

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number	1	2	1	8	1	0	5	8
Company name in full	Sheffield Foods (JP) Limited							

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s)	Kris Anthony
Surname	Wigfield

3 Liquidator's address

Building name/number	3rd Floor, Westfield House
Street	60 Charter Row
Post town	Sheffield
County/Region	
Postcode	S 1 3 F Z
Country	

4 Liquidator's name ①

Full forename(s)	Joanne Louise
Surname	Hammond

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

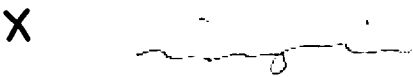
Building name/number	3rd Floor, Westfield House
Street	60 Charter Row
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County/Region	
Postcode	S 1 3 F Z
Country	

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6	Period of progress report															
From date	^d	3	^d	1	^m	0	^m	8	^y	2	^y	0	^y	2	^y	2
To date	^d	3	^d	0	^m	0	^m	8	^y	2	^y	0	^y	2	^y	3
7	Progress report															
	<input checked="" type="checkbox"/> The progress report is attached															
8	Sign and date															
Liquidator's signature	<div>Signature</div> <div>  </div>															
Signature date	^d	2	^d	4	^m	1	^m	0	^y	2	^y	0	^y	2	^y	3

**Presenter information**

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

Contact name Jack Dykes

Company name Begbies Traynor (SY) LLP

Address 3rd Floor, Westfield House
60 Charter Row

Post town Sheffield

County/Region

Postcode S 1 3 F Z

Country

DX

Telephone 0114 2755033

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

Sheffield Foods (JP) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 31/08/2022 To 30/08/2023 £	From 31/08/2022 To 30/08/2023 £
Uncertain	ASSET REALISATIONS		
	Book Debts	NIL	NIL
		NIL	NIL
(682,921.22)	UNSECURED CREDITORS		
	Trade Creditors	NIL	NIL
		NIL	NIL
(682,921.22)		NIL	NIL
REPRESENTED BY			
			NIL

Kris Anthony Wigfield
Joint Liquidator

Sheffield Foods (JP) Limited (In
Creditors' Voluntary Liquidation)

Progress report

Period: 31/08/2022 to 30/08/2023

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Sheffield Foods (JP) Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 31 August 2022.
"the liquidators", "we", "our" and "us"	Kris Anthony Wigfield of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. COMPANY INFORMATION

Trading name(s):	N/A
Company registered number:	12181058
Company registered office:	Begbies Traynor (SY) LLP, 3rd Floor Westfield House, 60 Charter Row, Sheffield, S1 3FZ
Former trading address:	75/129 Carlisle Street, Sheffield, S4 7LJ

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	31 August 2022
Date of liquidators' appointment:	31 August 2022

Changes in liquidator (if any):

None

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is the Joint Liquidators' abstract of receipts and payments for the period from 31/08/2022 to 30/08/2023.

Receipts

During the period of this report there were no receipts.

Payments

Over the period of this report there have been no payments.

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 the Joint Liquidators' firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings they have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but they 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.

The details below relate to the work undertaken in the period of this report only.

General case administration and planning

Time has been spent by the Joint Liquidators reviewing and updating their electronic records to ensure all relevant statutory documentation is issued to the relevant parties. In addition, diary entries for the period which is covered by this report have been added by to the Joint Liquidators' system in order to ensure that matters are progressed throughout the liquidation in a timely manner.

The Joint Liquidators have created a case strategy plan and continued to update it as and when necessary to ensure that the liquidation proceeds as expected and all matters are completed. The relevant checklists have been completed and filed by the Joint Liquidators.

Case reviews have been carried out by the Joint Liquidators at one, three and six months after the Joint Liquidators' appointment to ensure that the case progressed as envisioned and to ensure it is passed for closure as soon as possible.

