

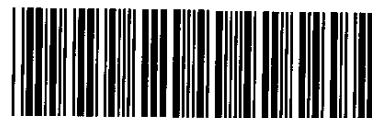
# AM10

## Notice of administrator's progress report



Companies House

SATURDAY




A20 \*A8GW5NKI\* 26/10/2019 #299  
COMPANIES HOUSE

<b>1</b>	<b>Company details</b>	
Company number	0 7 3 2 0 4 0 4	<b>→ Filling in this form</b> Please complete in typescript or in bold black capitals.
Company name in full	Cornertrack Limited	
<b>2</b>	<b>Administrator's name</b>	
Full forename(s)	Julian	
Surname	Pitts	
<b>3</b>	<b>Administrator's address</b>	
Building name/number	Fourth Floor	
Street	Toronto Square	
Post town	Toronto Street	
County/Region	Leeds	
Postcode	L S 1 2 H J	
Country		
<b>4</b>	<b>Administrator's name ①</b>	
Full forename(s)	Andrew	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Mackenzie	
<b>5</b>	<b>Administrator's address ②</b>	
Building name/number	Fourth Floor	<b>② Other administrator</b> Use this section to tell us about another administrator.
Street	Toronto Square	
Post town	Toronto Street	
County/Region	Leeds	
Postcode	L S 1 2 H J	
Country		

# AM10

## Notice of administrator's progress report

<b>6</b>	<b>Period of progress report</b>																
From date	d	0	d	9	m	0	m	4	y	2	y	0	y	1	y	9	
To date	d	0	d	8	m	1	m	0	y	2	y	0	y	1	y	9	
<b>7</b>	<b>Progress report</b>																
<input type="checkbox"/> I attach a copy of the progress report																	
<b>8</b>	<b>Sign and date</b>																
Administrator's signature	Signature 																
Signature date	d	2	d	3	m	1	m	0	y	2	y	0	y	1	y	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)**

Julian Pitts and Andrew Mackenzie were appointed joint administrators on 9 October 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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## **Cornertrack Limited (In Administration)**

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Progress report of the joint administrators

Period: 9 April 2019 to 8 October 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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- ☐ Assets that remain to be realised and work that remains to be done
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# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Cornertrack Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 9 October 2018
"the administrators" "we" "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Andrew Mackenzie 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), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

# 2. STATUTORY INFORMATION

Name of Company:	Cornertrack Limited
Trading name:	Cornertrack Limited
Date of Incorporation:	20 July 2010
Company registered number:	07320404
Company registered office:	Fourth Floor, Toronto Square, Toronto street, Leeds, LS1 2HJ

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Julian Pitts, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Andrew Mackenzie, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
Date of administrators' appointment:	9 October 2018
Court:	In the High Court of Justice, Business and Property Courts in Leeds, Insolvency Companies List (ChD)
Court Case Number:	2018-974
Person making appointment:	The directors of the Company
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 has been extended by order of the court until 9 October 2020.

### 4. PROGRESS DURING THE PERIOD

#### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 9 April 2019 to 8 October 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 information regarding bank transactions;
- Finalising the informal surrender of the Company's lease for the property known as The Otley Tavern;
- Concluding investigations in relation to the sale of the properties within a portfolio of properties previously owned by the Company to third parties;
- Dealing with the Company's freehold land at Halifax known as the Ovenden Hotel;
- 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; and
- Corresponding with the secured creditor and their advisors.

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 3 May 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.

Time has also been spent in reviewing the statutory proposals of Authentic Alehouses Limited, a large connected debtor of the Company, in order to determine the prospect of any dividend to the Company and



review the intended strategy to be undertaken by the administrators regarding the manner in which this debt was incurred.

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

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

### Investigations

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:

- Letters to the Company's former banks requesting details of certain transactions identified in the Company's bank statements;
- Further analysis of the Company's general ledgers with various suppliers alongside a review of the bank statements to identify payments made;
- Instructing our solicitors to issue Court applications in order to have third parties formally deliver up their files and/or formally attend upon us or the Court in order to be privately examined;
- Receiving and reviewing the Company's former solicitor's files to ascertain whether they include any information which would assist us with our investigations;
- 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;
- Liaising with our solicitors in relation to our investigations into the Company's freehold land known as the Ovenden which includes instructing them to issue a Court application against relevant parties to deliver up the information required. Such work undertaken also includes review of the Court application and supporting witness statement;
- Review of the Company's former solicitor's files in connection with the sale of the Pontefract Tavern, and in particular investigations into the completion monies received by the Company; 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 Burningnight 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, therefore the potential causes of action can now be reported without fear of tipping-off 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

