

The Insolvency Act 1986

**Administrator's progress report**Name of Company  
Excel Securities PlcCompany number  
03800111In the  
High Court, Manchester District RegistryCourt case number  
808 of 2010(a) Insert full name(s) and  
address(es) of the  
administrator(s)

We (a) Paul Stanley and Andrew David Dick of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY

administrators of the above company attach a progress report for the period

from


to

(b) Insert dates

(b) 01 October 2014

(b) 31 March 2015

Signed

  
Joint Administrator

Dated

16/4/15

**Contact Details:**

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

Begbies Traynor (Central) LLP

340 Deansgate, Manchester, M3 4LY

Tel Number 0161 837 1700

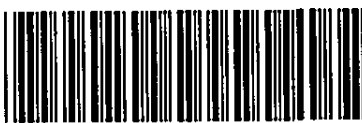
Fax Number 0161 837 1762

DX Number

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

SATURDAY



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18/04/2015

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COMPANIES HOUSE

Paul Stanley and Andrew David Dick were appointed joint administrators on 1 April 2010

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

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## **Excel Securities Plc (In Administration)**

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Progress report of the joint administrators pursuant to Rule 2.47 of The Insolvency Rules 1986

Period: 01 October 2014 to 31 March 2015

## **Important Notice**

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

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## 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Excel Securities Plc (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 1 April 2010
"the administrators", "we", "our", "us"	Paul Stanley and Andrew David Dick of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (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
"NW"	National Westminster Bank Plc
"IDB"	Israel Discount Bank Plc
"Leumi"	Bank Leumi (UK) Plc

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## 2. STATUTORY INFORMATION

Name of Company	Excel Securities Plc
Trading name(s)	<b>Excel Securities Plc</b>
Date of Incorporation	29 June 1999
Company registered number	03800111
Company registered office	340 Deansgate, Manchester, M3 4LY

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators	Paul Stanley and Andrew David Dick, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
Date of administrators' appointment	1 April 2010
Court	High Court, Manchester District Registry
Court Case Number	808 of 2010
Person(s) making appointment / application	The Directors
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.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration period was extended with the consent of creditors for a period of 6 months until 30 September 2011 and for a further period of 2 years by order of the court until 30 September 2013. A further extension to the administration of 2½ years was approved by order of the court until 31 March 2016.

## 4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 01 October 2014 to 31 March 2015

### Fixed Charge Receipts

'Nat West – Properties/Loan Redemptions' of £233,111 82 relates to sales by LPA receivers

'IDB – Properties' of £1,172,392 is split as follows One loan was redeemed in the period for £130,000 £1,041,792 relates to earlier sales posted to the Company's accounts following the receipt of a final outcome statement from the LPA receiver and the balancing £600 relates to a posting correction to a previously understated sale

'IDB – Rent' of £122,345 relates to funds collected by the LPA Receiver over properties included in the earlier sales of over £1million as mentioned above

Loan interest in the sum of £14,250 was received in relation to a loan sub-charged to Bank Leumi (UK) Plc

### Fixed Charge Payments

'Agents Fees & Disbs – NW/IDB/Leumi' of £7,750 20 are funds reallocated from 'Agents Fees & Disbs – NW' as this amount relates to properties, the costs of which, are to be split between the three secured creditors

'Insurance' costs of £11,765 68 relate to the earlier sale by the LPA receiver mentioned above as 'IDB – Properties'

'Administrators Fees (Fixed Charge)' drawn in the period were £37,810 02

'Agents Fees & Disbursements – IDB' totalling £7,404, 'Legal Fees (Fixed Charge)' totalling £10,852 of the £11,352 and 'Legal Disbursements (Fixed Charge)' of £835 40 in the period relate to the earlier sales above The remaining £500 legal fees relate to the IDB sale of £130,000

'LPA Receivers Fees', 'LPA Receivers Disbs' and 'Insurance Logs & Sundry Costs – IDB' of £69,313 58, £3,289 60 and £37,578 07 respectively also relate to the earlier sales previously mentioned

'Irrecoverable VAT – NW' in the period was £3,592 81, however, £8,913 98 was transferred to 'Irrecoverable VAT – NW/IDB/Leumi' as this amount relates to properties, the costs of which, are to be split between the three secured creditors