The work detailed above has not been of financial benefit to the Company's creditors, however, is necessary in order to ensure the liquidation is progressed in a timely manner.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners are governed by the Insolvency Act and Rules, together with following best practice guidelines which are also known as Statements of Insolvency Practice. The Joint Liquidators have certain statutory obligations and duties to fulfil whilst in office which include the regular filing of progress reports, such as this, with Companies House. The Joint Liquidators are also obliged to inform various bodies of their appointment, including creditors, Companies House, as well as advertise their appointment in the London Gazette.

The Joint Liquidators are also bound to correspond with creditors of the Company, and issue notice of the insolvency event to parties who would have an interest in the proceedings. There is also a statutory duty to investigate the conduct of the Company's current directors and any director that resigned up to 3 years prior to the Joint Liquidators appointment, as well as duties to bond the case to an appropriate level, and instruct professionals such as property agents and solicitors to assist with the case wherever necessary. During the period covered by this progress report, the Joint Liquidators have:

1. Prepared statutory documentation for circulation to creditors;
2. Dealt with other sundry regulatory compliance matters;
3. Carried out bond reviews regularly to ensure that the Joint Liquidators are bonded correctly upon the emergence of additional information in relation to the value of assets that could be realised; and
4. Undertaken periodic reviews of the case to ensure that the liquidation is progressed in a timely manner.

Whilst these items of work are not of direct financial benefit to creditors, they are either a statutory or regulatory requirement that the Joint Liquidators must adhere to and therefore the costs that derive from these items of work cannot be avoided.

Investigations

The Joint Liquidators have a duty to investigate the affairs of the Company prior to their appointment. Such investigations include analysis of the Company books and records and all financial documents.

The Joint Liquidators investigations are ongoing. Accordingly, it would be prejudicial to their investigations for the Joint Liquidators to comment in any further detail at this stage of the liquidation process. If any creditor wishes to discuss the investigations carried out by the Joint Liquidators to date, they are invited to contact the Joint Liquidators' office and provide their contact details using the following email address sheffield.north@btguk.com following which a member of the case team will be in contact with the creditor to discuss.

This investigation work has not provided a financial benefit to creditors to date, however, it is hoped that the Joint Liquidators' investigations will result in realisations which in turn will provide a financial benefit to creditors, additionally, this work is of a statutory nature and therefore the cost of this work cannot be avoided.

Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this the Joint Liquidators may need to consider instructing professional agents to carry out negotiations, provide inventories and valuations. The Joint Liquidators may also need to consider instructing solicitors to realise assets of the company identified in the Joint Liquidators' investigations. All work carried out in respect of asset realisation is for the purpose of realising property and assets of the Company for the benefit of the creditors generally.

At the date of the Joint Liquidators' appointment, the assets of the Company consisted of a book debt due from an associated Company, Sheffield Foods (UK) Limited, which is in liquidation. There have been no realisations from the book debt during the period of this report and any realisation from the same remain uncertain.

Whilst there has been no financial benefit for creditors over the period of this report, the Joint Liquidators hope that this work will be of financial benefit in due course.

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

Over the course of this report, the Joint Liquidators have spent time liaising with the Company's creditors and have spent time inputting creditor claims onto their internal systems.

The Joint Liquidators have also discharged their statutory duty to report to the Company's creditors following their appointment to ensure that creditors are informed about the liquidation of the Company.

This work has not been of financial benefit to creditors, however, this work is required to ensure that the Joint Liquidators fulfil their duties whilst in office as well as ensuring that creditors' claims are dealt with in a timely and effective manner, and has made sure that creditors remained informed about events which occur throughout the liquidation.

Other matters which include seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedures, tax, litigation, pensions and travel

During the course of administering the case, the Joint Liquidators have spent time making sure the Company complies with all tax obligations that arose during the period of this report.

This work has not provided a financial benefit to the Company's creditors, but all work carried out in this area is necessary for the liquidation and progression of the case.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the director's statement of affairs.

Secured creditors

There are no secured creditors.

Preferential creditors

There are no known preferential claims.

