

# AM10

## Notice of administrator's progress report



Companies House

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25/10/2019

#229

COMPANIES HOUSE

### 1 Company details

Company number 07320095

Company name in full Burningnight Limited

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

### 2 Administrator's name

Full forename(s) Andrew

Surname Mackenzie

### 3 Administrator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode LS12HJ

Country

### 4 Administrator's name ①

Full forename(s) Julian

Surname Pitts

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode LS12HJ

Country

② Other administrator  
Use this section to tell us about  
another administrator.

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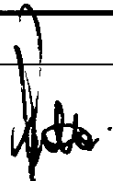

### 6 Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	
To date	<sup>d</sup> 2	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's signature	Signature								
Signature date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	

# AM10

## Notice of administrator's progress report



### 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 **Laura Amann**

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

Address **Fourth Floor**

**Toronto Square**

Post town **Toronto Street**

County/Region **Leeds**

Postcode **L S 1 2 H J**

Country

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

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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

Andrew Mackenzie and Julian Pitts were appointed joint administrators on 28 September 2018

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability.

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## **Burningnight Limited (In Administration)**

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Progress report of the joint administrators

Period: 28 March 2019 to 27 September 2019

## Important Notice

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

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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Burningnight Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 28 September 2018
"the administrators" "we" "our" and "us"	Andrew Mackenzie of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"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), <i>any floating charge and any right of lien or preference and any right of retention</i> (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	Burningnight Limited
Date of Incorporation:	20 July 2010
Company registered number:	07320095
Company registered office:	Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Andrew Mackenzie, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Julian Pitts, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Date of administrators' appointment:	28 September 2018
Date of administrators' resignation:	N/A
Court:	High Court of Justice, Business and Property Courts in Leeds, Insolvency Companies House (ChD)
Court Case Number:	2018-991
Person making application:	Crowdstacker Corporate Services Limited as Qualifying Floating Chargeholder
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
EU Regulation on Insolvency Proceedings:	Regulation (EU) 2015/848 of the European Parliament and of the Council applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration period was extended by order of the Court for a period of 12 months.

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 28 March 2019 to 27 September 2019. The principal matters to report in the period are as follows:

- Further detailed investigations and review of the Company's books and records to include writing to third parties to obtain files and information regarding bank transactions,
- Undertaking a full analysis of the Company's general accounts ledger in relation to the Company's book debts;
- Carrying out interviews with the parties we consider to have relevant information in relation to the promotion, formation, business and dealings of the Company and, for the parties who have not yet attended an interview, issued Court applications to have these parties formally attend and be examined;
- Attending meetings with Counsel and solicitors to analyse the various claims identified against third parties and determining the merits of each claim, the costs of bringing such actions and the likelihood of success;
- Corresponding with the secured creditor and their advisors, and
- Dealing with the extension of the administration.

Further and more substantive details of the work done is given below

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

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

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

#### General case administration and planning

Time has been spent in populating and maintaining the virtual electronic case files. We have continued to ensure that we have a contemporaneous, accurate and complete record of how the case is being administered, including fully documenting the reasons for any decisions that have been made.

Regular internal meetings have been held between the case staff in order to carry out the following:

- review the strategy in relation to realisations of the debtors and whether it is necessary to issue legal proceedings;
- Review of the strategy in relation to the outcome of the investigations undertaken and what actions should be taken against third parties both prior and post meetings held with solicitors and counsel; and,



- Carrying out internal case reviews to ensure all matters are being dealt with in accordance with statutory obligations and best practice and that matters are progressing.

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. These planning meetings will also result in action being taken against third parties

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

During the period of this report, we have prepared and issued to all relevant parties our six monthly progress report dated 24 April 2019 in order to provide an update to the creditors of the progress made during the administration. This report was filed at Companies House in order to meet statutory requirements.

We have also monitored realisations during the period to ensure that the statutory bond is sufficient to cover the value of total realisations during the Administration in order to protect the interests of the Company's creditors. The sum of £80 has been paid to Marsh Limited in this respect.

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

Time has been spent in dealing with the extension of the administration including providing the notice of extension to the creditors and Companies House.

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

#### Investigations

An administrator has a statutory duty to investigate the conduct of the directors and any person he/she considers to be or have been a shadow or de facto director during the period of three years before the date of the appointment in relation to their management of the affairs of the Company and the causes of its failure.

