

## Liquidator's Progress Report

# S.192

Pursuant to Sections 92A and 104A and 192  
of the Insolvency Act 1986

To the Registrar of Companies

Company Number

06621487

Name of Company

Haldanes Stores Limited

I / We

Gareth David Rusling, Kendal House, 41 Scotland Street, Sheffield, S3 7BS

John Russell, Kendal House, 41 Scotland Street, Sheffield, S3 7BS

the liquidator(s) of the company attach a copy of my/our Progress Report  
under section 192 of the Insolvency Act 1986

The Progress Report covers the period from 01/06/2015 to 31/05/2016

Signed



Date

3-8-16

Begbies Traynor (SY) LLP  
Kendal House  
41 Scotland Street  
Sheffield  
S3 7BS

Sheffield North@Begbies-Traynor.com  
Ref H138612/JR

THURSDAY



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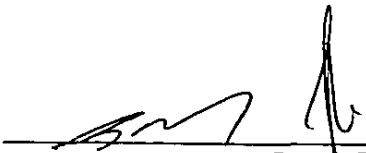
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#293

COMPANIES HOUSE

**Haldanes Stores Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

| Statement<br>of Affairs |   | From 01/06/2015<br>To 31/05/2016 | From 01/06/2012<br>To 31/05/2016 |
|-------------------------|---|----------------------------------|----------------------------------|
|                         | <b>ASSET REALISATIONS</b>               |                                  |                                  |
|                         | Finance Equity Adjustment               | NIL                              | 2,126 72                         |
| Uncertain               | Haldanes Express Limited                | NIL                              | NIL                              |
| Uncertain               | Bakery Products Limited (Admin)         | NIL                              | NIL                              |
|                         | Book Debts                              | NIL                              | 70,000 00                        |
|                         | Bank Interest Gross                     | 0 61                             | 5 45                             |
| 24,969 00               | Surplus from Administration             | NIL                              | 24,949 17                        |
|                         | Sundry Receipts                         | NIL                              | 156 00                           |
| Uncertain               | Barclaycard                             | NIL                              | NIL                              |
| Uncertain               | A Harris - Loan Account                 | NIL                              | NIL                              |
| Uncertain               | THRG Limited                            | NIL                              | NIL                              |
|                         |   | <u>0 61</u>                      | <u>97,237 34</u>                 |
|                         | <b>COST OF REALISATIONS</b>             |                                  |                                  |
|                         | Specific Bond                           | 10 00                            | 10 00                            |
|                         | Office Holders Fees                     | 1,000 00                         | 22,550 00                        |
|                         | Disbursements                           |                                  |                                  |
|                         | Mileage                                 | 304 64                           | 1,665 44                         |
|                         | Postage                                 | 354 05                           | 2,230 31                         |
|                         | Storage                                 | 180 00                           | 292 50                           |
|                         | Legal Fees                              | NIL                              | 70,000 00                        |
|                         | Statutory Advertising                   | NIL                              | 83 70                            |
|                         |   | <u>(1,848 69)</u>                | <u>(96,831 95)</u>               |
|                         | <b>PREFERENTIAL CREDITORS</b>           |                                  |                                  |
| (319,961 00)            | BIS RPO - National Insurance Fund       | NIL                              | NIL                              |
| (9,167 00)              | Employees - Preferential Creditors      | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
|                         | <b>UNSECURED CREDITORS</b>              |                                  |                                  |
| (7,075,592 00)          | Trade & Expense Creditors               | NIL                              | NIL                              |
| (21,104 00)             | Employees - Unsecured Creditors         | NIL                              | NIL                              |
| (1,394,390 00)          | BIS RPO - National Insurance Fund       | NIL                              | NIL                              |
| (999,655 00)            | HM Revenue & Customs - PAYE/NIC         | NIL                              | NIL                              |
| (660,118 00)            | Inter-Co Loan-Ruston Retail Ltd (Admin) | NIL                              | NIL                              |
| (1,751,783 00)          | Ugo Stores Ltd (Admin)                  | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
|                         | <b>DISTRIBUTIONS</b>                    |                                  |                                  |
| (5,061 00)              | Ordinary Shareholders                   | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
| <u>(12,211,862 00)</u>  |   | <u>(1,848 08)</u>                | <u>405.39</u>                    |
|                         | <b>REPRESENTED BY</b>                   |                                  |                                  |
|                         | Bank Balance                            |                                  | 405 39                           |
|                         |   |                                  | <u>405 39</u>                    |



