

LIQ03

Notice of progress report in voluntary winding up



Companies House

THURSDAY



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A11

22/10/2020

#359

COMPANIES HOUSE

1 Company details

Company number 0 7 3 1 4 8 5 4

Company name in full High Profits Limited

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

2 Liquidator's name

Full forename(s) Julie

Surname Palmer

3 Liquidator's address

Building name/number Units 1-3 Hilltop Business Park

Street Devizes Road

Post town Salisbury

County/Region Wiltshire

Postcode S P 3 4 U F

Country

4 Liquidator's name

Full forename(s) Stephen

Surname Powell

Other liquidator
Use this section to tell us about
another liquidator.

5 Liquidator's address

Building name/number Threefield House

Street Threefield Lane

Post town Southampton

County/Region

Postcode S O 1 4 3 L P

Country

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	2	d	2	m	0	m	8	y	2	y	0	y	1	y	9
To date	d	2	d	1	m	0	m	8	y	2	y	0	y	2	y	0

7 Progress report

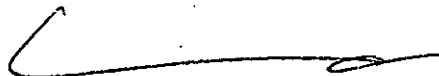
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

d	1	d	9	m	1	m	0	y	2	y	0	y	2	y	0
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LIQ03

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**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

Sarah Jerrard

Company name

Begbies Traynor (Central) LLP

Address

Units 1-3 Hilltop Business Park
Devizes Road

Post town

Salisbury

County/Region

Wiltshire

Postcode

S P 3 4 U F

Country

DX

salisbury@btguk.com

Telephone

01722 435190

**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

High Profits Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 22 August 2019 to 21 August 2020

Important Notice

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

Contents

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	High Profits Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 22 August 2019.
"the liquidators", "we", "our" and "us"	Julie Anne Palmer of Begbies Traynor (Central) LLP, Units 1-3 Hilltop Business Park, Devizes Road, Salisbury, Wiltshire, SP3 4UF and Stephen Mark Powell of Begbies Traynor (Central) LLP 8a Carlton Crescent, Southampton, SO15 2EZ
"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

Company registered number:	07314854
Company registered office:	Office 2, Broomhall Business Centre, Broomhall Lane, Worcester, WR5 2NT
Former trading address:	Suite 127 Communication House, 9 St. Johns Street, Colchester, CO2 7NN

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	22 August 2019
Date of liquidators' appointment:	22 August 2019
Changes in liquidator (if any):	Brett Lee Barton was replaced as liquidator on 11 December 2019 by Stephen Mark Powell following Brett Lee Barton's decision to leave Begbies Traynor (Central) LLP

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 22 August 2019 to 21 August 2020.

Assets

Motor Vehicles

As stated in the report on the financial position of the Company, dated 16 August 2019, the Company was no longer in possession of the motor vehicles so no realisations have been made in this regard.

Office Equipment

As stated in the report on the financial position of the Company, dated 16 August 2019, the Company was no longer in possession of the office equipment so no realisations have been made in this regard.

Funds Held on Trust / Deposit for Costs

The sum of £1,000 was received by Begbies Traynor (Central) LLP from the Company and these funds have been transferred to the liquidation account by way as a deposit for costs.

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.

General case administration and planning

Time recorded under this category has included:

- Preparing documents and dealing with the formalities of our appointment
- Filing
- Dealing with general calls
- Dealing with routine correspondence and emails
- Maintaining physical case files and electronic records
- Opening and maintaining the liquidators' bank account
- Case planning, devising a case strategy and case review

The majority of the above work derived no financial benefit for creditors. However, the Insolvency Profession is a highly regulated industry and we are required to maintain records to demonstrate how the case was administered and to document the reasons for any decisions that materially affect the case.