As detailed in our previous progress report, detailed forensic investigations were being carried out. During the period of this report all bank statements have been received and at present further investigations have been carried out and the following has been undertaken:

- Letter to the Company's former solicitors requesting delivery of their files;
- Attending and carrying out interviews with the parties that we consider have relevant information in relation to the promotion, formation, business and dealings of the Company;
- Letters to the Company's former banks requesting details of certain transactions identified in the Company's bank statements; and
- We have liaised extensively with our solicitors in relation to the various Court applications, interviews and investigations. This has included regular conference calls and meetings, including meetings with counsel.

We reported in our previous progress report that the extensive investigative work carried out had led to our issuing a notice of claim against third parties. The further work carried out above has been necessary in order to assist with that claim and where possible provide further evidence in support. The notice of claim is 22 pages long and has been issued in the name of the Company and other companies within the Burnington Group, which are also in administration. The notice of claim has now been served on such parties who we consider to be *de jure*, *de facto* and *shadow directors* and although further investigations are required, the potential causes of action can now be reported and are considered to be:

- Damages for breach of their fiduciary duties as set out in Sections 172, 175 and/or 176 of the Companies Act 2006;

- Dishonest assistance in breach of their statutory fiduciary duties;
- Conspiracy to injure the Company and other companies within the group by unlawful means;
- That they have been preferred by their own actions and those of the companies contrary to Section 239 of the Insolvency Act 1986;
- That they are the beneficiaries of a series of transactions or a single large transaction at an undervalue between themselves and the Company and other companies contrary to Section 240 of the Insolvency Act 1986;
- That they are the beneficiaries of a series of transactions or a single large transaction at an undervalue designed to put assets beyond the reach of creditors of the Company and companies; and
- Actions against chargeholders' security as a result of the above causes of action.

Should any of the above claims which are in the process of being finalised for issue be successfully pursued, we are hopeful that it would achieve a recovery for the estate particularly as solicitors' fees for any litigation issued will be funded either by way of litigation funders or a conditional fee agreement – meaning that if the litigation is not successful the solicitors' fees are discounted to zero.

#### Realisation of assets

##### **Intellectual Property**

We have provided an IP licence to Bierkeller Birmingham Limited and Peak Topco Limited permitting these parties to use the trademarks of the Company for a period of six months, keeping the prospect of any realisable value alive whilst trading. The total sum of £3,000 has been received in this reporting period, however £2,000 of which is currently held with our solicitors and not yet reflected in the attached receipts and payments account.

##### **Book Debts**

The book debt ledger can be split into three categories, the first being 14 trade debtors totalling the sum of £25,755. These debtors appear to be various tenant companies whom managed various pubs that at one time were owned by Cornertrack Limited ("Cornertrack"), leased to Cornertrack or appeared to be owned by the directors' pension fund. The Company also appears to have invoiced these tenant companies for what appears to be maintenance charges incurred by the Company.

The sum of £18,641 outstanding from nine debtors has been written off as irrecoverable as these companies have either been dissolved or are in administration with currently no prospect of an unsecured dividend being payable.

We have continued to chase the remaining five debtors totalling £7,114. One debtor owing £4,722 has evidenced that it has already paid and another debtor owing £1,150 has requested further information, which we have been unable to provide. We have received no responses from the remaining four debtors who collectively owe the sum of £1,242. These will be written off as irrecoverable as it is not cost effective to chase the amounts due.

Following a further analysis of the Company's general accounts ledger other debtors totalling the sum of approximately £1.3m have been identified. These had been written down to nil in the Company's accounts system in July 2018.

We have chased these other debtors and have received the sum of £1,181 from one debtor.

The sums of £403,233, £8,903, £21,028 and £67,557 have been written off as irrecoverable as the first two relate to amounts due from two companies that are in liquidation, the second and third amounts are due from Authentic Alehouses Limited and Authentic Alehouses Trading Limited which are currently in administration.

The remaining five other debtors totalling £884,858 have not responded or have disputed that the debt is outstanding. We have therefore instructed solicitors to pursue the amounts due.

The inter company debtor balances totalled approximately £3.5m on appointment. These are balances due from the other companies within the Burningnight group which are now in administration and any dividend to the Company is uncertain and dependant on any actions against third parties, details of which are provided above.

### **Third party assets**

Further time has been spent in liaising with the lessors as well as reviewing the lease agreements entered into by the Company and arranging where appropriate collection of such assets.