#### **Book Debts**

We have now carried out a full forensic exercise of the Company's book debt ledger

The book debt ledger can be split into two categories, the first being 19 trade debtors totalling the sum of £188,857. These debtors appear to be various tenant companies who managed various pubs that at one time were owned by the Company, leased to the Company or appear to have been owned by the directors' pension fund. The Company has invoiced these tenant companies for what appears to be recharges in relation to beer supplies

We have received the sum of £4,352 from one debtor although not within the period of this report.

The sum of £49,952 outstanding from five debtors has been written off as irrecoverable as these companies have either been dissolved, in liquidation or are in administration, with currently no prospect of an unsecured dividend being payable.

We are continuing to chase the remaining thirteen debtors totalling £138,905 however we have received no response to date and one debtor in the sum of £52,159 has a striking off notice at Companies House. We do not anticipate receiving any responses nor do we consider it to be cost effective to pursue these debtors by issuing legal proceedings.

#### Other debtors

A full analysis of the Company's general accounts ledger has been undertaken. At the date of appointment other debtors totalling the sum of approximately £712,603 were identified. Of this amount, £251,804 was outstanding to the Company from Authentic Alehouses Limited in respect of a five year loan provided as part of a property transfer. Authentic Alehouses Limited entered into administration on 6 March 2019 and we do not anticipate that there will be a dividend to the unsecured creditors. We continue to correspond with its administrators in this regard and are keen to discuss their findings with them following their initial investigations. This company was in administration with O'Hara & Co Limited and is now out of administration.

The remaining balance of £507,870 is stated as being due from one debtor, B & W Logistics Limited which entered into administration in July 2018 and we have been advised that no dividend will be available to unsecured creditors.

We have now undertaken a full analysis of the Company's general ledger and transactions with B & W Logistics Limited ("B & W"). The Company appeared to be a debtor of B & W for the sum of £896,222 on 31 May 2018 and B & W a debtor for the sum of £4.9m to the Company for what appears to be unpaid beer suppliers. We have advised the former administrator not to destroy the records.

It appears that subsequent adjustments have been made to the ledger off setting one against the other and then further adjustments have been made, which leaves a balance outstanding of £507,870 due to the Company. Initial conclusions are that significant greater amounts of money were due to the Company for non payment of beer supplies.

### **Third party assets**

As set out in our previous reports, the majority of the Company's fixtures and fittings and equipment were leased and hired through the Company from third party suppliers and were not controlled by the Company but were fitted in outlets and/or used by other companies within the group.

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. It has also been necessary to liaise with the leasing company in relation to the motor vehicles leased by the Company. It is understood the licensee of the bars has also done deals with the finance companies.

### **Properties**

#### Ovenden Hotel

The Company owns the freehold property known as the site of the former Ovenden Hotel in Halifax. In January 2017 the Company granted a mortgage over the Ovenden to Access property Finance Limited ("Access") to cover all monies due. The amount borrowed by way of a fixed term loan was £178,500 and a restriction was registered at the Land Registry on 15 March 2017 in Access' favour.

On 21 December 2018, a deed of novation was entered into by the Company and Access at which point the Company was released from any debt. Subsequently, when questioned about the release of their security, Access have confirmed that the security was equitable and has claimed that the debt was legally assigned to ALBrate Assets Limited ("ABL"). We have since been provided with a copy of a notice of assignment dated 10 February 2017.

Our solicitors have been in correspondence with the solicitors of Access and ABL and remain unsatisfied with the information and explanations provided in respect of the assignment. It was therefore necessary to issue an application to Court to have Access privately examined to establish the true ownership of this asset and this was heard on 23 September 2019 and has been adjourned until 10 October 2019.

In the meantime, the site has been marketed for sale by our agents, Eddisons, who have undertaken a marketing campaign. They received 10 expressions of interest, with two offers being received.

We are currently in a position to proceed with the highest offer however, have been unable to do so as, despite our solicitors contacting the solicitors of Access and ABL in order to request that they provide agreement to our proceeding with this offer and any proceeds of sale be held in escrow, we have not received a response.

