategy and effecting instruction;
- Ongoing maintenance of up to date information on the electronic case information;
- Periodic reviews of the case generally;
- Overseeing and controlling the work undertaken on this engagement by junior staff;
- Completion of six monthly compliance and progression checklists;
- Ensure time recording data is compliant with Statement of Insolvency Practice 9;

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

Compliance with the Insolvency Act, Rules and best practice

- Reviewing the adequacy of the specific penalty bond periodically;
- Ongoing consideration to ethical practice;
- Ongoing consideration to money laundering regulations;
- Updating case checklists and statutory diaries where necessary;
- Submission of forms to Companies House;
- Maintain accurate account of receipts and payments;
- Issuing annual progress reports for submission at Companies House and copies sent to all known creditors.

Banking:

- Maintaining and managing the insolvent estate bank account.
- Maintaining and managing the officer holders' cash book on this assignment.
- Undertaking regular bank reconciliations of the estate bank account.
- Complying with risk management procedures;
- Accounting for accruing interest on the cash book;
- Preparing and processing cheque requisition forms for the payment of post-appointment invoices if applicable;
- Processing of BACS/electronic payments where applicable;

Closure

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

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

Realisation of assets

- Accounting for bank interest if applicable.

On this assignment, the ongoing work detailed above has realised assets for the insolvent estate. The office holders are duty bound to realise and get in the Company's property and maximise asset realisations. In some cases this does not yield sufficient realisations to enable creditors to have a direct financial benefit.

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

Creditors:

- The issue of this report and associated required documents;
- Updating schedules of creditor claims;
- Receipt of creditor claims and input on internal case management software;
- Taking and dealing with phone calls from creditors;
- Acknowledgment of creditor claims correspondence and/or dealing with further queries on claims;
- Receipt of, consideration of and response to creditor correspondence.

On this engagement, the work detailed above will not have any direct financial benefit to creditors from the insolvent estate and has been undertaken to comply with the Insolvency Act and Rules together with best practice and enabling creditors to have evidence of their loss for tax and VAT purposes.

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

- The completion of VAT forms in order to reclaim outstanding VAT;
- The Completion of Corporation Tax returns;
- Attending meetings that may arise along with travel to and from those meetings;
- Filing of final Corporation Tax return;
- Seeking closure clearance from HMRC.

Some of the above have no direct financial benefit to creditors but have to be done in order to comply with the Insolvency Rules such as creditors and members meetings, as well as a legal requirement, such as completion of corporation tax returns. Others do have a direct financial benefit to creditors. These include the provision of VAT returns after the liquidation as the majority of VAT will be recoverable and therefore an asset of the insolvent estate.

How much will this further work cost?

We expect to incur a further £3,000 - £5,000 in completing the above tasks.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Use of personal information

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

10. CREDITORS' RIGHTS

Right to request further information

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

Right to make an application to court

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

11. CONCLUSION

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



Jamie Taylor
Joint Liquidator

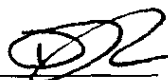
Dated: 05 August 2019

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 06/06/2018 to 05/06/2019

A.C. Wellard & Partners Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 06/06/2018 To 05/06/2019 £	From 06/06/2016 To 05/06/2019 £
SECURED ASSETS		
Leasehold Land & Property	NIL	68,098.00
	NIL	68,098.00
SECURED CREDITORS		
Barclays Bank Plc	NIL	68,098.00
	NIL	(68,098.00)
ASSET REALISATIONS		
Administration Surplus	NIL	47,312.79
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Specific Bond	230.00	230.00
Stationery & Postage	145.14	145.14
Statutory Advertising	75.14	75.14
	(60,435.92)	(60,977.95)
	(45,798.85)	1,037.12
REPRESENTED BY		
Bank 1 Current		73.12
Vat Control Account		964.00
		1,037.12



 Jamie Taylor
 Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 06/06/2018 to 05/06/2019;
- c. Cumulative Time Costs Analysis for the period from 6 June 2016 to 05/06/2019.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

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

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

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

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

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

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

Best practice guidance classifies expenses into two broad categories:

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

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

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

(B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*:

- Telephone and facsimile
- Printing and sundry photocopying

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

² Ibid 1

- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Southend office as at the date of this report are as follows:

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

Prior to 18 March 2019, the following rates applied:

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

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

Time is recorded in 6 minute units.