### **Bank Interest**

We have ensured that funds are appropriately invested and have received bank interest in the sum of £68, which has accrued on the funds held in the bank account with Lloyds Bank.

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

We have spent time corresponding with the secured creditor in order to provide a full update on the progression of the administration including a detailed breakdown of work undertaken. Time has also been spent in liaising with the secured creditor in relation to our seeking an extension of the administration.

Time has also been spent dealing with queries from unsecured creditors and lodging all the proof of debts we have received.

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

We have carried out a review of the Company's corporation tax position and whether there is any benefit in seeking a terminal tax loss relief claim. We have concluded that a claim should not be completed at this time but the position is under review.

It was necessary to obtain advice from Independent VAT Consultants Limited in relation to whether or not VAT would be payable on a further licence fee paid in respect of the leasehold premises in which the Company's subsidiary companies were a party. The sum of £500 has been paid in this regard.

We have stored the vast amount of books and records we upheld from the Company's former storage facility with Restore plc. The sum of £70 has been paid to Restore plc in this respect.

The sum of £39 has been paid to the Land Registry in respect of land registry search fees.

Time has been spent in relation to the following:

- Arranging meetings and interviews with directors and other third parties;
- Preparing questions for the meeting/interview with one of the directors of the Company; and
- Meeting with solicitors to discuss progress of the administration, investigation matters and potential claims against third parties.

It is unclear at present whether the work carried out will lead to any financial benefit to creditors.

## **5. ESTIMATED OUTCOME FOR CREDITORS**

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

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

#### **Secured creditor**

*We anticipate that there will be insufficient funds available to enable the secured creditor to be paid in full and they will suffer a significant, if not a total shortfall on its lending*

#### **Preferential creditors**

There are no known preferential creditors.

#### **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.

#### **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.

We would advise that should the claims identified (as set out above) be successfully pursued and lead to material recoveries in the estate, then the position in relation to whether there will be sufficient funds to enable a distribution to creditors may change.

#### **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. REMUNERATION & DISBURSEMENTS**

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 disbursements for services provided by our firm and/or entities within the Begbies Traynor Group, 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 28 March 2019 to 27 September 2019 amount to £50,012 which represents 119 hours at an average rate of £401 per hour. Further information in relation to our time costs is set out at Appendix 2 and provides details of the work undertaken by us and our staff following our appointment only

To 27 September 2019, we have drawn the total sum of £10,000 on account of our remuneration, against total time costs of £290,659 incurred since the date of our appointment.

#### **Time Costs Analysis**

In addition to the time costs information disclosed at Appendix 2 for the period of this report, a cumulative Time Costs Analysis for the period from 28 September 2018 to 27 September 2019 is also attached at Appendix 2.

As can be seen from the information above, we have exceeded the limit of our previously approved estimate in the sum of £251,580. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reasons why the previously approved estimate has been exceeded are as follows:

- 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 1 December 2018, 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
- We have undertaken additional work, in particular work has been carried out in dealing with the Company's interests in its capacity as shareholder of the subsidiary companies within the group.
- Significant time has been spent carrying out detailed investigations that were not initially envisaged at the time the fees estimate was prepared
- Given the complexities of this matter, a significant amount of the work required has been undertaken by senior members of staff who have the experience, expertise and necessary competencies required to carry the work. Senior staff involvement has increased significantly since our last progress report given the move from investigatory work towards impending commencement of litigation and the serious implications of the causes of action being considered.

In light of the above, we are obliged to provide the secured creditor with details of the additional work that has been undertaken along with details of the time and cost of that additional work and to seek approval of our increased estimate from them.

#### **Disbursements**

To 27 September 2019, we have also drawn category 1 disbursements of £209 and category 2 disbursements in the sum of £405.

#### **Category 2 Disbursements**

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been drawn since the necessary approval was obtained in the total sum of £614 are as follows:

<b>Other amounts paid or payable to the office holder's firm</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Mileage and train travel – travel to and from the train station and travel to London to attend meetings with Davis Coffey Lyons and Crowdstacker Corporate Services Limited	325.50
Sustenance – meetings between parties interested in purchasing the Group's business and all day meetings held between the administrators, solicitors and counsel.	79.78
<b>TOTAL</b>	<b>405.28</b>

### Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	Amount £
Eddisons Commercial Limited which is a member of the Begbies Traynor group, has provided advice and assistance in identifying any assets owned by the Company, liaised with third party suppliers in order to collate the lease/hire purchase agreements and prepared desktop valuations in respect of the leasehold premises for the subsidiary companies	8,000 (est)
<b>TOTAL</b>	<b>8,000</b>

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2017 which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 7. ADMINISTRATORS' EXPENSES

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

### Legal Fees

Gosschalks solicitors have been instructed to assist the administrators during the administration and to provide legal advice generally on all matters arising throughout. The following details the matters dealt with together with a breakdown of the fees incurred to date in relation to **this administration only**.