All other Irrecoverable VAT in the period totalled £4,929 63

### Floating Charge Receipts

Bank interest received in the period totals £2,836 96

'Legal Settlements (Net)' totalled £638,691 69 and represented the final litigation settlement in this matter less the reallocation of costs

### Floating Charge Payments

'Legal Fees (Floating Charge)' totalled £20,424 34 relating to final payments for legal services in unsettled litigations and legal services for general administration undertakings such as advice received in relation to the secured creditors' shortfalls However, following the reallocation of costs the balance reduced to £2,119 70

'Legal Disbursements (Floating Charge)' were £7,360 for historic unpaid bankruptcy petitions relating to a closed litigation. £93 was received in the settlement of the final litigation to cover disbursements in that particular case, reducing the total cost

'Administrators Fees (Floating Charge)' drawn in the period totalled £137,187.53

'Administrators Disbursements' drawn in the period totalled £2,964.85

The cumulative total for 'Expert & Consultant Fees/Disbursements' was reduced in the period by £36,773.13 due to the reallocation of legal settlements

Irrecoverable VAT in the period totalled £20,830.91

#### **Distributions**

Both Fixed and Floating Charge distributions were made to the Company's three secured creditors in the period and amounted to £1,640,123.77 and 2,012,000 respectively

## **5 ESTIMATED OUTCOME FOR CREDITORS**

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals

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

#### **Secured creditors**

The Company's Secured Creditors are expected to suffer shortfalls. This is due to the down turn in the property market over the past 5-7 years which has had an effect on the values of properties used as security for loans made by the Company

#### **Preferential creditors**

There are no known preferential claims

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

Details of how the prescribed part for unsecured creditors is calculated were provided in our statement of proposals

Pursuant to Rule 2.33(3) of the Rules, we consider it in the best interests of the creditors not to disclose estimates of the prescribed part of the Company's net property at this time on the grounds that the disclosure could seriously prejudice the commercial interests of the Company

#### **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 that of the prescribed part

## 6 THE ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

As previously reported our remuneration is fixed by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the administration and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the *Statement of Proposals of the Joint Administrators for Achieving the Purpose of the Administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986*

The relevant resolutions were approved by the secured creditors pursuant to Rule 2.106 of the Rules

In accordance with the approved resolutions, £178,711.43 in relation to fixed charge remuneration has been drawn to 31 March 2015, with £538,187.53 having been drawn in relation to floating charge assets. A total of £7,012.49 of disbursements have also been drawn to 31 March 2015

Time spent in the period on this assignment amounts to 269 hours at an average composite rate of £217.59 per hour, resulting in total time costs in the period of £58,532

Total time spent to 31 March 2015 on this assignment amounts to 4,737.3 hours at an average composite rate of £190.10 per hour resulting in total time costs to 31 March 2015 of £900,560.50

The following further information as regards time costs and expenses is set out at Appendix 2

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates for the period of this report
- ☐ Table of time spent and charge-out value in the period

In addition, a copy of 'A Creditors' Guide to Administrators' Fees (E&W) 2010' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy

## 7. ASSETS THAT REMAIN TO BE REALISED

There are no remaining assets for the administrators to realise. However, the Company was a creditor in a number of bankruptcies, some of which are still ongoing. It is the administrators' intention to investigate whether there will be any returns from these bankruptcies once the Company is moved into Liquidation.

## 8. OTHER RELEVANT INFORMATION

### Report on Directors' conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with their duties in this respect.



## 9. CONCLUSION

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner

A handwritten signature in black ink, appearing to read 'Paul Stanley', written over a faint, stylized outline of a triangle.

**Paul Stanley**  
Joint Administrator

Dated 16 April 2015

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# ACCOUNT OF RECEIPTS AND PAYMENTS

