



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

1 Company details

Company number	0	4	8	2	9	6	0	5
Company name in full	Michael Paul Holidays Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s)	Julian
Surname	Pitts

3 Administrator's address

Building name/number	Floor 2
Street	10 Wellington Place
Post town	Leeds
County/Region	
Postcode	L S 1 4 A P
Country	

4 Administrator's name ①

Full forename(s)	Paul
Surname	Wood

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number	St James Court
Street	St James Parade
Post town	Bristol
County/Region	
Postcode	B S 1 3 L H
Country	

② Other administrator

Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^d 0	^d 1	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3
To date	^d 3	^d 1	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 8	^m 0	^m 9	^y 2	^y 0	^y 2	^y 3
----------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

**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 **Cameron Smith**

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

Address **Floor 2**

10 Wellington Place

Post town **Leeds**

County/Region

Postcode

L	S	1		4	A	P
---	---	---	--	---	---	---

Country

DX

Telephone **0113 244 0044**

**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

Julian Pitts and Paul Wood were appointed Joint Administrators on 1 March 2023

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.

Michael Paul Holidays Limited (In Administration)

Progress report of the Joint Administrators

Period: 1 March 2023 to 31 August 2023

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.

Contents

- ❑ Interpretation
- ❑ Statutory information
- ❑ Details of appointment of administrators
- ❑ Progress during the period
- ❑ Estimated outcome for creditors
- ❑ Pre-Administration costs
- ❑ Remuneration and expenses
- ❑ Expenses
- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
- ❑ Creditors' rights
- ❑ Conclusion
- ❑ Appendices
 - 1. Account of receipts and payments
 - 2. Time costs information
 - 3. Statement of administrators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Michael Paul Holidays Limited (In Administration)
"the Administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 1 March 2023
"the administrators" "we" "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Floor 2, 10 Wellington Place, Leeds, LS1 4AP and Paul Wood of Begbies Traynor (Central) LLP, St James Court, St James Parade, Bristol, BS1 3LH
"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 Insolvency Act 1986

2. STATUTORY INFORMATION

Name of Company	Michael Paul Holidays Limited
Trading names:	Michael Paul Holidays
Date of Incorporation:	11 July 2003
Company registered number:	04829605
Company registered office:	Floor 2, 10 Wellington Place, Leeds, LS1 4AP

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Julian Pitts, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Floor 2, 10 Wellington Place, Leeds, LS1 4AP and Paul Wood, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, James Court, St James Parade, Bristol, BS1 3LH
Date of administrators' appointment:	1 March 2023
Court:	Leeds High Courts of Justice
Court Case Number:	CR-2023-LDS-000206
Persons making appointment / application:	Para 22 Sch B1 IA86 (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.
Type of Proceedings:	The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended)
Extensions of the Administration period	There have been no extensions to the Administration period

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 March 2023 to 31 August 2023.

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.

General case Administration and planning

Time has been spent populating and maintaining our electronic case files to ensure that the Joint Administrators have an accurate and complete record of how the case is being administered, including fully document the reasons for any decisions that have been made.

Regular internal case reviews have been carried out in order to ensure that the case is being progressed efficiently and in line with our statutory obligations.

Whilst this work is of no direct financial benefit to creditors, we 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.

Compliance with the Insolvency Act, Rules and best practice

Immediately following our appointment we provided notice of our appointment to the Registrar of Companies, creditors and shareholders. We have also incurred costs of £109 to Courts Advertising for their assistance with advertising our appointment in the London Gazette.

In addition, we have produced and circulated our Statement of Proposals to creditors to provide details of our appointment and the anticipated outcome for creditors. The Statement of Proposals has been made available to creditors on our website and has also been provided to a number of other bodies, including the Registrar of Companies.

We have also monitored realisations during the period to ensure that the statutory bond is sufficient to safeguard the interests of creditors.

Our cashier has spent time in reconciling the bank account and processing receipts and payments within the period.

Whilst this work is of no direct financial benefit to creditors, it is necessary in accordance with the Act, Rules and best practice.

Investigations

Since our appointment, we have undertaken investigations regarding the conduct of the directors and have been seeking to better understand the affairs of the Company, in order to comply with our statutory duties. During the period, we prepared and submitted our confidential report on the directors conduct and the Company's affairs to the Secretary of State for BEIS. This included extensive internal discussions to ensure that the contents of the report were consistent with our investigation outcomes.

Whilst we are unable to divulge significant details of our report, we confirm that no transactions were identified that warranted further investigation.

This work did not produce a direct financial benefit to creditors, however it was necessary in accordance with our statutory duties regarding investigations.