Secondary preferential creditors

Further to the changes to the Finance Act 2020, HM Revenue & Customs are now able to claim secondary preferential status for certain liabilities. Taxes owed by the business to HMRC comprising of VAT, PAYE Income Tax, Employee National Insurance Contributions, Student loan deductions and Construction Industry Scheme deductions fall under the secondary preferential status.

There is no known secondary preferential claim by HM Revenue & Customs.

Unsecured creditors

Unsecured creditors were estimated at £682,921.22 and the Joint Liquidators have received claims in the sum of £822.00.

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

Secured creditors

There are no known secured creditors.

Preferential creditors

There are no known known preferential claims.

Secondary preferential creditors

HM Revenue and Customs is not a secondary preferential creditor.

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

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the liquidator must make a prescribed part of the Company's net property available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. Net property means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The prescribed part of the Company's net property is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £800,000

A liquidator will not be required to set aside the prescribed part of net property if:

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

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

Unsecured creditors

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

6. REMUNERATION & EXPENSES

Remuneration

The Joint Liquidators' remuneration has not yet been fixed. Consequently, a fee estimate will be sent out in conjunction with this report, subject to the approval of the Company's creditors.

The following further information in relation to the Joint Liquidators' time costs and expenses is set out at Appendix 2:

- ❑ Time Costs Analysis for the period 31 August 2022 to 30 August 2023
- ❑ Begbies Traynor (SY) LLP's charging policy

To 30 August 2023, the Joint Liquidators not drawn any fees on account of their remuneration, against total time costs of £8,566.00 incurred since the date of their appointment.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case and gives the total costs and average hourly rate charged for each work type.

Please note that the analysis provides details of the work undertaken by the Joint Liquidators and their staff following their appointment only.

For the avoidance of any doubt, the Joint Liquidators have not yet drawn any funds on account of their remuneration as the basis of their remuneration has not yet been approved by the Company's creditors.

As remuneration has not been fixed, the Joint Liquidators are seeking creditors' approval of their remuneration by way of a Decision Procedure via correspondence and a Notice providing further information about the decisions being sought by correspondence together with a Voting Form have been provided separately.

Expenses

To 30 August 2023, the Joint Liquidators have not drawn any expenses from the liquidation estate.

Category 2 Expenses

The Joint Liquidators have not incurred any category 2 expenses.

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

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3 together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

The expenses that have been incurred by the Joint Liquidators to date total £203.73. An estimate of expenses will be circulated in conjunction with this report.

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

As detailed in the director's statement of affairs the assets of the Company consisted of a book debt due from an associated Company which is in liquidation. At this stage in the liquidation, the Joint Liquidators have the following assets left to realise:

- ☐ Book debt

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

General case administration and planning

The Joint Liquidators will continue to review and update their electronic records to ensure that all relevant statutory documentation is issued to the relevant parties.

Periodic reviews of the case at six-monthly intervals will also continue to take place in order to ensure that the case is progressing efficiently to closure, and all works are being completed as and when necessary.

This work will not bring financial benefit to the Company's creditors; however, it is a statutory requirement and therefore the costs associated with it cannot be avoided. Effective case management and planning throughout is of benefit as it ensures that the liquidation is dealt with timely and effectively.

Compliance with the Insolvency Act, Rules and best practice

The Insolvency Practitioners will continue to be governed by the Insolvency Act and Rules, together with following best practice guidelines known as Statements of Insolvency Practice. Over the next reporting period, time will be spent by the Joint Liquidators preparing and reviewing the contents of this report to creditors, as well as filing such reports with Companies House.

Investigations

As mentioned above, the Joint Liquidators have a duty to investigate the affairs of the Company prior to their appointment. Such investigations include analysis of the Company's books and records and financial documentation.

As the Joint Liquidators investigations are still ongoing, it would be prejudicial to the investigations for the Joint Liquidators to comment in any further detail at this stage. If any creditor wishes to discuss the investigations that have been carried out to date, they are invited to contact the Joint Liquidators' office and provide their contact details using the following email address Sheffield.north@btguk.com following which a member of the case team will call the creditor to discuss.