- Advising on the sale of the Company's shares in the Harrogate Bar Co Limited in Administration - £4,278
- Providing advice and chasing the debtors of the Company - £481
- Advising on the winding up petition issued against the Company and arranging for its dismissal at the hearing on 26 November 2018 - £2,161

The above fees in the sum of £6,920 are due and payable by the Company in administration only

Below sets out the matters dealt with together with a breakdown of the fees incurred for which the Company is **jointly and severally liable together with others of the 11 companies within the group** due to the linked and inter-twined supply structure, banking and borrowing arrangements between the group companies.

- General advice provided on all matters up to but not including appointments by Court Order on 7 December 2018 (jointly and severally liable with Burningnight (Services) Limited) - £21,506 and disbursements of £256
- General advice provided on all matters in the administration after the appointments by Court Order on 7 December 2018 (jointly and severally liable with all other group companies in administration) - £33,835 and disbursements of £136

- General advice, preparation and dealing with the Court applications for the administration orders for Anotherdate Limited, Contactwith Limited, Crossingarea Limited, Harrogate Bar Co Limited, Organisetime Limited, Sports Café 2008 (Leeds) Limited, Startermode Limited, Supplyof Limited and Visionary Leisure Limited (jointly severally liable with all other group companies in administration) - £45,714 and disbursements of £242
- Review and advising in relation to the equipment lease agreements (jointly and severally liable with Burningnight (Services) Limited) - £5,082 and disbursements of £1
- Providing advice on the secured creditors' security (jointly and severally liable with all other group companies in administration) - £5,904
- Advising and preparing the documentation in relation to the sale of certain of the assets of the group (jointly and severally liable with all other group companies in administration other than Burningnight (Services) Limited) - £62,890 plus disbursements of £116
- Providing advice in relation to the potential claims against third parties to include preference, transaction at undervalue and claims against security (jointly severally liable with all other group companies in administration) - £42,096 and disbursements of £461
- Advising on the validity of the administrators' appointment, including Burningnight (Services) limited and Cornertrack Limited (jointly and severally liable with Burningnight (Services) Limited) - £1,315 plus disbursements of £47
- Reviewing and advising on the retention of title claim received in relation to equipment supplied to the Harrogate property (jointly and severally liable with Burningnight (Services) Limited) - £2,500
- Considering and advising on the private examination of the secured creditor of the Company, Burningnight (Services) Limited and Cornertrack Limited (jointly and severally liable with all other group companies in administration) - £1,020
- Considering and advising on the private examination of the director of the Company, Burningnight (Services) Limited and Cornertrack Limited (jointly severally liable with all other group companies in administration) - £620
- Providing advice and dealing with correspondence received from the secured creditor of the Company Burningnight (Services) Limited and Cornertrack Limited in relation to the progress of the administrations, the exit route of administration and the appointment of any subsequent liquidators (jointly and severally liable with Burningnight (Services) Limited) - £3,679
- Reviewing and advising on the breach of the sale and purchase agreement (jointly and severally liable with all other group companies in administration) - £2,166
- Advising on the extensions of the administrations and preparing the Court applications (jointly severally liable with all other group companies in administration) - £15,689 plus disbursements of £2,121

The above fees in the sum of £244,016 and disbursements of £3,380 are **jointly and severally payable** by the Company and the other 11 companies within the group as stated above.

*As previously advised, solicitor's fees have exceeded the estimate. This is due to the complex matters that have been identified as requiring legal advice. It is difficult to estimate solicitor's future fees, given the significant on-going matters and issues which may lead to litigation, and until a decision is made to proceed it is difficult to provide useful estimates of legal costs in the possible litigation though they are unlikely to be less than £120,000. For the avoidance of any doubt any litigious proceedings issued will be funded under either a conditional fee agreement or with the benefit of litigation funding, meaning that if the litigation fails those legal costs will not be payable (other than disbursements).*

#### **Counsel's fees**

We have instructed counsel to advise us on all potential claims and litigation matters. During the period of this report we have incurred further counsel's fees of £21,000.