Unfortunately it is highly likely that the interested party will withdraw their offer on the basis that we cannot proceed with the sale.

#### Otley Tavern

During the period of this report we have agreed an informal surrender of the Company's head-lease over the property known as the Otley Tavern. It had transpired that the Company had entered into a sub-lease with a third party for what appears to be at an undervalue i.e the rent due under the sub-lease was less than the amount due to the landlord under the head lease. Action regarding this transaction remain under review.

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

Time has been spent in dealing with further queries from former employees of the Company.

We have also 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 the work undertaken. Time has also been spent in liaising with the secured creditor in relation to our seeking an extension of the administration.

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

Pension

Further time has been spent in liaising with the Company's pension provider, Smart Pension, in order to determine the outstanding pension contributions due to the employees. This includes completing the relevant forms to be submitted to the Redundancy Payments Service.

Tax

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 constant review.

Meetings

Time has been spent in relation to the following:

- Attending a without prejudice meeting with third parties to discuss settlement of potential claims identified;
- Arranging meetings and interviews with directors and other third parties;
- Preparing questions for the meeting/interview with one of the directors of the Company;
- Meeting with solicitors to discuss progress of the administration, investigation matters and potential claims against third parties;
- Preparation for and holding meetings with external parties who have made enquiries about the Company's affairs (HMRC);
- Meeting with solicitors and counsel to discuss and review the claims identified against third parties;
- Preparing for the extension hearing; and
- Preparing for the examination hearings.

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 we estimate an outcome for each class of the Company's creditors as follows:

**Fixed Charge creditors**

As previously reported, Carlsberg UK Limited ("Carlsberg") had a fixed charge over the property known as the Bingley Tavern. In accordance with their fixed charge, they appointed Paul Derek Maloney as LPA Receiver on 23 August 2018.

We have been advised by the LPA Receiver's solicitors that the property has now sold for the sum of £235,000 and therefore Carlsberg have suffered a significant shortfall on its lending.

As detailed above, we are fully investigating the position in relation to the Ovenden Hotel and whether the Company has been released from any debt or whether a valid assignment of the debt outstanding to Access has been legally assigned to ABL.

#### **Secured creditors**

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**

We consider that there will be insufficient funds available to enable a dividend to be paid to the preferential creditors.

#### **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 administrator 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

An administrator will not be required to set aside the prescribed part of net property if:

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

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

#### **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. PRE-ADMINISTRATION COSTS

On 30 January 2019 the following amounts in respect of unpaid pre-administration costs were approved by the secured and preferential creditors.

Description	Name of recipient	Net amount £	VAT £	Gross amount £
Our fees in relation to the Work	Begbies Traynor	9,359.50	1,862.30	11,221.80
<b>TOTAL PRE-ADMINISTRATION COSTS</b>		9,359.50	1,862.30	11,221.80

## 7. 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 9 April 2019 to 8 October 2019 amount to £45,596 which represents 124 hours at an average rate of £367 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. No fees have been drawn to date.

### 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 9 October 2018 to 8 October 2019 is also attached at Appendix 2.

We advised creditors in our previous progress reports that we were close to the limit of our previously approved estimate but that we did not intend to seek approval of our increased time costs. The reasons why the previously approved estimate was likely to be exceeded were also provided in our previous progress report.

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 out the work. Senior staff involvement has increased significantly since our last progress report given the move from sales and investigatory work towards impending commencement of litigation and the serious implications of the causes of action being considered.

As can be seen from the information above we have exceeded the limit of our previously approved estimate in the sum of £143,350 and our total costs to date are £165,885. These costs are currently still within the additional £50,000 and £70,000 estimated in our previous progress report which we anticipated would bring total costs to between £170,289 and £190,289. However, as advised above, senior involvement has increased since our last report and it is anticipated that should litigation proceed, our costs are expected to increase further.

and whilst it is difficult to estimate the costs that would be incurred in dealing with litigation, we would estimate that total costs would be approximately £229,136.

We propose to seek approval of our increased time costs at this time and these will be sought from the secured and preferential creditors.

### **Disbursements**

To 8 October 2019, we have also incurred category 1 disbursements in the sum of £296.