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Gareth David Rusing  
Joint Liquidator



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## **Haldanes Stores Limited (In Creditors' Voluntary Liquidation)**

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Progress report

Period 1 June 2015 to 31 May 2016

### **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.

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## **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
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
  - 1 Account of receipts and payments
  - 2 Time costs and disbursements
  - 3 Statement of Liquidators' expenses

## 1. INTERPRETATION

| <u>Expression</u>                           | <u>Meaning</u>   |
|---|--|
| "the Company"                               | Haldanes Stores Limited (In Creditors' Voluntary Liquidation)  |
| "the liquidation"                           | The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act  |
| "the liquidators", "we", "our" and "us"     | Gareth David Rusling of Begbies Traynor (SY) LLP, Kendal House, 41 Scotland Street, Sheffield, S3 7BS, <a href="mailto:Sheffield.North@Begbies-Traynor.com">Sheffield.North@Begbies-Traynor.com</a> and<br>John Russell of Begbies Traynor (SY) LLP, Kendal House, 41 Scotland Street, Sheffield, S3 7BS, <a href="mailto:Sheffield.North@Begbies-Traynor.com">Sheffield.North@Begbies-Traynor.com</a> |
| "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<br>(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)           | None   |
| Company registered number | 06621487   |
| Company registered office | Kendal House, 41 Scotland Street, Sheffield, S3 7BS            |
| Former trading address    | Haldane House, 3 Ruston Road, Grantham, Lincolnshire, NG31 9SW |

### 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

|                                  |  |
|----------------------------------|--|
| Date winding up commenced        | 1 June 2012  |
| Date of liquidators' appointment | 1 June 2012 – Christopher Michael White<br>1 June 2013 – Brendan Ambrose Guilfoyle<br>14 August 2014 – Gareth David Rusling<br>23 December 2015 – John Russell   |
| Changes in liquidator (if any)   | <p>Christopher Michael White resigned from office as joint liquidator of the Company. By an order of the High Court of Justice, dated 14 August 2014, Gareth David Rusling of this office was appointed joint liquidator in his place. Gareth David Rusling is licensed as an Insolvency Practitioner by the Insolvency Practitioners Association.</p> <p>In addition, Brendan Ambrose Guilfoyle resigned from office as joint liquidator of the Company. By an order of the High Court of Justice, dated 23 December 2015, John Russell of this office was appointed joint liquidator in his place. John Russell is licensed as an Insolvency Practitioner by the Insolvency Practitioners Association.</p> |

### 4 PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 June 2015 to 31 May 2016.

Our comments on items appearing in the account are as follows:

#### Receipts

The only receipt received during the period of this report relates to bank interest in the sum of £0.61.

#### Payments

##### **Office Holders Fees**

The sum of £1,000.000 has been discharged in relation to the joint liquidators remuneration during the period of this report.

##### **Disbursements**

The sum of £838.69 has been discharged in relation to disbursements. A full breakdown of which are detailed at Appendix 2 of this report.

##### **Statutory Bond**

The sum of £10.00 has been discharged in relation to the specific bond following the change of liquidator on 23 December 2015.

## 5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment based upon the information detailed in the estimated statement of affairs of the former administrators, the distributions made during the period of the administration and the work we have undertaken in the course of the liquidation are as follows

### **Secured creditors**

#### **Barclays Bank plc ("Barclays")**

Barclays held a debenture dated 20 November 2009 to secure the lending made to the Company. Upon the appointment of the former joint administrators, the Company was not indebted to Barclays as the Company's bank account was in credit.