Period 01 October 2014 to 31 March 2015

**Excel Securities Plc**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 01/10/2014 To 31/03/2015	From 01/04/2010 To 31/03/2015
<b>SECURED ASSETS</b>		
	NIL	350,020 00
	NIL	12,861 73
4,759,000 00	233,111 82	3,686,525 21
	NIL	20,000 00
	NIL	NIL
2,978,000 00	1,172,392 00	2,205,677 42
	NIL	6,000 00
	122,345 00	131,984 00
3,134,000 00	NIL	2,013,792 00
	14,250 00	216,435 00
	NIL	58,014 34
	NIL	3,421 17
	<u>1,542,098 82</u>	<u>8,704,730 87</u>
<b>COSTS OF REALISATION</b>		
	7,750 20	7,750 20
	11,765 68	36,430 46
	37,810 02	178,711 43
	(7,750 20)	40,126 00
	7,404 00	13,941 00
	NIL	NIL
	11,352 00	188,930 55
	835 40	9,464 28
	69,313 58	165,649 27
	3,289 60	38,430 26
	(5,321 17)	50,682 99
	2,974 72	12,552 09
	1,954 91	31,827 85
	NIL	(73,707 26)
	NIL	12,643 24
	37,578 07	42,439 80
	8,913 98	8,913 98
	<u>(187,870 79)</u>	<u>(764,786 14)</u>
<b>SECURED CREDITORS</b>		
(7,561,000 00)	364,859 89	3,551,145 81
(6,109,000 00)	1,234,598 27	2,339,845 08
(2,518,500 00)	40,665 61	2,048,953 84
	<u>(1,640,123 77)</u>	<u>(7,939,944 73)</u>
<b>ASSET REALISATIONS</b>		
	NIL	18,287 45
200 00	NIL	1,636 26
	NIL	NIL
	NIL	12,883 18
45,000 00	NIL	NIL
3,958 00	NIL	10,437 92
	NIL	NIL
	2,836 96	6,882 64
	NIL	534 10
5,300,000 00	638,691 69	3,542,429 64
NIL	NIL	NIL

**Excel Securities Plc**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 01/10/2014 To 31/03/2015	From 01/04/2010 To 31/03/2015
Sundry Refunds	NIL	4,242 60
Contribution to Legal Fees (Floating)	NIL	1,500 00
	641,528 65	3,598,833 79
<b>COST OF REALISATIONS</b>		
Legal Fees (Floating Charge)	2,119 70	93,374 89
Legal Disbursements (Floating Charge)	7,267 00	19,846 55
Administrators' Fees (Floating Charge)	137,187 53	538,187 53
Administrators' Disbs (Floating Charge)	2,964 85	7,012 49
Property Maintenance/ Sundry Costs	NIL	NIL
Expert & Consultant Fees/Disbursements	(36,773 13)	6,279 95
Counsel's Fees & Disbs	NIL	11,911 50
Witness' Expenses	NIL	229 00
Corporation Tax	NIL	820 47
Irrecoverable VAT	20,830 91	135,684 01
Office Clearance	NIL	830 00
Printing Costs	NIL	162 75
Storage Costs	NIL	1,000 00
Re-Direction of Mail	NIL	51 92
Statutory Advertising	NIL	75 60
Bank Charges	NIL	1,306 31
	(133,596 86)	(816,772 97)
<b>FLOATING CHARGE CREDITORS</b>		
National Westminster Bank Plc	1,086,000 00	1,086,000 00
Israel Discount Bank Plc	705,000 00	705,000 00
Bank Leumi (UK) Plc	221,000 00	221,000 00
	(2,012,000 00)	(2,012,000 00)
<b>UNSECURED CREDITORS</b>		
(489,413 31) Trade & Expense Creditors	NIL	NIL
(33,363 46) Employees	NIL	NIL
(16,997 86) HM Revenue & Customs	NIL	NIL
(4,450,249 18) Loan Note Holders	NIL	NIL
	NIL	NIL
<b>DISTRIBUTIONS</b>		
(100,000 00) Ordinary Shareholders	NIL	NIL
	NIL	NIL
<b>(5,058,365 81)</b>	<b>(1,789,963 95)</b>	<b>770,060.82</b>

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## TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Table of time spent and charge-out value

## **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 guidance<sup>1</sup> 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. Best practice guidance<sup>2</sup> 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,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

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

<sup>2</sup> Ibid 1

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

- Telephone and facsimile
- Printing and photocopying
- Stationery

### BEGBIES TRAYNOR CHARGE-OUT RATES

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

	<b>Standard</b>
	<b>01 May 2011 –</b>
	<b>until further notice</b>
	<b>Regional</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Prior to 01 May 2011, the following rates applied

	<b>Charge-out</b>
	<b>Rate</b>
	<b>(£ per hour)</b>
<b>Grade of staff</b>	
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

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

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