SIP9 A.C. Wellard & Partners Limite - Creditors Voluntary Liquidation - 03AC085.CVL - Time Costs Analysis From 06/06/2018 To 05/06/2019

Staff Grade		Consultant/Father	Director	Senr Mgr	Mgr	Asst Mgr	Senr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning		0.3	0.7					2.3		3.3	757.00	229.39
	Administration				0.3				0.4		0.7	158.90	228.43
	Total for General Case Administration and Planning		0.3	0.7	0.3				2.7		4.0	915.90	229.39
Compliance with the Insolvency Act, Rules and best practice	Appointment												0.00
	Banking and Bonding	1.0						0.1	0.7	0.6	11.3	2,342.50	207.30
	Case Closure						0.2				0.2	47.00	235.00
	Statutory reporting and statement of affairs		2.2				3.7				5.9	1,735.50	294.66
	Total for Compliance with the Insolvency Act, Rules and best practice	1.0	2.2				3.9	0.1	0.7	0.6	17.4	4,125.00	237.34
Investigations	COCA and investigations												0.00
	Total for investigations												0.00
Realisation of assets	Debt collection												0.00
	Property business and asset sales						0.9				0.9	211.50	235.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets						0.9				0.9	211.50	235.00
Trading	Trading												0.00
	Total for Trading												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others								0.1		0.1	18.00	160.00
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions								0.1		0.1	18.00	160.00
Other matters which includes passing decisions of creditors, meetings, fax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings												0.00
	Other												0.00
	Tax		2.4					0.1	1.8		4.3	1,302.50	302.91
	Litigation												0.00
	Total for Other matters		2.4					0.1	1.8		4.3	1,302.50	302.91
	Total hours by staff grade	1.9	4.6	0.7	0.3		4.8	0.2	5.3	0.6	26.7		
	Total time cost by staff grade	856.00	1,969.50	270.50	94.50		1,128.00	37.00	848.00	1,378.00		4,573.50	
	Average hourly rate £	449.50	428.30	386.43	315.00	0.00	235.00	185.00	160.00	180.00		244.26	
	Total fees drawn to date £											2,420.00	

SlP9 A.C. Wellard & Partners Limite - Creditors Voluntary Liquidation - 03AC085 CVL : Time Costs Analysis From 06/06/2016 To 05/06/2019

Staff Grade		Consultant/Partner	Director	Senr Mngr	Mngr	Asst Mngr	Senr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	1.0	0.3	0.7	5.5				7.8		15.1	3,787.50	250.83
	Administration	1.1	0.3		2.8		0.4	0.1	3.8		6.3	2,184.00	345.13
	Total for General Case Administration and Planning	2.1	0.6	0.7	8.3		0.4	0.1	11.2		21.4	5,971.50	276.19
Compliance with the Insolvency Act, Rules and best practice	Appointment				2.5						2.5	787.50	315.00
	Banking and Bonding	3.1						4.7	0.8	11.9	20.5	4,277.50	208.66
	Case Closure						0.2				0.2	47.00	235.00
	Statutory reporting and statement of affairs	0.4	3.8		5.8		4.8				14.5	4,565.50	314.86
	Total for Compliance with the Insolvency Act, Rules and best practice	3.8	3.8		8.3		4.7	4.7	8.8	11.9	37.7	9,877.50	261.76
Realisation of assets	ULAA and investigations				1.3		5.2		0.4		6.9	1,895.50	245.72
	Total for investigations				1.3		5.2		0.4		6.9	1,895.50	245.72
	Debt collection				1.1		0.3				1.4	417.00	297.86
	Property buy/sell and asset sales		2.1				0.8				3.0	1,041.00	347.00
Realisation of assets	Retention of Title/Third party assets												0.00
	Total for Realisation of assets		2.1		1.1		1.3				4.1	1,198.50	291.41
	Realising												0.00
	Total for Realising												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others				0.2				0.1		0.3	76.00	263.33
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions				0.2				0.1		0.3	76.00	263.33
Other matters (which includes seeking decisions of creditors meetings, lit, litigation, pensions and travel)	Seeking decisions of creditors												0.00
	Meetings	0.3									0.3	135.00	450.00
	Other												0.00
	Tax		3.1		0.6		1.3	0.1	4.7		9.8	2,537.50	258.93
	Litigation												0.00
	Total for Other matters	0.3	3.1		0.6		1.3	0.1	4.7		10.1	2,872.50	284.40
	Total hours by staff grade	5.9	9.6	0.7	19.8		12.8	4.8	17.2	11.9	92.8		
	Total time cost by staff grade	2,636.00	3,840.00	275.50	6,257.00		3,008.00	908.80	2,752.00	1,804.00	21,354.00		
	Average hourly rate E:	446.78	400.00	384.43	315.00	0.00	235.00	188.00	160.00	160.00			260.31
	Total fees shown to date E:											2,420.00	

Introduction

The insolvency legislation was changed in October 2015, with one or two exceptions, for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditZone section of our website www.carterclark.co.uk. Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at www.carterclark.co.uk. Alternatively a hard copy may be requested from Carter Clark at Recovery House, 15-17 Roebuck Road, Hainault Business Park, Ilford, Essex, IG6 3TU. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

Time cost basis

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken.