#### **Technical & General Guarantee Company S A ("T&G")**

The Company granted a floating charge to T&G to secure the lending made to the Company.

#### **Danske Supermarked A/S**

The Company granted a debenture to Danske dated 2 December 2010 which created a fixed and floating charge over the whole of the Company's undertaking. At the date of liquidation they were owed £1.65m.

### **Preferential creditors**

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £329,128.00 and we have admitted claims in the total sum of £74,910.26.

### **Unsecured creditors**

Unsecured creditors were estimated at £11,902,642.00 and we have admitted claims in the total sum of £9,573,503.04.

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 return to the secured creditors depends entirely upon the outcome of any funds received from the trustee in the bankruptcy of the former director.

#### **Preferential creditors**

The return to the preferential creditors depends entirely upon the outcome of any funds received from the trustee in the bankruptcy of the former director.



### **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))

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**

Based upon realisations to date and estimated future realisations it is anticipated there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors

## **6. REMUNERATION & DISBURSEMENTS**

Our remuneration is treated as having been fixed on the same basis as the former administrators namely, by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters arising in the winding up

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former administrators, namely, in accordance with our firm's policy, a copy of which is attached at Appendix 2 of this report

Our time costs for the period from 1 June 2015 to 31 May 2016 amount to £9,367.00 which represents 44.90 hours at an average rate of £208.62 per hour

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

- ❑ Begbies Traynor (SY) LLP's charging policy
- ❑ Narrative summary of time costs incurred
- ❑ Table of time spent and charge-out value for the period 1 June 2015 to 31 May 2016
- ❑ Cumulative table of time spent and charge-out value for the period 1 June 2012 to 31 May 2016

To 31 May 2016, we have drawn the total sum of £22,500 00 on account of our remuneration, against total time costs of £79,008 30 incurred since the date of our appointment as liquidators

In addition to the time costs information disclosed at Appendix 2 for the period of this report, a cumulative table of time spent and charge out value for the period from 1 June 2012 to 31 May 2016 is also attached at Appendix 2

To 31 May 2016, we have also drawn disbursements in the sum of £4,188 25

Details of the Category 2 disbursements that have been taken in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2011' 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](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. 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

As previously reported an amount of £323,411 00 was owed to the Company by the director, Mr A Harns. A Bankruptcy Petition was presented by an independent creditor following which a Bankruptcy Order was made on 28 March 2013 and Elliott Green of Oury Clark was appointed his trustee. The joint liquidators await the outcome of the bankruptcy and if this will ultimately provide funds for the benefit of creditors

## 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 Innovation and Skills. We can confirm that we have discharged our duties in these respects

#### **Investigations carried out to date**

We have undertaken an initial assessment of the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect. No further recoveries were identified and all investigations have been completed.

#### **Connected party transactions**

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

## **10 CREDITORS' RIGHTS**

#### **Right to request further information**

Pursuant to Rule 4.49E 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 detailed in this progress report.

#### **Right to make an application to court**

Pursuant to Rule 4.131 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 as set out in this progress report are excessive or, the basis fixed for our remuneration is inappropriate.

## **11. CONCLUSION**

The case will be brought to a close following the outcome of the Bankruptcy detailed in Section 8 of this report. In addition, we have also been made aware of various employees who have not been paid in respect of their protective award claims. We are currently in the process of investigating this matter which we hope will be resolved shortly.