#### **Expenses actually incurred compared to those that were anticipated**

As detailed in our last progress report, the expenses that we have incurred have exceeded that estimated and there will be further expenses to pay before the case concludes. Expenses have exceeded our initial estimate with the major variance being in respect of legal fees. Total anticipated investigation costs are also higher than anticipated due to the enhanced scope of the investigation work which we were obliged to undertake.

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

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

The principal matters to be dealt with are as follows.

- Continuation of investigations into the affairs of the Company and third parties to include dealing with the enquiries received from external parties who have made enquiries about the Company's affairs;
- Pursuing claims which may be economically viable against any party, or parties, which could result in a material recovery for the benefit of the administration estate;
- Pursuing the Company's outstanding book debt ledger with the assistance of the solicitors; and
- Deal with the formalities of exiting the administration.

### General case administration and planning

As the administration progresses, updates will need to be made to the strategy dependent upon the outcome of the realisations and investigations. This will include meetings between members of staff to formulate the strategy moving forward and ensure that the strategy is achieved.

We are also required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case on an ongoing basis. This will include compliance reviews, internal checklist updates, periodic case reviews and maintaining case files.

Whilst this work will not benefit creditors financially, it is necessary to ensure efficient progress of the case and is required in accordance with the law and by our regulatory body.

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

We are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

We will draft and issue interim 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 to meet statutory requirements.

In addition, a final progress report will have to be produced once the administration has reached its conclusion. This will provide creditors with an overview of the administration, including all realisations, costs and the final outcome for creditors.

Should the administration need to be further extended the administrators have a duty to seek an extension by Order of the Court.

We will also continue to monitor realisations and compare to the statutory bond level to ensure that sufficient cover is in place at all times in order to protect the interests of the Company's creditors.



Time will be spent in monitoring and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

#### Investigations

We will continue investigations into the affairs of the Company and third parties which will include further interviews with those parties and if necessary private examination.

#### Realisation of assets

We, together with the assistance of solicitors, are continuing to pursue the Company's outstanding book debt ledger.

We will also continue to liaise with interested parties in relation to the Company's intellectual property.

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

We will continue to deal with the number of different classes of creditors involved in the administration. This will include continuing to liaise with the secured creditor and deal with any queries received from other creditors of the Company.

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

We will continue to ensure submission of VAT and corporation tax returns to HMRC in respect of the administration period.

Whilst the above work will not benefit creditors financially, it is necessary in accordance with statutory requirements and best practice.

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

We estimate that the further costs of undertaking and completing this work will be circa £40,000, taking total time costs to an estimated £330,659

#### **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 revised estimate of anticipated expenses attached a Appendix 2.

## **9. OTHER RELEVANT INFORMATION**

#### **Report on Directors conduct**

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

### **Investigations completed and action taken**

As detailed above, we have carried out a detailed investigation into the conduct of the Company and its financial affairs. These investigations have led to our identifying a number of potential claims against third parties, however whether such claims will lead to further recoveries for the benefit of the estate is unknown at present.

### **Connected party transactions**

We have not been made aware of any connected party transactions.

### **Extension of administration**

The administration has been extended for a period of 12 months by order of the court.

### **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.

## **10. CREDITORS' RIGHTS**

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

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

## **11. CONCLUSION**

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



**Julian Pitts**  
Joint Administrator

Dated: 22 October 2019

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 28 March 2019 to 27 September 2019