Compliance with the Insolvency Act, Rules and best practice

The time recorded under this category includes:

- Statutory Advertising
- Undertaking statutory notifications to Companies House and the creditors providing details of our appointment
- Calculating the required bond and conducting bond reviews
- Preparing all statutory reports and returns
- Undertaking periodic reviews to ensure the statutory compliance

The majority of the above work derived no financial benefit for creditors. However, the Insolvency Profession is a *highly regulated industry and 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.* All of the work in the category is required under the Insolvency Act and Rules.

Investigations

Time recorded under this category included:

- Reviewing the Company's bank statements and listing all connected party transactions
- Reviewing the financial statements in relation to any unlawful dividends or outstanding loan accounts.
- Reporting on the director's conduct to the Department of Business, Energy and Industrial Strategy.
- Requesting the Company's physical books and records.

We have a statutory duty to investigate the Company's affairs and report to the Department of Business, Energy and Industrial Strategy. The above work may result in asset realisations subject to their being any wrongdoing by the directors. Please note that this is standard practice amongst all insolvencies.

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

Time recorded under this category included:

- Dealing with creditor correspondence, emails and telephone conversations.
- Maintaining up to date creditor information and amending claims.
- Corresponding with the director and other stakeholders.

Best practice means that we should respond to creditor queries in a timely manner. This work will only have a financial benefit for creditors if there are sufficient funds from future realisations to allow a dividend to be paid to creditors.

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

Time recorded under this category included:

- Notifying HMRC of the liquidation
- Submitting the relevant Corporation Tax and VAT returns to HMRC.
- Dealing with ad hoc correspondence and queries relating to the administration of the case.

This work has no direct financial benefit to creditors but is a requirement in order to comply with our duties.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the directors' statement of affairs. On the basis of realisations to date and estimated future realisations, we estimate an outcome for each class of the company's creditors as follows:

Secured creditors

Just Cash Flow Plc holds a debenture, registered at Companies House on 8 July 2016, providing for a fixed and floating charge over the Company's assets.

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were said to be £1,713 as at the date of the preparation of the statement of affairs. Two preferential claims have been received totalling £1,549.02.

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

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

- ☐ 50% of the first £10,000 of net property;
- ☐ 20% of net property thereafter;
- ☐ Up to a maximum amount to be made available of £600,000

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

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

To the best of our knowledge and belief the Company's net property is less than the minimum amount of £10,000 prescribed by section 176A(3) and Regulation 2 of the Insolvency Act 1986 (Prescribed Part) Order) 2003. Consequently, no dividend of the prescribed part of the net property is available for unsecured creditors

Unsecured creditors

Unsecured creditors were estimated at £184,798 and claims have been received totalling £146,633. Based upon realisations to date and estimated future realisations, it is anticipated that there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. REMUNERATION & DISBURSEMENTS

Remuneration

We have not at this time drawn any funds on account of our remuneration, nor on account of certain expenses.

Accordingly, we are seeking approval that our remuneration be fixed by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP for attending to matters arising in the winding up set out in the fees estimate at Appendix 3. We are 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, which is attached at Appendix 2 of this report approved by creditors on 8 October 2019.

Total time spent to date on this assignment amounts to 70.4 hours at an average composite rate of £349.22 per hour resulting in total time costs to date of £24,585. A more detailed breakdown of the time spent so far is included at Appendix 2. Please note that this time is included in the fees estimate at Appendix 3.

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

- ☐ Time Costs Analysis in relation to those aspects of the work that are proposed to be charged on a time costs basis for the period 22 August 2019 to 21 August 2020
- ☐ Begbies Traynor (Central) LLP's charging policy

In addition, Appendix 3 contains the following:

- ☐ Details of the work that the Liquidators consider that they will need to undertake to administer the liquidation.

Time Costs Analysis

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only.

Work undertaken prior to appointment

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in assisting with the preparation of the statement of affairs and seeking the decisions of creditors on the nomination of liquidators are yet to be paid. Prior to the liquidation, £1,000 was made available by the director from his personal finances as explained in section 4.