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



**John Russell**  
Joint Liquidator

Dated 3 August 2016

APPENDIX 1

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## ACCOUNT OF RECEIPTS AND PAYMENTS

Period 1 June 2015 to 31 May 2016

**Haldanes Stores Limited**  
**(In Liquidation)**  
**Joint Liquidators' Abstract of Receipts & Payments**

| Statement<br>of Affairs |   | From 01/06/2015<br>To 31/05/2016 | From 01/06/2012<br>To 31/05/2016 |
|-------------------------|---|----------------------------------|----------------------------------|
|                         | <b>ASSET REALISATIONS</b>               |                                  |                                  |
|                         | Finance Equity Adjustment               | NIL                              | 2,126 72                         |
| Uncertain               | Haldanes Express Limited                | NIL                              | NIL                              |
| Uncertain               | Bakery Products Limited (Admin)         | NIL                              | NIL                              |
|                         | Book Debts                              | NIL                              | 70,000 00                        |
|                         | Bank Interest Gross                     | 0 61                             | 5 45                             |
| 24,969 00               | Surplus from Administration             | NIL                              | 24,949 17                        |
|                         | Sundry Receipts                         | NIL                              | 156 00                           |
| Uncertain               | Barclaycard                             | NIL                              | NIL                              |
| Uncertain               | A Harris - Loan Account                 | NIL                              | NIL                              |
| Uncertain               | THRG Limited                            | NIL                              | NIL                              |
|                         |   | <u>0 61</u>                      | <u>97,237 34</u>                 |
|                         | <b>COST OF REALISATIONS</b>             |                                  |                                  |
|                         | Specific Bond                           | 10 00                            | 10 00                            |
|                         | Office Holders Fees                     | 1,000 00                         | 22,550 00                        |
|                         | Disbursements                           |                                  |                                  |
|                         | Mileage                                 | 304 64                           | 1,665 44                         |
|                         | Postage                                 | 354 05                           | 2,230 31                         |
|                         | Storage                                 | 180 00                           | 292 50                           |
|                         | Legal Fees                              | NIL                              | 70,000 00                        |
|                         | Statutory Advertising                   | NIL                              | 83 70                            |
|                         |   | <u>(1,848 69)</u>                | <u>(96,831 95)</u>               |
|                         | <b>PREFERENTIAL CREDITORS</b>           |                                  |                                  |
| (319,961 00)            | BIS RPO - National Insurance Fund       | NIL                              | NIL                              |
| (9,167 00)              | Employees - Preferential Creditors      | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
|                         | <b>UNSECURED CREDITORS</b>              |                                  |                                  |
| (7,075,592 00)          | Trade & Expense Creditors               | NIL                              | NIL                              |
| (21,104 00)             | Employees - Unsecured Creditors         | NIL                              | NIL                              |
| (1,394,390 00)          | BIS RPO - National Insurance Fund       | NIL                              | NIL                              |
| (999,655 00)            | HM Revenue & Customs - PAYE/NIC         | NIL                              | NIL                              |
| (660,118 00)            | Inter-Co Loan-Ruston Retail Ltd (Admin) | NIL                              | NIL                              |
| (1,751,783 00)          | Ugo Stores Ltd (Admin)                  | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
|                         | <b>DISTRIBUTIONS</b>                    |                                  |                                  |
| (5,061 00)              | Ordinary Shareholders                   | NIL                              | NIL                              |
|                         |   | <u>NIL</u>                       | <u>NIL</u>                       |
| <u>(12,211,862.00)</u>  |   | <u>(1,848.08)</u>                | <u>405.39</u>                    |
|                         | <b>REPRESENTED BY</b>                   |                                  |                                  |
|                         | Bank Balance                            |                                  | 405 39                           |
|                         |   |                                  | <u>405.39</u>                    |

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## TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (SY) LLP's charging policy,
- b Narrative summary of time costs incurred,
- c Table of time spent and charge-out value for the period from 1 June 2015 to 31 May 2016, and
- d Cumulative table of time spent and charge-out value for the period from 1 June 2012 to 31 May 2016

## 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):

- The recharge for Company searches and electronic identification procedures for all new clients depends on the documentation requested,
- Car mileage is charged at the rate published by the "AA" for the type of vehicle and engine size used,
- All circulars are sent by first class post and the actual postage costs are charged as an expense of the liquidation,
- Storage of books and records is at the Insolvency Practitioners' own storage facility. The books and records will be stored in banker's boxes and a storage fee will be charged at the rate of £7.50 per box per month. This charge covers the transportation of the records, their storage, retrieval for administration purposes and their destruction.