Chargeout rates

Period	From 01/11/14	01/05/10 to 31/10/14	01/01/05 to 30/04/10
	£	£	£
Partners (or equivalent)	310 - 385	300 - 375	250 - 290
Managers	270 - 325	250 - 300	150 - 260
Senior administrators	200 - 250	200	175
Administrators	150 - 190	120 - 175	90 - 160

* Rates vary between individuals, reflecting experience. For certain more complex tasks, Carter Clark may seek to apply a higher rate in respect of work to be undertaken, but subject to prior authorisation in accordance with the Act. For further information on the manner in which an office holder's fees may be fixed, please refer to the applicable Creditors' guide to fees. Support staff will also occasionally charge their time when performing a substantial administrative task within a case. Support staff charge their time at the lower Administrators rate of £150 per hour.

These charge-out rates charged are reviewed annually and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. The work is generally recorded under the following categories:

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading.
- Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015.

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case. For example, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

Percentage basis

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on fixed or a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case. For example, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis, then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances, then an increase can only be approved by the Court.

Fixed fee

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case. For example, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

Members' voluntary liquidations and Voluntary Arrangements

The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.

All bases

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

Agent's costs

These are charged at cost based upon the charge made by the Agent instructed. The term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Disbursements

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Carter Clark; in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

	£	
Ordinary correspondence		No charge for stationery or postage
Reports and circulars	3.50	Administration Proposals / CVL Notices
	2.50	Voluntary Arrangement Proposals / S98 Notices
	1.50	Other reports and meeting notices
	1.00	Other statutory notices
Room hire	A charge will be made by reference to comparable commercial facilities available locally as follows :-	
	250	London
Travel & subsistence		At cost to the firm
Storage	An associated company, Ideal Data Limited, may be utilised in handling storage and transportation for the firm. Costs currently are as follows :-	
Storage	0.50	Per box, per week
Collection	20.00	Per hour
Listing of documents	1.50	Per box
Box charges	2.25	Per box
Transportation costs	150.00	Per load

Provision of Information

Each statutory report made by the office holder containing an account of receipts & payments relevant to that appointment will generally be accompanied by a Summary of the office holders fees and expenses in the form suggested by SIP9. Where further information is requested, reports will be provided on receipt of a written request to Carter Clark. Carter Clark reserves the right to either refuse to comply with such request or to insist upon payment of costs by the recipient wherever, in their professional opinion, the request is manifestly frivolous or out of proportion to the circumstances.

Time Entry - SIP9 Time & Cost Summary

ACW3016CVL - A.C. Wellard & Partners Limited
All Post Appointment Project Codes
From: 06/06/2018 To: 05/06/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	2.40	3.90	0.00	6.30	1,668.00	264.76
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	1.10	0.00	0.00	0.00	1.10	423.50	385.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.10	2.40	3.90	0.00	7.40	2,091.50	282.64
Total Fees Claimed						2,400.00	
Total Disbursements Claimed						0.00	

Time Entry - SIP9 Time & Cost Summary

ACW3016CVL - A.C. Wellard & Partners Limited
All Post Appointment Project Codes
From: 06/06/2000 To: 05/06/2019

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Administration & Planning	0.00	13.60	13.10	0.00	26.70	5,467.00	204.76
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	1.40	0.40	1.80	298.00	165.56
Investigations	0.00	0.00	2.80	0.00	2.80	476.00	170.00
Realisation of Assets	1.10	0.00	0.20	0.00	1.30	457.50	351.92
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	1.10	13.60	17.50	0.40	32.60	6,698.50	205.48
Total Fees Claimed						2,400.00	
Total Disbursements Claimed						0.00	

STATEMENT OF EXPENSES (Begbies Traynor)

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Postage	Royal Mail	73.45	0.00	73.45
Archive costs	Archive Solutions	0.40	0.00	0.40
Postage	Royal Mails	71.69	71.69	0.00
Photocopying	Begbies Traynor	21.40	21.40	0.00
Statutory Advertising	HMSO	75.14	75.14	0.00
Legal fees	Dentons	1,500.00	1,500.00	0.00
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
None				

STATEMENT OF EXPENSES (Carter Clark)

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within Carter Clark				
N/A				
Expenses incurred with entities within Carter Clark				
N/A				

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Photocopying	Begbies Traynor	44.00
Postage	Royal Mail	145.14
Advertising	TMP UK	75.14

Insurance	Insolvency Risk Solutions	25,615.75
Legal fees	Dentons	1,500.00
Bond	Carter Clark	230.00