### **Category 2 Disbursements**

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been incurred during the period of this report in accordance with the approval obtained are as follows:

Disbursements treated as Category 2 disbursements:

<b>Other amounts paid or payable to any party in which the office holder or his firm or any ass has an interest</b>	
<b>Type and purpose</b>	<b>Amount £</b>
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	4,500.00
Eddisons Insurance Services Limited ("EIS"), which is a member of the Begbies Traynor group, has provided insurance brokerage services, having arranged open cover insurance in relation to the Company's assets.	1,764.00
<b>TOTAL</b>	<b>6,264.00</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.

## **8. 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**.

- Providing assistance and advice on the LPA Receivership of the Bingley Tavern - £1,005
- Advising and dealing with the issues encountered in respect of the land known as the Ovenden Hotel - £12,587 and disbursements of £228
- Reviewing and advising the administrators in relation to the property known as Slam, Wilson Street - £1,090 and disbursements of £15
- Providing advice and assistance to the administrators in dealing with the property known as the Fighting Cock which includes advice in relation to the lease and the outstanding rent due under it - £1,237 and disbursements of £6
- Advising and assisting on the investigations into the sale of the properties by the Company to third parties prior to administration - £6,967 and disbursements of £51
- Corresponding with the Company's former solicitors in order to obtain their files and subsequently dealing with the Court application in order to have the files delivered up to the administrators - £3,154 and disbursements of £243
- Advising and assisting on the forfeiture of the lease of the Otley Tavern - £1,092

The above fees in the sum of £27,132 and disbursements in the sum of £543 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 Limited and 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 and 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 Limited and 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 and severally liable with all other group companies in administration) - £42,096 and disbursements of £461
- Advising on the validity of the administrators' appointment on Burningnight Limited, Burningnight (Services) limited and Cornertrack Limited (jointly and severally liable with Burningnight Limited and Burningnight (Services) Limited) - £1,315 plus disbursements of £47
- Review and advising on the retention of title claim received in relation to equipment supplied to the Harrogate property (jointly and severally liable with Burningnight Limited and Burningnight (Services) Limited) - £2,500
- Considering and advising on the private examination of the secured creditor of Burningnight Limited, 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 Burningnight Limited, Burningnight (Services) Limited and Cornertrack Limited (jointly and severally liable with all other group companies in administration) - £620
- Providing advice and dealing with correspondence received from the secured creditor of Burningnight Limited, 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 Limited and Burningnight (Services) Limited) - £3,679
- Reviewing and advising on the breach of the sale and purchase agreement (jointly severally liable with all other group companies in administration) - £2,166
- Advising on the extensions of the administrations and preparing the Court applications (jointly and severally liable with all other group companies in administration) - £15,689 plus disbursements of £2,121

The above fees in the sum of £246,180 and disbursements of £3,381 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**

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.

## **9. 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?**

- Seek to recover the Company's property known as the former Ovenden Hotel site;
- 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;
- Dealing with the private examination of third parties and in particular information required in relation to the transactions entered into in respect of the security over the Ovenden Hotel site;
- 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;
- Supervise and finalise the collection of any assets subject to finance agreements that have not yet been novated or settled in full; and

- Deal with the formalities of exiting the administration

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

We estimate that the further costs of undertaking and completing this work will be circa £70,000 and these can be broken down as follows:

Details of the work that the administrators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	22.00	7,688.50	349.48
Compliance with the Insolvency Act, Rules and best practice	23.80	6,646.50	279.26
Investigations	24.90	11,395.00	457.63
Realisation of assets	21.60	7,694.50	356.23
Dealing with all creditors' claims (including employees), correspondence and distributions	5.0	1,676.00	335.20
Other matters which include seeking decisions from creditors (via DCP and/or via Decision Procedures), meetings, tax, litigation, pensions and travel	86.50	34,608.50	400.09
<b>Total hours</b>	<b>183.30</b>		
<b>Total time costs</b>		<b>69,709</b>	
<b>Overall average hourly rate    £</b>			<b>380.30</b>

#### 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 at Appendix 3.

## 10. 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.

### **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.

## **11. CREDITORS' RIGHTS**

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

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

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

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

## **12. CONCLUSION**

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



**Julian Pitts**  
Joint Administrator

Dated: 23 October 2019

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 9 March 2019 to 8 October 2019