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

<sup>2</sup> Ibid 1

## BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Sheffield 2 office as at the date of this report are as follows

| <b>Grade of staff</b>    | <b>Charge-out rate (£ per hour)<br/>1 February 2015 –<br/>until further notice</b> |
|--------------------------|--|
| Directors/Office Holders | 365  |
| Senior Managers          | 325  |
| Managers                 | 305  |
| Senior Administrators    | 230  |
| Administrators           | 191  |
| Junior Administrators    | 80   |
| Support                  | 40   |

Prior to 1 February 2015, the following rates applied

| <b>Grade of staff</b>                     | <b>Charge-out rate<br/>(£ per hour)<br/>1 March 2014</b> |
|---|--|
| Partners/Associate/Partners<br>/Directors | 335/450  |
| Senior Manager & Managers                 | 230-305  |
| Administrators                            | 191-230  |
| Assistants                                | 40-191   |

Prior to 1 March 2014, the following rates applied

| <b>Grade of staff</b>                     | <b>Charge-out rate<br/>(£ per hour)<br/>1 January 2013</b> |
|---|--|
| Partners/Associate/Partners<br>/Directors | 335-450  |
| Senior Manager & Managers                 | 230-305  |
| Administrators                            | 191-230  |
| Assistants                                | 40-191   |

Prior to 1 January 2013, the following rates applied

| <b>Grade of staff</b>                     | <b>Charge-out rate<br/>(£ per hour)<br/>1 April 2011</b> |
|---|--|
| Partners/Associate/Partners<br>/Directors | 320-435  |
| Senior Manager & Managers                 | 215-290  |
| Administrators                            | 176-215  |
| Assistants                                | 40-176   |



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

Time is recorded in 6 minute units.

## HALDANES STORES LIMITED

### SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

**What work has been done in the period of the 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. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous report[s] contain[s] the costs of the work undertaken since our appointment.

#### General case administration and planning

The joint liquidators have completed works required to maintain the liquidation including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the liquidation. This has included completion of the statutory checklists.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the liquidation has been compiled and issued on the statutory due dates.

There will be no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be avoided.

#### Compliance with the Insolvency Act, Rules and best practice

The joint liquidators have prepared and submitted to all relevant parties the statutory liquidators annual report and receipts and payments accounts pursuant to The Insolvency Act 1986 and have dealt with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors. The joint liquidators have also conducted periodic reviews to ensure that the liquidation is adequately bonded.

Also, general banking duties have been carried out including the raising and posting of income and expenditure onto the system when required and ensuring all cash functions are carried out periodically.

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

#### Investigations

The joint liquidators carried out investigations prior to the period covered by this report therefore, no time has been expended in this particular matter.

### Realisation of assets

The joint liquidators have entered into correspondence with the trustee of the bankruptcy of the Company's director with regard to dividend prospects and timing for such dividends. This has included periodic requests for updates.

Whilst to date, this has been of no financial benefit to the Company's creditors, depending upon the quantum of the dividend due from the bankruptcy, this could potentially benefit the creditors.

### Trading

The joint liquidators did not trade the Company's business therefore, no time has been expended in this particular matter.

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

The joint liquidators have continued to liaise with the Company's creditors providing updates by way of verbal and written communications. In addition, this has included entering creditor claims onto the liquidators systems for dividend purposes.

Also, as a result of the employees proactive award claim issues as detailed within the attached report, the joint liquidators have expended time liaising with the employees and investigating the matter further.

This may potentially benefit the employees financially upon the conclusion of the joint liquidators investigations.

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

The relevant tax and VAT returns have been submitted during the period covered by this report. This is a statutory requirement of the joint liquidators and will not benefit the Company's creditors financially.

### **Time Costs Analysis**

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

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

### **Work undertaken prior to appointment**

Due to the Company proceeding from administration to liquidation seamlessly, there has not been any pre-appointment work undertaken in this particular matter.