Following this report, the Joint Liquidators will continue to investigate these matters and when they deem appropriate they will report to creditors and provide a full update on progress made in the liquidation.

Realisation of assets

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this, the Joint Liquidators may need to consider instructing professional agents to carry out negotiations, provide inventories and valuations. The Joint Liquidators may also need to instruct solicitors to complete sales. All work carried out in respect of the asset realisation is for the purpose of realising property and assets for the benefit of the creditors generally.

The Joint Liquidators will continue to monitor the position in relation to the liquidation of the associated company to ascertain if any dividends will be payable from the same.

Whilst there has been no financial benefit for creditors over the period of this report, the Joint Liquidators hope that this work will be of financial benefit in due course.

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

Creditors' queries will continue to be answered by the Joint Liquidators as and when received. Furthermore, time will be spent inputting any creditor debts which they receive onto their internal system.

As previously mentioned, it is not anticipated that there will be sufficient funds for a dividend to the Company's creditors.

Other matters which include seeking decisions from creditors (via Deemed Consent Procedure and/or Decision Procedure, tax, litigation, pensions and travel

Whilst administering the case, the Insolvency Practitioner will be required to seek decisions from creditors on various proposed resolutions, including the basis of their remuneration. The Joint Liquidators are required to spend time preparing the relevant documents to seek a decision from creditors of the Company on the basis of their remuneration.

Whilst this work is not of financial benefit to the Company's creditors, it is of a statutory nature and therefore cannot be avoided.

How much will this further work cost?

The 'further work', along with the work that has already been completed, is anticipated to cost £20,000.00, as can be evidenced by the fees estimate sent in conjunction with this progress report. The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been carried out. As you know, this work is necessary in order that the Joint Liquidators may complete the liquidation as envisaged. As previously mentioned, the Joint Liquidators will need to seek creditor approval for the fair and reasonable remuneration they are asking for in the fees estimate. The Joint Liquidators do not anticipate that they will need to approach creditors for a further increase following this request unless circumstances greatly change again.

Expenses

Details of the expenses that the Joint Liquidators expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors in conjunction with this progress report which includes all of the expenses that the Joint Liquidators anticipate that they will incur throughout the liquidation.

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

The Joint Liquidators estimated that the cost of administering the case would be in the region of £20,000.00. Approval for the Joint Liquidators to draw their remuneration has not yet been provided. However, as you are aware, due to the fact that there are limited assets, the remuneration that they will be able to draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, the Joint Liquidators can estimate that total remuneration drawn will be nil.

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

9. OTHER RELEVANT INFORMATION

Connected party transactions

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

Use of personal information

Please note that in the course of discharging their statutory duties as liquidators, the Joint Liquidators may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, they 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 the Joint Liquidator's office.

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

11. CONCLUSION

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



Kris Anthony Wigfield
Joint Liquidator

Dated: 24 October 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 31 August 2022 to 30 August 2023

Sheffield Foods (JP) Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £		From 31/08/2022 To 30/08/2023 £	From 31/08/2022 To 30/08/2023 £
Uncertain	ASSET REALISATIONS		
	Book Debts	NIL	NIL
		NIL	NIL
(682,921.22)	UNSECURED CREDITORS		
	Trade Creditors	NIL	NIL
		NIL	NIL
(682,921.22)		NIL	NIL
	REPRESENTED BY		
			NIL

Kris Anthony Wigfield
Joint Liquidator

COSTS AND EXPENSES

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 31 August 2022 to 30 August 2023; and
- c. The Joint Liquidators' fees estimate

BEGBIES TRAYNOR CHARGING POLICY

Introduction

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

In addition, this policy applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holder's remuneration, together with an explanation of how those charges are calculated.

Office holder's fees in respect of the administration of insolvent estates

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

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded in 6-minute units at the individual's hourly rate in force at that time which is detailed below.