Statement of Affairs £	From 28/03/2019 To 27/09/2019 £	From 28/09/2018 To 27/09/2019 £
SECURED ASSETS		
Intellectual Property	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>
ASSET REALISATIONS		
Bank Interest Gross	67.66	140.72
Book Debts	1,180.96	1,180.96
Cash at Bank	NIL	31,084.01
Contribution to Legal Costs	2,370.00	2,370.00
IP Licence Fee	NIL	1,000.00
VAT Refund	NIL	173,911.83
	<u>3,618.62</u>	<u>209,687.52</u>
COST OF REALISATIONS		
Accountancy Services	NIL	21,750.00
Administrators' Fees	10,000.00	10,000.00
Agents/Valuers Fees (1)	NIL	1,000.00
Agents/Valuers Fees (2)	2,000.00	2,000.00
Counsel's Fees	NIL	7,500.00
IT Consultancy Fees	NIL	700.00
Land Registry	39.00	39.00
Legal Disbursements	1,177.00	3,292.68
Legal Fees (1)	5,112.85	9,344.21
Mileage	45.00	45.00
Re-Direction of Mail	NIL	606.00
Software Licensing	NIL	2,552.40
Specific Bond	80.00	80.00
Statutory Advertising	NIL	84.60
Storage Costs	69.60	69.60
Sustenance	79.78	79.78
Travel	280.50	280.50
VAT Consultant fees	500.00	500.00
	<u>(19,383.73)</u>	<u>(59,923.77)</u>
	<u><b>(14,765.11)</b></u>	<u><b>150,763.75</b></u>
REPRESENTED BY		
Bank 1 Current		147,544.98
Vat Receivable		3,218.77
		<u><b>150,763.75</b></u>

## TIME COSTS INFORMATION

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 28 March 2019 to 27 September 2019;
- c. Cumulative Time Costs Analysis for the period from 28 September 2018 to 27 September 2019; and
- d. Statement of administrators' expenses.

## **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. 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<sup>2</sup> indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

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

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

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

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

Best practice guidance classifies expenses into two broad categories:

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

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

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting;
- Car mileage is charged at the rate of 45 pence per mile;
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

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

<sup>2</sup> Ibid 1

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

- Telephone and facsimile
- Printing and photocopying
- Stationery

*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as Category 2 disbursements.

***Services provided by other entities within the Begbies Traynor group***

The following items of expenditure which relate to services provided by entities within the Begbies Traynor Group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide assistance in valuing the assets of the Company, liaising with party suppliers in order to collate the lease/hire purchase agreements and preparing valuations and advise in respect of the leasehold premises for the subsidiary companies.. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

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

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:

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

**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.

#### **Eddisons Insurance Services Limited**

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance is £6,000 inclusive of Insurance Premium Tax. 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.

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.

SIP9 BURNINGNIGHT LIMITED - Administration - 80BU379.ADM Time Costs Analysis From 28/03/2019 To 27/09/2019

Staff Grade	Consultant/Partner	Director	Senior Partner	Partner	Head of Dept	Senior Admin	Admin	Ins Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	17.0	0.5							17.5	8,637.50	493.57
	Administration		10.0	1.5				3.2	0.2	14.9	5,518.50	370.37
	Total for General Case Administration and Planning	17.0	10.5	1.5				3.2	0.2	32.4	14,156.00	436.91
Compliance with the Insolvency Act, Rules and best practice	Appointment							0.2		0.2	28.00	140.00
	Banking and Bonding	0.4						0.2	2.9	3.5	532.00	180.57
	Case Closure											0.00
Investigations	Statutory reporting and statement of affairs	1.6	0.1	10.7	0.7			3.5		16.6	5,728.00	345.06
	Total for Compliance with the Insolvency Act, Rules and best practice	2.0	0.1	10.7	0.7			3.9	2.9	20.3	6,386.00	314.69
	CDDA and investigations	10.2	14.3	6.7	13.0			1.7		45.9	16,617.00	362.03
Realisation of assets	Total for Investigations:	10.2	14.3	6.7	13.0			1.7		45.9	16,617.00	362.03
	Debt collection	0.2	4.8	0.2				0.1		5.3	2,328.00	439.25
	Property business and asset sales	2.9	2.9	0.4						6.2	2,884.00	465.16
Trading	Retention of Title/Third party assets			0.6				2.8		3.4	629.00	185.00
	Total for Realisation of assets:	3.1	7.7	1.2				2.9		14.9	5,841.00	392.91
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Total for Trading											0.00
	Secured		4.9	3.0						7.9	3,365.50	426.01
	Others		0.6	0.8				1.0		2.4	723.00	301.25
Other matters which includes seeking decisions of creditors, meetings, tax litigation, pensions and travel	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		5.5	3.8				1.0		10.3	4,088.50	396.94
	Seeking decisions of creditors											0.00
Total hours by staff grade	Meetings		5.0	1.0						6.0	2,620.00	436.67
	Other											0.00
	Tax	0.1						1.2	0.6	1.9	301.50	158.68
Total time cost by staff grade	Litigation											0.00
	Total for Other matters:	0.1	5.0	1.0				1.2	0.6	7.9	2,921.50	369.81
	Total hours by staff grade	32.4	43.1	24.9	13.7			13.9	3.7	131.7		
Average hourly rate £	Total time cost by staff grade	16,038.00	19,179.50	9,835.50	2,495.00			1,946.00	519.00		90,012.00	
	Average hourly rate £	493.00	445.00	395.00	182.12	0.00	0.00	140.00	140.00			379.74
	Total fees drawn to date £										10,000.00	