### **Expenses**

Details of all of the expenses incurred in the period of this report which includes the date of our appointment are attached at Appendix 3.

## Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements have been charged to the case since our last report to creditors

| Other amounts paid or payable to the office holder's firm |          |
|---|----------|
| Type and purpose  | Amount £ |
| Mileage   | 304 64   |
| Postage   | 354 05   |
| Document Storage  | 180 00   |
| TOTAL   | 838 69   |

## Expenses actually incurred compared to those that were anticipated

The expenses which have been incurred to date by the joint liquidators are detailed within Appendix 3 of the attached report, which are in line with our estimate of costs

## Why have subcontractors been used?

The choice of advisors was based on the joint liquidators' knowledge of the professional advisers experience and known ability to perform the type of work to be undertaken and also taking into account the complexity and nature of the assignment and the basis of their fee arrangements. In addition, the advisors appointed were instructed within the previous administration of the Company and therefore, provided continuity of service

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

### General case administration and planning

The joint liquidators will continue to complete works required to maintain the liquidation including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the liquidation and up to the closure of the case

### Compliance with the Insolvency Act, Rules and best practice

The joint liquidators will continue to ensure that all statutory reports (including the final report) and returns are submitted on the relevant due dates and that the case continues to be reviewed on a periodic basis

In addition, general banking duties will continue

### Investigations

We do not anticipate that any further works will be carried out in relation to this particular matter

### Realisation of assets

The joint liquidators will continue to liaise with the trustee of the bankruptcy of the Company's director to ensure that future updates are provided with regard to the quantum and timing of the dividend due from the bankruptcy

### Trading

As detailed above, the joint liquidator did not trade the Company therefore, no time will be spent in this matter

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

In the event a dividend is payable to the creditors, the joint liquidators will ensure that all the relevant statutory paperwork is completed to facilitate such a distribution regardless of which class of creditor any return is payable to

Notwithstanding the above, the joint liquidators will continue to liaise with creditors should any queries arise

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

All the relevant statutory tax and VAT returns will continue to be completed by the joint liquidators as and when they fall due

In addition, the joint liquidators will attempt to resolve the issues regarding the employees protective award claims

### **How much will this further work cost?**

We anticipate that further costs will be incurred in the approximate sum of £5,000 00 in relation to carrying out the above works. However, this depends on the complexity of the works which are to be carried out and if any further issues arising during the remaining period of the liquidation

### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows

|                       |   |                       |
|-----------------------|---|-----------------------|
| Postage disbursements | - | £600 00 (estimated)   |
| Statutory advertising | - | £88 49 (final advert) |
| Corporation tax       | - | Uncertain             |

# SLP9 Haldanes Stores Limited - Creditors Voluntary Liquidation - 91H138612.CVL : Time Costs Analysis From 01/06/2015 To 31/05/2016