Disbursements

To 21 August 2020, we have drawn disbursements in the sum of £158.50.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2017' 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 our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 2.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £268. That estimate has not been exceeded and we do not expect it to be exceeded if matters progress to conclusion as envisaged.

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

Assets that remain to be realised

It is not envisaged that there will be any further realisations in relation to the assets listed in the Statement of Affairs. However, it may be that our investigations result in future realisations.

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

The work to be done relates largely to investigations, as well as our continuing administrative and statutory duties. Specifically in relation to investigations, our initial review of the Company's bank statements revealed that a total of circa £150,000 and £59,000 were paid to Barclaycard and MBNA respectively. More detailed investigations are required to ascertain whether all of these payments were legitimate business expenditure. Furthermore, a detailed investigation will be undertaken in relation to the payments made to and from the director and other third parties, including a remuneration Trust.

How much will this further work cost?

The fees estimate that appears at Appendix 3 shows a total of 53.40 hours at a total cost of £23,438 being spent in relation to investigations (with an average hourly rate of £438.91). To 21 August 2020, a total of 38.3 hours at a total cost of £13,965.50 has been incurred (with an average hourly rate of £364.63). It is envisaged that a further 15.1 hours will need to be spent reviewing and potentially pursuing payments made from the Company bank account.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 17 September 2019 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

9. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

You may be aware that a liquidator has a duty to enquire into the affairs of an insolvent company to determine its property and liabilities and to identify any actions which could lead to the recovery of funds. In addition, a liquidator is also required to consider the conduct of the Company's directors and to make an appropriate submission to the Department for Business Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are

required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. DECISION OF CREDITORS BY WAY OF DECISION PROCEDURE

Accompanying this report is a notice providing further information about the decisions being sought by correspondence together with a Voting Form. Please complete and return this form to our office by no later than 11 November 2020 together with proof of your debt (unless a proof has already been submitted) or your vote will be disregarded as will any Voting Forms returned after this date.

The Association of Business Recovery Professionals (R3) has set up a website that contains a step-by-step guide designed to help creditors navigate their way through an insolvency process which includes information in relation to remuneration. You can access the website at the following address: <http://www.creditorinsolvencyguide.co.uk/>. In addition, a copy of 'A Creditors' Guide to Liquidators' Fees (E&W) 2017' can be obtained online at www.begbies-traynor.com/creditorsguides. It may assist you to consult the R3 website and to consider the Guide before considering the contents of this report and casting your vote in relation to our remuneration and disbursements.

Should any creditor require further explanation of matters contained within the report, they should contact our office and speak in the first instance to the case manager who will be pleased to assist.

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 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.

12. CONCLUSION

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



Julie Palmer
Joint Liquidator

Dated: 20 October 2020

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 22 August 2019 to 21 August 2020

S of A £		£	£
	ASSET REALISATIONS		
NIL	Motor Vehicles	NIL	
NIL	Office Equipment	NIL	
1,000.00	Funds Held on Trust	NIL	
	Deposit for Costs	<u>1,000.00</u>	1,000.00
	COST OF REALISATIONS		
	Statutory Advertising	<u>158.50</u>	(158.50)
	PREFERENTIAL CREDITORS		
(1,713.00)	Employees re Arrears/Hol Pay	<u>NIL</u>	NIL
	FLOATING CHARGE CREDITORS		
(82,876.00)	Just Cash Flow PLC	<u>NIL</u>	NIL
	UNSECURED CREDITORS		
(119,261.00)	Trade Creditors	NIL	
(38,025.00)	Employees	NIL	
(1,987.00)	HMRC – PAYE	NIL	
(25,525.00)	HMRC – CT	<u>NIL</u>	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	<u>NIL</u>	NIL
(268,389.00)			<u>841.50</u>
	REPRESENTED BY		
	Vat Receivable		31.70
	Bank Current		809.80
			<u>841.50</u>

TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy.
- b. Time Costs Analysis for the period from 22 August 2019 to 21 August 2020.
- c. Statement of the Liquidators' 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 guidance¹ 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 guidance² 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 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;

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.