SIP9 BURNINGNIGHT LIMITED - Administration - 80BU379.ADM : Time Costs Analysis From 28/09/2018 To 27/09/2019

Staff Grade	Consultant/Partner	Director	Senior Partner	Partner	Assistant Partner	Senior Admin	Admin	Junior Admin	Support	Total Hours	Timesheet	Average hourly rate £
General Case Administration and Planning	Case planning	113.2	0.5	28.2				1.9		143.8	56,201.00	405.36
	Administration		14.0	32.8				56.2	0.8	103.8	24,862.00	237.76
	<b>Total for General Case Administration and Planning</b>	<b>113.2</b>	<b>14.5</b>	<b>58.0</b>		<b>2.0</b>		<b>56.1</b>	<b>0.8</b>	<b>247.6</b>	<b>62,073.00</b>	<b>335.11</b>
Compliance with the Insolvency Act, Rules and best practice	Appointment		2.7	0.4				26.6	0.3	30.0	4,020.50	134.02
	Banking and Bonding	0.6						0.6	6.1	9.3	1,419.00	152.56
	Case Closure											0.00
Investigations	Statutory reporting and statement of affairs	3.1	0.1	25.2		1.5		25.6		55.5	13,569.00	244.49
	<b>Total for Compliance with the Insolvency Act, Rules and best practice</b>	<b>3.7</b>	<b>2.8</b>	<b>25.6</b>		<b>1.5</b>		<b>52.2</b>	<b>6.4</b>	<b>94.8</b>	<b>18,008.50</b>	<b>200.51</b>
	CPA and investigations	31.9	16.6	212.1		6.2		7.8		311.6	92,255.50	296.07
Realisation of assets	<b>Total for Investigations</b>	<b>31.9</b>	<b>16.6</b>	<b>212.1</b>		<b>6.2</b>		<b>7.8</b>		<b>311.6</b>	<b>92,255.50</b>	<b>296.07</b>
	Debt collection	0.2	4.8	6.9				4.4		16.3	5,361.00	328.90
	Property business and asset sales	58.7	5.3	26.2				9.2		151.7	58,183.00	383.54
Trading	Retention of Title/Third party assets		1.9	4.6				15.3		21.8	4,152.00	190.46
	<b>Total for Realisation of assets</b>	<b>58.9</b>	<b>12.0</b>	<b>37.7</b>				<b>28.9</b>		<b>105.8</b>	<b>67,698.00</b>	<b>346.67</b>
	Trading							0.5		0.5	70.00	140.00
Dealing with all creditors claims (including employees), correspondence and distributions	<b>Total for Trading</b>							<b>0.5</b>		<b>0.5</b>	<b>70.00</b>	<b>140.00</b>
	Secured	8.5	4.9	19.9						33.3	13,254.00	398.02
	Others	0.6	3.8	6.1				19.9		31.1	6,228.00	200.26
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Creditors committee											0.00
	<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions</b>	<b>9.1</b>	<b>8.7</b>	<b>26.0</b>				<b>19.9</b>		<b>64.4</b>	<b>19,482.00</b>	<b>302.52</b>
	Seeking decisions of creditors											0.00
	Meetings		5.0	17.1				0.8		22.9	7,877.50	344.00
	Other			0.5						0.5	155.00	310.00
	Tax	0.3						1.2	0.8	2.3	428.50	186.30
	Litigation			2.3						2.3	713.00	310.00
	<b>Total for Other matters</b>	<b>0.3</b>	<b>5.0</b>	<b>19.8</b>				<b>2.0</b>	<b>0.8</b>	<b>28.0</b>	<b>8,174.00</b>	<b>327.64</b>
	Total hours by staff grade	257.1	59.6	380.3		8.2		470.0	10.0	936.7		
	Total time cost by staff grade	113,984.50	25,922.00	116,166.00		1,635.00		20,314.00	1,283.00		290,659.00	
	Average hourly rate £	443.35	429.90	305.46		199.39	0.00	119.46	128.30			310.30
	Total fees drawn to date £										10,000.00	