| Staff Grade   | Consultant/Partner  | Director | Sr Mngr | Mngr   | Asst Mngr | Sr Admin | Admin  | Jnr Admin | Support | Total Hours | Time Cost £ | Average hourly rate £ |
|---|---|----------|---------|--------|-----------|----------|--------|-----------|---------|-------------|-------------|-----------------------|
| General Case Administration and Planning  | Administration  |          |         | 0.5    |           | 1.9      |        |           |         | 2.4         | 428.60      | 177.75                |
|   | Total for General Case Administration and Planning  |          |         | 0.2    |           | 0.1      |        |           |         | 0.3         | 80.10       | 267.00                |
| Compliance with the Insolvency Act, Rules and best practice                               | Appointment   |          |         | 0.7    |           | 2.0      |        |           |         | 2.7         | 506.70      | 187.67                |
|   | Banking and Bonding   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Case Closure  |          |         | 0.4    |           | 1.5      | 0.1    |           | 0.8     | 2.8         | 426.30      | 152.25                |
|   | Statutory reporting and statement of affairs  |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Total for Compliance with the Insolvency Act, Rules and best practice                               |          |         | 0.5    |           | 2.5      |        |           | 0.3     | 3.3         | 642.00      | 194.55                |
| Investigations  | Rules and best practice   |          |         | 0.9    |           | 4.0      | 0.1    |           | 1.1     | 6.1         | 1,066.30    | 175.13                |
|   | CDDA and investigations   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
| Realisation of assets   | Total for investigations  |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Debt collection   |          |         |        |           | 1.2      |        |           |         | 1.2         |             | 0.00                  |
|   | Property business and asset sales   |          |         | 0.1    |           | 0.5      |        |           |         | 0.6         | 126.00      | 210.00                |
|   | Retention of 1st/3rd party assets   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Total for Realisation of assets   |          |         | 0.1    |           | 1.7      |        |           |         | 1.8         | 126.00      | 70.00                 |
| Trading   | Trading   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Total for Trading   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Others  |          |         | 0.2    |           | 3.6      | 0.7    |           | 0.5     | 3.0         | 7,333.70    | 222.23                |
| Other matters which includes meetings, tax, litigation, pensions and travel               | Total for Dealing with all creditors claims (including employees), correspondence and distributions |          |         | 0.2    |           | 3.6      | 0.7    |           | 0.5     | 3.0         | 7,333.70    | 222.23                |
|   | Meetings  |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Other   |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Tax   |          |         | 0.6    |           | 0.7      |        |           |         | 1.3         | 332.30      | 255.62                |
|   | Litigation  |          |         |        |           |          |        |           |         |             |             | 0.00                  |
|   | Total for Other matters   |          |         | 0.6    |           | 0.7      |        |           |         | 1.3         | 332.30      | 255.62                |
|   | Total hours by staff grade  |          |         | 2.3    |           | 4.0      | 0.8    |           | 1.6     | 4.9         |             |                       |
|   | Total time cost by staff grade  |          |         | 73.00  |           | 8,375.70 | 162.80 |           | 64.00   |             | 9,367.00    |                       |
|   | Average hourly rate £   |          |         | 365.00 | 0.00      | 209.39   | 191.00 | 0.00      | 40.00   |             |             | 208.62                |
|   | Total fees drawn to date £  |          |         |        |           |          |        |           |         |             | 1,000.00    |                       |

# SIP9 Haldanes Stores Limited - Creditors Voluntary Liquidation - 91H138612.CVL : Time Costs Analysis From 01/06/2012 To 31/05/2016