	From 09/04/2019 To 08/10/2019 £	From 09/10/2018 To 08/10/2019 £
ASSET REALISATIONS		
Bank Interest Gross	0.21	0.29
Book Debts	NIL	4,352.52
Cash at Bank	12.99	12.99
Pre admin - legal costs refund	86.20	86.20
	<u>99.40</u>	<u>4,452.00</u>
COST OF REALISATIONS		
Software Licensing	NIL	2,552.40
Statutory Advertising	NIL	84.60
	<u>NIL</u>	<u>(2,637.00)</u>
	<u><b>99.40</b></u>	<u><b>1,815.00</b></u>
REPRESENTED BY		
Bank 1 Current		1,287.60
Vat Receivable		527.40
		<u><b>1,815.00</b></u>

## TIME COSTS INFORMATION

- a. Begbies Traynor (Central) LLP's charging policy;
- b. Time Costs Analysis for the period from 9 April 2019 to 8 October 2019;
- c. Cumulative Time Costs Analysis for the period from 9 October 2018 to 8 October 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

*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 third party suppliers in order to collate the leased/hired purchase agreements and preparing valuations. 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

**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.

(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

**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.

**BEGBIES TRAYNOR CHARGE-OUT RATES**

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

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	60 – 110

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.



The office holder may use the services of BTG Forensic during the course of the case. BTG Forensic is a specialist department of the office holder's firm which provides forensic accounting services. The current charge-out rates applying to work carried out by BTG Forensic are as follows:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Partner	250
Senior Manager	175

SIP9 Cornertrack Limited - Administration - 80CO635.ADM : Time Costs Analysis From 09/04/2019 To 08/10/2019

Staff Grade	Consultant/Partner	Director	Senioryr	Unsr	Analyst	Forensic	Supr Admin	Admin	Jr Admin	Support	Total hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	5.0	3.2									8.2	3,889.00	475.49
Administration		10.9	0.6						5.8	0.1	17.4	5,913.50	339.86
Total for General Case Administration and Planning	5.0	14.1	0.6						5.8	0.1	25.6	9,812.50	383.30
Compliance with the Insolvency Act, Rules and best practice									6.9		6.9	986.00	142.00
Appointment									0.2		0.2	273.50	160.88
Banking and Bonding	0.1									1.4	1.7	273.50	160.88
Case Closure													0.00
Statutory reporting and statement of affairs	2.3	14.8							3.3		20.4	8,186.50	401.30
Total for Compliance with the Insolvency Act, Rules and best practice	2.4	14.8							10.4	1.4	29.0	9,426.00	325.03
Investigations	9.5	11.5	3.4						0.3		24.7	11,206.00	453.64
Total for Investigations	9.5	11.5	3.4						0.3		24.7	11,206.00	453.64
Realisation of assets	1.0	6.2							3.4		10.6	3,730.00	351.89
Debt collection													
Property business and asset sales	0.3	3.4	1.4								5.1	2,214.50	434.22
Retention of Total/Third party assets		1.7	0.6						6.1		8.4	1,847.50	219.94
Total for Realisation of assets	1.3	11.3	2.0						9.5		24.1	7,792.00	323.32
Trading													0.00
Total for Trading													0.00
Dealing with all creditors claims (including employees), correspondence and distributions		4.1									4.1	1,824.50	445.00
Secured													
Others		0.1							1.0		1.1	184.50	167.73
Creditors committee													0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions		4.2							1.0		5.2	2,009.00	386.35
Other matters which includes seeking decisions of creditors, meetings, tax litigation, payments and travel													0.00
Seeking decisions of creditors													
Meetings		7.3	0.6								7.9	3,485.50	441.20
Other		1.7							4.0		5.7	1,316.50	230.96
Tax	0.5								1.2		1.7	415.50	244.41
Unlaid		0.3									0.3	133.50	445.00
Total for Other matters	0.5	9.3	0.6						5.2		15.6	5,351.00	343.01
Total hours by staff grade	18.7	65.2	6.6						32.2	1.5	124.2		
Total time cost by staff grade	9,256.50	20,014.00	2,607.00						4,509.00	210.00		45,595.50	
Average hourly rate £	495.00	445.00	395.00					0.00	140.00	140.00			367.11
Total fees drawn to date £												0.00	

SIP9 Cornertrack Limited - Administration - 80CO635.ADM : Time Costs Analysis From 09/10/2018 To 08/10/2019