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

² Ibid 1

Services provided by other entities within the Begbies Traynor group

The following items of expenditure 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):

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

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

Instruction of Eddisons Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for 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.

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

Grade of staff	Charge-out rate (£ per hour) 1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

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.

SIP9 High Profits Limited - Creditors Voluntary Liquidation - 25HI239.CVL : Time Costs
Analysis From 22/08/2019 To 21/08/2020

Staff Grade		Consultant/Partner	Director	Snr Mngr	Mngr	Asst Mngr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning												0.00
	Administration			0.3	5.5			1.2			7.0	2,226.00	318.00
	Total for General Case Administration and Planning:			0.3	5.5			1.2			7.0	2,226.00	318.00
Compliance with the Insolvency Act, Rules and best practice	Appointment	1.4			3.9						5.3	2,038.50	384.62
	Banking and Bonding			0.5	0.2			0.3		2.8	3.8	711.00	187.11
	Case Closure												0.00
	Statutory reporting and statement of affairs				2.5						2.5	862.50	345.00
	Total for Compliance with the Insolvency Act, Rules and best practice:	1.4		0.5	6.6			0.3		2.8	11.6	3,612.00	311.38
Investigations	CDDA and Investigations	1.2		16.2	19.5			1.4			38.3	13,965.50	364.63
	Total for Investigations:	1.2		16.2	19.5			1.4			38.3	13,965.50	364.63
Realisation of assets	Debt collection												0.00
	Property, business and asset sales												0.00
	Retention of Title/Third party assets												0.00
	Total for Realisation of assets:												0.00
Trading	Trading												0.00
	Total for Trading:												0.00
	Secured												0.00
	Others		1.0	1.3	3.4			1.3			7.0	2,359.00	337.00

[illegible]

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	Courts Advertising	158.50	158.50	Nil
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Liquidators' Expenses	Begbies Traynor <ul style="list-style-type: none"> Statutory Bonding 	30.00	Nil	30.00

SUMMARY OF THE PROPOSED FEES OF THE JOINT LIQUIDATORS

We are seeking creditors' approval to be remunerated on a time costs basis using a decision by correspondence.

Details of our firm's hourly charge-out rates are set out in Appendix 2. Prior to creditors determining the basis upon which we are to be remunerated, we are obliged to produce a fees estimate and to provide it to each creditor of whose details we are aware so that it can be approved at the same time as the basis of our remuneration.

Our fees estimate for the liquidation is set out below]. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column.

Details of the work that the liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
<i>General case administration and planning</i>	9.50	3,905.50	411.11
Compliance with the Insolvency Act, Rules and best practice	12.50	5,386.50	430.92
Investigations	53.40	23,438.00	438.91
Realisation of assets	0.00	0.00	0.00
Dealing with all creditors' claims (including employees), correspondence and distributions	8.80	3,666.00	416.59
Other matters which include seeking decisions from creditors via Deemed Consent Procedures or Decision Procedures, tax, litigation, pensions and travel	11.80	4,906.00	415.76
Total hours	96.00		
Total time costs		41,302.00	
Overall average hourly rate £			430.23

Although the fees estimate indicates that the total time costs for this matter will be £41,302 we are aware that there are limited assets to realise and so the time costs that we will be able to draw will be limited to the amount that is realised for the assets.

Should creditors require further information on how this estimate has been produced this can be obtained from our website at <http://www.begbies-traynorgroup.com/fee-estimates>.