| Staff Grade   | Consultant/Partner  | Director  | Sr Mngr | Mngr     | Asst Mngr | Sr Admin  | Admin  | Jnr Admin | Support  | Total Hours | Time Cost £ | Average hourly rate £ |
|---|---|-----------|---------|----------|-----------|-----------|--------|-----------|----------|-------------|-------------|-----------------------|
| General Case Administration and Planning  | Administration  | 21.9      |         | 1.6      |           | 8.1       |        |           | 0.8      | 32.4        | 8,996.80    | 277.68                |
|   | Total for General Case Administration and Planning  | 47.3      |         | 4.1      |           | 6.3       |        |           | 14.3     | 72.0        | 18,521.50   | 257.24                |
| Compliance with the Insolvency Act, Rules and best practice                               | Appointment   | 69.2      |         | 5.7      |           | 14.4      |        |           | 16.1     | 104.4       | 27,518.30   | 263.59                |
|   | Banking and Bonding   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
| Case Closure  | Case Closure  |           |         | 1.9      |           | 16.3      | 0.1    |           | 2.3      | 20.6        | 3,713.60    | 180.27                |
|   | Statutory reporting and statement of affairs  | 4.1       |         | 2.6      |           | 17.4      |        |           | 9.1      | 33.2        | 6,213.90    | 187.17                |
| Total for Compliance with the Insolvency Act, Rules and best practice                     | Total for Compliance with the Insolvency Act, Rules and best practice                               | 4.1       |         | 4.5      |           | 33.7      | 0.1    |           | 11.4     | 53.8        | 9,927.50    | 184.53                |
| Investigations  | CDDA and investigations   |           |         |          |           | 0.5       |        |           | 0.8      | 1.3         | 139.50      | 107.31                |
|   | Total for Investigations  |           |         |          |           | 0.5       |        |           | 0.8      | 1.3         | 139.50      | 107.31                |
| Realisation of assets   | Debt collection   | 3.0       |         |          |           | 3.9       |        |           | 2.8      | 9.7         | 1,708.00    | 176.08                |
|   | Property business and asset sales   | 29.2      |         | 0.1      |           | 16.1      |        |           | 9.7      | 55.1        | 13,504.50   | 245.09                |
| Retention of Third/Third party assets   | Retention of Third/Third party assets   |           |         |          |           | 0.5       |        |           | 1.5      | 0.5         | 115.00      | 230.00                |
|   | Total for Realisation of assets   | 32.2      |         | 0.1      |           | 20.5      |        |           | 12.5     | 65.3        | 15,327.50   | 234.72                |
| Trading   | Trading   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
|   | Total for Trading   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
| Dealing with all creditors claims (including employees), correspondence and distributions | Secured   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
|   | Others  | 13.1      |         | 1.5      |           | 70.6      | 0.7    |           | 39.0     | 124.9       | 21,123.30   | 169.12                |
| Creditors committee   | Creditors committee   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
|   | Total for Dealing with all creditors claims (including employees), correspondence and distributions | 13.1      |         | 1.5      |           | 70.6      | 0.7    |           | 39.0     | 124.9       | 21,123.30   | 169.12                |
| Other matters which includes meetings, tax, litigation, pensions and travel               | Meetings  |           |         |          |           |           |        |           |          |             |             | 0.00                  |
|   | Other   |           |         |          |           |           |        |           |          |             |             | 0.00                  |
| Tax   | Tax   |           |         | 3.1      |           | 7.1       |        |           | 0.7      | 10.9        | 2,277.70    | 208.96                |
|   | Litigation  | 0.5       |         |          |           | 10.6      |        |           | 3.5      | 14.6        | 2,694.50    | 184.55                |
| Total for Other matters   | Total for Other matters   | 0.5       |         | 3.1      |           | 17.7      |        |           | 4.2      | 25.5        | 4,972.20    | 194.99                |
|   | Total hours by staff grade  | 119.1     |         | 14.9     |           | 157.4     | 0.8    |           | 83.0     | 375.2       | 79,008.30   |                       |
| Total time cost by staff grade  | Total time cost by staff grade  | 38,812.50 |         | 4,433.50 |           | 32,289.50 | 152.80 |           | 3,320.00 |             |             |                       |
|   | Average hourly rate £   | 325.88    | 0.00    | 297.55   | 0.00      | 205.14    | 191.00 | 0.00      | 40.00    |             |             | 210.58                |
| Total fees drawn to date £  | Total fees drawn to date £  |           |         |          |           |           |        |           |          |             | 22,500.00   |                       |

## STATEMENT OF EXPENSES

| Type of expense  | Name of party with whom expense incurred | Amount incurred<br>£ | Amount discharged<br>£ | Balance (to be discharged)<br>£ |
|--|--|----------------------|------------------------|---------------------------------|
| Expenses incurred with entities not within the Begbies Traynor Group |  |                      |                        |                                 |
| Specific Bond  | Willis Limited                           | 10 00                | 10 00                  | -                               |

The sum of £10 00 has been discharged in relation to the joint liquidators statutory bond. This is as a result of the change in liquidator which occurred on 23 December 2015.

## CUMULATIVE STATEMENT OF EXPENSES

| Type of expense       | Name of party with whom expense incurred | Amount incurred<br>£ |
|-----------------------|--|----------------------|
| Specific Bond         | Willis Limited                           | 10 00                |
| Legal Fees            | Walker Morris LLP                        | 70,000 00            |
| Statutory Advertising | TMP (UK) Limited                         | 83 70                |