Realisation of assets

As creditors are aware, the Joint Administrators determined that in order to achieve the maximum value of the Companies business and assets it should be sold as a whole. At the time of our statement of proposals, our extensive advertising process had concluded and negotiations were ongoing with the Company's former director, Michael Paul, with an offer accepted subject to contract from his new Company, Sans Facon Holdings Limited. This process has now concluded and payment of £55,000 has been remitted into the Administration in relation to the purchase of the Company's business and assets. These monies have been allocated as follows:

- £49,996 has been realised in relation to the Business and intellectual property of the Company. Creditors will recall that this was the Company's primary asset relating to the Company's two websites.
- A nominal amount of £1 each was allocated to the intangible assets of the Company's Goodwill, Sellers Records, Business Contracts and Sellers Subsidiaries.
- £4,000 was realised in relation to the Company's book debts during the period.
- £1,000 was also realised in relation to the Company's Furniture & Equipment during the period.

Further book debt realisations were made prior to the sale of business and assets in the sum of £3,311.

This work has directly contributed to the realisations of the Administration.

Trading

As mentioned in the Administrators statement of proposals it was necessary to continue the Company's trading in order to preserve the commercial value of its websites while we searched for a purchaser. The Joint Administrators forecast that it would cost £45,000 to trade for about a month, however this required a reduction in staff as the business was unable to support the current level of wages and salaries. Five members of the Companies staff were made redundant immediately following our appointment whilst seven, who were considered essential for the continued operation of the Company, remained employed until 30 March 2023.

This would have significantly reduced the value of employee claims in the Administration. Unfortunately, after the first month, the Joint Administrators could no longer justify the significant costs associated with keeping the staff in employment and so they were made redundant.

The Joint Administrators received trading funding from the Company's primary creditor.

Whilst this work has not directly benefited the Administration estate financially it enable the Companies website to be sold following limited down time which assisted in preserving its value.

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

Significant time has been spent during the period of this report responding to the initial queries of creditors and making a record of their claims.

Further work was required in submitting our report to the Redundancy Payment Service to ensure that the Company's former employees received their redundancy pay. Time was also spent in answering the queries of employees and helping them to submit their claims.

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

Time under this heading has been spent in dealing with the Company's tax matters.

It has also time spent seeking decision of creditors relating to the payment of expenses, time costs and the approval of our statement of proposals.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progression of the Administration, which ensures that we carry out our work to high professional standards.

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 dated 20 April 2023.

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

Secured creditor

To the best of our knowledge and belief there are no unsatisfied fixed or floating charges over the Company or its assets.

Preferential 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 preferential creditors.

Secondary preferential creditors

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to HM Revenue & Customs as secondary preferential creditor.

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.

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

Unsecured creditors

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.

Effect of Administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, 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.

6. PRE-ADMINISTRATION COSTS

On 9 May 2023 the following amounts in respect of unpaid pre-Administration costs were approved by decision of creditors sought via a Decision Procedure.

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor (Central) LLP	5,538.50	1,107.70	6,646.20
Legal costs	Tyr Law	1,740.00	348.00	2,088.00
Legal disbursements		50.00	Nil	50.00
Agents costs	BTG Advisory	750.00	150.00	900.00
TOTAL PRE-ADMINISTRATION COSTS		8,078.50	1,605.70	9,684.20

7. REMUNERATION & EXPENSES

Our remuneration has been fixed by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters as set out in the fees estimate.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, expenses, including expenses for services provided by our firm (defined as category 2 expenses in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of Administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 1 March 2023 to 31 August 2023 amount to £104,881 which represents 290 hours at an average rate of £362 per hour.

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

- ❑ Time Costs Analysis for the period 1 March 2023 to 31 August 2023
- ❑ Begbies Traynor (Central) LLP's charging policy

To 31 August 2023, we have not drawn any monies on account of our remuneration, against total time costs of £104,881 incurred since the date of our appointment.

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.

As can be seen from the information above, we have exceeded the limit of our approved remuneration. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reasons why the approved level of remuneration has been exceeded are as follows:

- ❑ The complexity of running certain aspects of the case as a trading Administration required more senior levels of our staff to efficiently progress the case for the benefit of creditors;
- ❑ Significantly more time was required by senior grades of staff in negotiating the sale of the Companies business and assets than was originally anticipated. This work ultimately resulted in significant realisations into the Company.
- ❑ The previously approved fees estimate was based on charge out rates that were applied by our firm at the time the estimate was produced. With effect from 10th July 2023, the charge out rates of all grades of staff were increased (see Appendix 2). Our costs have exceeded our previous estimate partly as a consequence of this increase.

Category 1 Expenses

To 31 August 2023, we have not drawn any amounts that can be considered Category 1 expenses.

Category 2 Expenses

Details of the Category 2 expenses that have been drawn during the period of this report in accordance with the approval obtained in the total sum of £46.11 are as follows:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage	20.00
Subsistence	26.11

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the Administration would total £11,510. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

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

As detailed in the directors' statement of affairs, the assets of the Company consisted of the intellectual property and rights associated with its website. At this stage in the Administration all assets have been realised.

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

We are required to maintain records to demonstrate how the case is being administered and ensure that any decisions are recorded appropriately. This will include compliance reviews, internal checklist updates, periodic case reviews and maintaining electronic case files.

Whilst this work will not benefit creditors financially, it is necessary to ensure the compliant progression of the case.