# **BURNINGNIGHT LIMITED**

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

No.	Type of expense	Description	Estimate £
1.	Advertisements	Of appointment, dividends etc.	169.20
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds	80.00
3.	Re-direction of mail fee	Fees incurred in re-directing the Company's mail to the Insolvency Practitioner's office	606.00
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	680.00
5	Property agent's valuation and sale fees and disbursements	Eddisons fees in relation to assisting with collating and reviewing all the leased/hired equipment agreements. Fees estimated to be incurred in dealing with an inspection of those assets and valuing the unencumbered (if any) assets.	8,000.00
		Sanderson Weatherall's fees for carrying out a desktop review of the Company's encumbered and unencumbered assets.	1,000.00
6.	Legal fees and disbursements	The fees of any solicitors and/or barristers instructed to assist the Insolvency Practitioner and their anticipated disbursements Details of the work to be carried can be found in the main body of the report	317,000 (without litigation fees)
	Counsel's fees		11,000 (est disbursements)  34,000 (without litigation fees)
7.	IT Consultancy fees	The fees of any IT consultant to assist with obtaining access to the Company's IT Systems in order to obtain information, providing a full back-up of the Company's server, ensuring the safety and protection of the Company's server.	700.00
			2,552 40
8.	Accountancy fees	The fees of instructed accountants to assist the administrators with collating all the necessary	21,750.00

		information required and providing assistance with the Company's IT systems, preparing the Company's statement of affairs and ensuring that the Company's financial accounts were up to date.	
9.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate	100.00
10.	Software Licensing Fee	The costs of the software licensing which gave the Administrators' continued access to the Company's network server, accounting systems and the management system historically used by the Company to record all activities within the group	2,552.40
11.	VAT Consultant Fees	The costs of obtaining professional advice in relation to the Company's VAT matters, provided by Independent VAT Consultants.	500.00
12.	Travel & Mileage	Travel to and from the trains station and travel to London to attend meetings with Davis Coffey Lyons and Crowdstacker Corporate Services Limited.	325.50
13.	Sustenance	Meetings between parties interested in purchasing the Group's business and all day meetings held between the administrators, solicitors and counsel.	79 78
14.	Land Registry Search Fees	Costs of carrying out land registry searches at HM Land Registry.	42.00

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

## 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				
Agent's fees	Davis Coffey Lyons	4,000	2,000	2,000 (est)
Legal fees	Gosschalks - application fees	2,113	2,113	Nil
Legal disbursements	Gosschalks	1,077	1,077	Nil
Legal fees	Gosschalks	89,016	Nil	89,016
Legal disbursements	Gosschalks	1,264	1,264	Nil
Legal fees	Clarion Solicitors	3,000	3,000	Nil
Legal disbursements	Clarion Solicitors	100	100	Nil
Bond	Marsh Limited	80	80	Nil
Search fees	Land Registry	39	39	Nil
Storage costs	Restore plc	69.60	69.60	Nil
VAT Consultant fees	Independent VAT Consultants	500	500	Nil
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
Travel & Mileage	Begbies Traynor	325.50	325.50	Nil
Sustenance	Begbies Traynor	79.78	79.78	Nil

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Accountancy Services	HCS Accountancy	21,750.00
Agent's Fees	Davis Coffey Lyons	2,000.00
	Eddisons Commercial Limited	8,000.00
	Sanderson Weatherall	1,000.00
Counsel's Fees	Hugh Jory	28,500
IT Consultancy Fees	Power Epos Limited	700.00
Land Registry Search Fees	Land Registry	42.00
Legal Fees	Clarion Solicitors	3,000.00
	Gosschalks Solicitors	246,129
	Metis Law Limited	5,844.21
Legal Disbursements	Clarion Solicitors	100.00
	Gosschalks Solicitors	10,804
Re-Direction of Mail	Royal Mail Group Limited	606.00
Software Licensing Fee	Visionary Leisure Limited – in Administration	2,552.40
Statutory Advertising	Courts Advertising Limited	84.60
Statutory Bordereau	Marsh Limited	80.00
Storage Costs	Restore plc	87.00
Sustenance	Begbies Traynor (Central) LLP	79.78
Travel & Mileage	Begbies Traynor (Central) LLP	325.50
VAT Consultant Fees	Independent VAT Consultants	500.00