Staff Grade	Consultant/Partner	Director	Senior Team	Chair	Asst Chair	Non Admin	Admin	Job Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	15.0	3.2					0.4		25.4	10,025.50	418.33
	Administration		16.4					64.4	0.5	83.2	19,771.00	212.14
	<b>Total for General Case Administration and Planning</b>	<b>15.0</b>	<b>18.8</b>					<b>64.8</b>	<b>0.5</b>	<b>118.8</b>	<b>30,396.50</b>	<b>258.29</b>
Compliance with the Insolvency Act, Rules and best practice	Appointment							18.6	0.2	21.8	3,205.00	147.02
	Banking and Bonding	0.1						0.6	2.4	3.5	590.50	168.71
	<b>Case Closure</b>											0.00
Investigations	Statutory reporting and statement of affairs	6.1	15.1		1.5		3.0	16.4		51.4	16,224.50	315.65
	<b>Total for Compliance with the Insolvency Act, Rules and best practice</b>	<b>6.2</b>	<b>15.1</b>		<b>1.5</b>		<b>3.0</b>	<b>35.8</b>	<b>2.6</b>	<b>78.7</b>	<b>20,020.00</b>	<b>261.02</b>
	CDOA and investigations	20.2	13.5		15.4	10.0		8.9		151.7	56,604.50	350.08
	<b>Total for Investigations</b>	<b>20.2</b>	<b>13.5</b>		<b>15.4</b>	<b>10.0</b>		<b>8.9</b>		<b>181.7</b>	<b>56,804.50</b>	<b>350.08</b>
	Debt collection	2.1	6.2					7.4		18.4	5,565.50	302.53
Realisation of assets	Property business and asset sales	9.0	4.6		1.0			5.4		49.2	16,796.00	341.38
	Retention of Title/Third party assets		10.5		0.8			30.1		56.6	13,610.50	240.47
	<b>Total for Realisation of assets</b>	<b>11.1</b>	<b>21.3</b>		<b>1.8</b>			<b>42.9</b>		<b>124.2</b>	<b>35,973.00</b>	<b>288.64</b>
	Trading											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	<b>Total for Trading</b>											<b>0.00</b>
	Secured	2.5	4.1							8.1	3,654.50	451.17
	Others	4.6	0.8					36.2		47.9	8,817.00	184.07
	Creditors committee											0.00
	<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions</b>	<b>7.1</b>	<b>4.9</b>					<b>36.2</b>		<b>86.0</b>	<b>12,471.50</b>	<b>222.71</b>
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel	Seeking decisions of creditors											0.00
	Meetings		7.3					0.8		20.3	8,045.00	396.31
	Other		1.7					7.8		9.5	1,755.50	184.79
	Tax	0.5						1.7		2.2	485.50	220.68
	Litigation		0.3							0.3	133.50	445.00
	<b>Total for Other matters</b>	<b>0.5</b>	<b>9.3</b>					<b>10.3</b>		<b>32.3</b>	<b>10,419.50</b>	<b>322.99</b>
	Total hours by staff grade	60.1	83.7		18.7	10.0	3.0	188.7	3.1	569.5		
	Total time cost by staff grade	32,424.50	37,106.50		4,630.00	2,250.00	525.00	24,506.00	416.00		165,885.00	
	Average hourly rate £	475.03	444.28	0.00	247.56	225.00	175.00	123.63	134.19			261.26
	Total fees drawn to date £										0.00	

## 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				
Legal fees	Gosschalks Solicitors	18,841.65	Nil	18,841.65
Legal disbursements	Gosschalks Solicitors	2,436.07	Nil	2,436.07
Legal fees (jointly and severally liable)	Gosschalks Solicitors	96,512.85	Nil	96,512.85
Legal disbursements	Gosschalks Solicitors	840.93	Nil	940.93
Counsels fees	Hugh Jory	21,000	Nil	21,000

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Agent's fees	Eddisons Commercial Limited	4,500.00
Insurance premium	Eddisons Insurance Services Limited	1,764.00
Legal fees	Gosschalks Solicitors	27,132.00
Legal disbursements	Gosschalks Solicitors	543.00
Legal fees (jointly and severally liable)	Gosschalks Solicitors	246,180.00
Legal disbursements	Gosschalks Solicitors	3,381.00
Search fees	Land Registry	216 00
Bond	Marsh Limited	80.00
Statutory advertising	Courts Advertising	84 60
Software Licensing fee	Visionary Leisure Limited in Administration	2,552.40