Expenses incurred by office holders in respect of the administration of insolvent estates

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- ☐ Category 1 expenses (approval not required) - Specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ☐ Category 2 expenses (approval required) - Items of expenditure that are directly related to the case and either;

(i) include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party; or

(ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

The following expenses include an element of shared or allocated cost and are charged to the case (subject to approval).

- ☐ Internal meeting room usage for the purpose of physical meetings of creditors is charged at the rate of £100 (London £150) per meeting;

- Car mileage which is charged at the rate of 45 pence per mile

Payments anticipated to be made to associates (pursuant to (ii) above)

Services provided by other entities within the Begbies Traynor group

The following expenses which relate to services provided by an entity 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 BTG Advisory to provide services relating to the recovery of the Company's debtor ledger. Their charges will be equivalent to 15% of realisations, payable out of debtor receipts.

Eddisons Commercial Limited ("Eddisons") in respect of the Company's assets, comprising of motor vehicles, computer equipment and stock. It is anticipated that their remuneration and disbursements will be £750 plus VAT valuation fee and 10% of realisations.

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

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

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The forecasted cost of insurance for the 3 month period immediately following appointment is £500 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. Where relevant, administration fees may be charged. These costs are taken into consideration and included within the forecasted cost of insurance, above.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

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.

It may become necessary during the course of the liquidation to instruct Eddisons Insurance Services Limited ("EIS") to provide assistance in relation to a claim on the Company's Business Interruption Insurance Policy.

Their fees in relation to this work will be between 7.5% and 10% of realisations depending upon the circumstances regarding the claim.

General Office Overheads.

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

- ☐ Telephone and facsimile
- ☐ Printing and photocopying
- ☐ Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

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

Grade of staff	Charge out rate (£ per hour) 01/01/2022 Until 10 July 2023
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

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

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

As detailed above, time is recorded in 6-minute units.

Time costs analysis from the period 31 August 2022 to 30 August 2023

SIP9 Sheffield Foods (jp) Limited - Creditors Voluntary Liquidation - 91SH428.CVL : Time Costs Analysis From 31/08/2022 To 30/08/2023

[illegible]

THE LIQUIDATORS' ESTIMATE OF FEES THAT THEY WILL INCUR

Further to the information set out in the report, the Joint Liquidators are seeking approval on the basis of their remuneration. The fees are based on the work already carried out as well as the work that is still yet to be done.

The Liquidators propose a set fee of £20,000.00. It is anticipated that this sum will be sufficient to cover the work which is detailed within the body of the report and which falls under the following categories of work:

1. General case administration and planning
2. Compliance with the Insolvency Act, Rules and best practice
3. Investigations
4. Realisation of assets
5. Dealing with all creditors claims (including employees), correspondence and distributions
6. Other matters which include eg seeking decisions from creditors via Deemed Consent Procedures or Decision Procedures / tax / litigation / pensions

This fixed fee covers only the work to be undertaken in respect of the categories of work listed above. In the event that additional expenses are incurred, these will be disclosed separately.

The Joint Liquidators also propose to be remunerated on a percentage basis for the realisation of assets as follows:

Nature of asset	Additional percentage being sought (%)
Realisations made through general investigations	30%

Please refer back to the body of the report at Sections 6 and 8 for a more detailed explanation of the future work to be carried out and why this remuneration is being sought.

A more detailed explanation of the work that falls into the categories mentioned in the table above can be obtained from the Joint Liquidator's website at <http://www.begbies-traynorgroup.com/work-details>.

The Joint Liquidators have arrived at this estimate by considering the nature and complexity of the work that is necessary to conclude the case, and the Joint Liquidators also believe that this is a fair and reasonable reflection of the same.

Dated: 24 October 2023

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	EPE Reynell	£176.00	£0.00	£176.00
Postage	Postworks	£7.73	£0.00	£7.73
Bond	AON UK	£20.00	£0.00	£20.00
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Bank Charges	Santander Plc	£5.00
Investigation Expenses	HM Land Registry	£30.00
Postage	Postworks	£27.17