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

SUMMARY OF THE WORK OF THE JOINT LIQUIDATORS

	Estimated		Average Hourly Rate
	Hours	Fees	
		£	£
General Case liquidation and planning	9.50	3,905.50	411.11
Set-up of IP working files and online systems, strategic planning meetings at all levels and other administrative matters anticipated to arrive during the course of the liquidation that may not be assigned to any other category.	3.30	1,366.50	414.09
Securing and scheduling the books and records of the company. Maintenance of the liquidator's working files to comply with the legislation, filing of documents etc. Completion and review of standard checklists to ensure that all required steps within the liquidation have been actioned.	3.00	1,210.00	403.33
Cashiering costs to include funds received, raising payments, recording all transactions on the liquidators' electronic records to comply with Statement of Insolvency Practice 7, opening and closing client bank account and completion of monthly bank reconciliations.	3.20	1,329.00	415.31
Compliance with the Insolvency Act, Rules and Best Practice	12.50	5,386.50	430.92
Notification of appointment to various parties in accordance with the Insolvency Act 1986 (as amended) ("the Act") and the Insolvency (England and Wales) Rule 2016 (as amended) ("the Rules").	1.30	507.50	390.38
Complying with various statutory obligations in accordance with the Act, the Rules and other related legislation, not otherwise categorised.	2.20	919.00	417.73
Periodic manager reviews completed to ensure that all aspects of the liquidation are dealt with to a high standard (as required by our Recognised Professional Bodies). Periodic review of the application of ethical, anti-money laundering and anti-bribery safeguards.	7.20	3,234.00	449.17
Securing and scheduling the books and records of the company. Maintenance of the liquidator's working files to comply with the legislation,	1.80	726.00	403.33

filing of documents etc. Completion and review of standard checklists to ensure that all required steps within the liquidation have been actioned.			
Investigations	53.40	23,438.00	438.91
Investigation as regards the financial affairs of the company and the conduct of its directors. Correspondence with the directors, employees or third parties making further enquiries into the affairs of the company. Reconstruction of the financial affairs of the company. Reviewing the books and records of the company. Seeking further information and, if necessary, taking independent advice as regards any potential antecedent transactions. The preparation and submission of a report to the Department for Business Innovation and Skills in accordance with the Company Director Disqualification Act 1986. Assisting the Insolvency Service with their investigations.	53.40	23,438.00	438.91
Dealing with creditors' claims, correspondence and distribution	8.80	3,666.00	416.59
Communication with creditors and their representatives including dealing with telephone enquiries, responding to correspondence received (either electronically or by way of a formal response) in relation to all aspects of the assignment. Drafting of annual or periodic reports to creditors.	7.00	2,910.00	415.71
Communication with secured creditors to obtain full details in respect of their security and any other matters that may be necessary during the course of the liquidation. Where appropriate prepare and issue periodic reports to the secured creditors as regards the status of asset realisations and prospect of a return to them in accordance with their security.	0.70	296.50	423.57
Updating the liquidators' computerised records for any proof of debt forms received and ensuring that such records are kept up-to-date with creditor contact details, references etc. A detailed review of all creditor claims received and verify against the company's records and the evidence submitted in support of the claims for all classes of creditor (secured, preferential & unsecured). To correspond with creditors where there is further evidence or information required and, where necessary, taking independent advice as regards the validity of the creditors' claims and/or security. Where appropriate, issue a letter to each creditor agreeing their claim. Where no claim received, follow the dividend declaration process as set out in the Rules and provide notice of the intended dividend(s). Calculate and prepare the dividend(s) to each relevant class of creditor, including issuing a letter, a payment and making the necessary declaration of any deductions at source to HMRC. Dealing with unclaimed dividends.	1.10	459.50	417.73
Other Matters including Seeking Decisions from creditors	11.80	4,906.00	415.76

Preparation, completion and submission of corporation tax, VAT and any other applicable tax returns relating to the period of appointment.	8.00	3,325.00	415.63
Drafting and issuing the liquidators' final progress report and account. The completion of all necessary returns and notices to obtain the liquidators' release from office in accordance with the Act and Rules.	3.80	1,581.00	416.05
Total Estimate	96.00	41,302.00	430.23