Compliance with the Insolvency Act, Rules and best practice

The Joint Administrators are required to produce progress reports on a six monthly basis to provide an update to the creditors of the progress made during the Administration. These documents will be filed at Companies House to meet statutory requirements and made available on our website for the convenience of creditors.

At the conclusion of the Administration it is required that the Joint Administrators prepare a final report and account of the Administration. This will provide creditors with an overview of the Administration, including all

realisations, costs and the final outcome for creditors. As all of the assets of the case have now been realised, it is anticipated that a final report will be prepared in the period immediately following this report.

Whilst this work is not of direct financial benefit to creditors it is necessary to ensure compliance with the Act and best practise.

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

We will continue to deal with all classes of creditors during the course of the Administration. We will issue correspondence where necessary and continue to respond to queries as and when they are received.

Whilst this work does not have a direct financial benefit to creditors it is necessary to ensure that creditors remain informed of the progress of the Administration.

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

We will continue to submit VAT and corporation tax returns as necessary.

Whilst this work does not benefit creditors directly it is necessary to ensure compliance with statutory requirement and best practise.

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 completed. As you know, this work is necessary in order that I may complete the Administration as envisaged.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 20 April 2023 which included all of the expenses that we anticipate that we will incur throughout the Administration.

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

We estimated that the cost of administering the case would be in the region of £86,009.50, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, the remuneration that we 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, I can estimate that total remuneration drawn will be in the region of £50,000. Costs incurred over and above our approval will be written off.

However, please note that should there be additional or unexpected asset realisations, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

10. OTHER RELEVANT INFORMATION

Proposed exit route from Administration

The Joint Administrators statement of proposals indicated that the exit route from Administration would be via dissolution as there was not deemed to be any likelihood of a repayment to unsecured creditors. This prediction has held true and the Joint Administrators will be taking the necessary steps to dissolve the Company in the period immediately following this report.

Use of personal information

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

11. CREDITORS' RIGHTS

Right to request further information

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

Right to make an application to court

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

12. CONCLUSION

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



J N R Pitts
Joint Administrator

Dated: 25 September 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 1 March 2023 to 31 August 2023

S of A £		£	£
	OTHER DIRECT COSTS		
	Direct Labour	19,432.76	(19,432.76)
	TRADING EXPENDITURE		
	Refund on client account funds	3,999.65	
	Trading expenditure	3,507.62	
	Pension Contribution	1,277.93	
	PAYE and NI	11,242.62	(20,027.82)
	TRADING SURPLUS/(DEFICIT)		(39,460.58)
	ASSET REALISATIONS		
1.00	Goodwill	1.00	
1.00	Sellers Records	1.00	
1.00	Business Contracts	1.00	
49,996.00	Business Intellectual Property Rights	49,996.00	
1,000.00	Furniture & Equipment	1,000.00	
7,311.45	Book Debts	7,311.45	
9,146.97	Cash at Bank	9,146.97	
	Administration Funding	40,000.00	
	Bank Interest Gross	179.75	
	TRADING SURPLUS/(DEFICIT)	(39,460.58)	
	Sellers Subsidiaries	1.00	68,177.59
	COST OF REALISATIONS		
	Pre app legal fees	1,500.00	
	Pre app legal disbursements	50.00	
	Administrators' Expenses	109.08	
	Agents/Valuers Fees (1)	750.00	
	Legal Fees (1)	5,500.00	
	Legal Disbursements	25.00	
	Accountants fees	230.53	(8,164.61)
(211,410.53)	SECONDARY PREFERENTIAL CREDITORS		
	HMRC	NIL	
(2,343,714.34)	UNSECURED CREDITORS		
	Trade Creditors	NIL	
(106.00)	DISTRIBUTIONS		
	Ordinary Shareholders	NIL	
			NIL
(2,487,773.45)			60,012.98
	REPRESENTED BY		
	Vat Receivable		1,809.74
	Barclays FL Current Acc		58,203.24
			60,012.98

COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 1 March 2023 to 31 August 2023.

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.

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 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

In addition to the services detailed above, it may become necessary to instruct Eddisons Commercial Limited to provide additional services, not currently anticipated, during the course of the case. In such circumstances and to avoid the costs associated with seeking further approval, the charges for such services will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

Grade of staff	Charge-out rate (£ per hour)
Director	£275
Associate	£180
Surveyor	£120
Graduate	£100
Administration	£80
Porters	£35

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 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 £375.

Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's Administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's Administration fee to be charged. The buyer's premium and buyer's Administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

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

Grade of staff	Charge-out rate range (£ per hour) 10 th July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

Prior to 10th July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

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.

SIP9 Michael Paul Holidays Limited - Administration - 80MI809.ADM : Time Costs Analysis From 01/03/2023 To 30/08/2023

[illegible]

STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	Courts Advertising	109.08	109.08	0.00
Legal Fees	Tyr Law	5,500.00	5,500.00	0.00
Legal disbursements	Tyr Law	25.00	25.00	0.00
Accountants Fees	Book Check	230.53	230.53	0.00
TOTAL		5,864.61	5,864.61	0.00