

# LIQ03

## Notice of progress report in voluntary winding up



Companies House

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 07390935

Company name in full Kent Electrical & Lighting Centre Ltd

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

### 2 Liquidator's name

Full forename(s) Jonathan James

Surname Beard

### 3 Liquidator's address

Building name/number 2/3

Street Pavilion Buildings

Post town Brighton

County/Region East Sussex

Postcode BN1 1EE

Country

### 4 Liquidator's name ①

Full forename(s) John

Surname Walters

① **Other liquidator**  
Use this section to tell us about  
another liquidator.

### 5 Liquidator's address ②

Building name/number 2/3

Street Pavilion Buildings

Post town Brighton

County/Region East Sussex


Postcode BN1 1EE

Country

② **Other liquidator**  
Use this section to tell us about  
another liquidator.

# LIQ03

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<b>6</b>	<b>Period of progress report</b>											
From date	<sup>d</sup> 0	<sup>d</sup> 9	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 2				
To date	<sup>d</sup> 0	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 3				
<b>7</b>	<b>Progress report</b>											
<input checked="" type="checkbox"/> The progress report is attached												
<b>8</b>	<b>Sign and date</b>											
Liquidator's signature	Signature 								X			
Signature date	<sup>d</sup> 0	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 8	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 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 **Karen Huxter**

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

Address **2/3 Pavilion Buildings**

Post town **Brighton**

County/Region **East Sussex**

Postcode **B N 1 1 E E**

Country

DX

Telephone **01273 322960**

**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)**

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## Kent Electrical & Lighting Centre Ltd (In **Creditors' Voluntary Liquidation**)

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Progress report

Period: 09 June 2022 to 08 June 2023

### Important Notice

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

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# 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Kent Electrical & Lighting Centre Ltd also t/a Directelectrical.online (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 9 June 2022.
"the liquidators", "we", "our" and "us"	Jonathan James Beard and John Walters of Begbies Traynor (Central) LLP, 2/3, Pavilion Buildings, Brighton, East Sussex, BN1 1EE
"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):	Directelectrical.online
Company registered number:	07390935
Company registered office:	2/3, Pavilion Buildings, Brighton, East Sussex, BN1 1EE
Former trading address:	Unit 3, Windmill Farm, Benenden Road, Rolvenden, Cranbrook, TN17 4PF

# 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	09 June 2022
Date of liquidators' appointment:	09 June 2022
Changes in liquidator (if any):	None

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 09 June 2022 to 08 June 2023.

### Stock / Office Equipment (SofA £uncertain)

The Company's Stock and Office Equipment was sold by agents for £3,927.74 plus VAT, before costs.

### Book Debts (SofA £12,640.80)

The Company's book debt ledger stood at £12,640.80 and the director believed the ledger was fully collectable.

To date £6,566.09 has been realised. The matter has now been passed onto a solicitor to aid with the recovery of the remaining sums due.

### Cash at Bank (SofA £13,327.16)

The sum of £13,154.42 was realised from the Company's bank account. The balance was slightly less than anticipated after accounting for charges.

### Bank Interest

The sum of £0.69 interest has been earned on funds held to date.

### Freehold Land & Property (£uncertain)

There was no value to be realised in the freehold land & property.

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

The work undertaken in respect of general case administration and planning has mainly consisted of the following:

- Discussions between the case staff and the lead partner in respect of ongoing case strategy.
- Detailed case reviews.
- Reconciling case accounts.
- Filing.
- Ensuring that the IP Record is up to date.
- Review the case file to ensure compliance.

Insolvency Practitioners are required to maintain records to demonstrate how the case is administered, and to document any decisions that materially affect the case.

At the onset of the case we form a strategy for how the case will be managed. This takes into consideration the level of assets to be realised, how those assets will be realised, and whether there will be sufficient realisations to make a distribution to the Company's creditors.

The case is subject to regular reviews to ensure case progression and the files are kept up to date.

Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progressing of the liquidation, which ensures that the joint liquidators and their staff carry out their work to high professional standards

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

Compliance with the Insolvency Act, Rules and best practice has mainly consisted of the following:

- Case set up procedures
- Preparing our report to creditors following appointment and sending the same to creditors.
- Filing relevant documents with Companies House.
- Dealing with all receipt and payments and general banking.
- Reviewing the level of bonding.

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

We are also duty bound to correspond with creditors and issue notice of the insolvency event to the likes of the pensions departments, banks and other parties who would have an interest in the proceedings. There is also the duty to investigate the directors' conduct, bond the case appropriately and instruct professionals such as property agents and solicitors to assist where necessary.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

#### Investigations

Investigations has mainly consisted of the following:

- Arranging collection of the Company's records from the trading premises then reviewing the same
- Reviewing how the Company was conducted
- Submitting report on the directors' conduct to the Department for Business, Energy and Industrial Strategy

Within three months of our appointment, we are required to submit an online conduct report in accordance with the Company Directors Disqualification Act. In order to fulfil this duty, we seek to recover the Company books and records, both hard copy and electronic, from the directors in order to carry out our initial investigations. An initial investigation is carried out in all cases to determine whether there are potential recovery actions for the benefit of creditors. Such investigations include analysis of the Company's bank statements, reviewing information provided by third parties and an analysis of the Company's management accounting records/systems. Any person who is or has been a director, or is considered as a de facto or shadow director of the Company in the three years prior to the insolvency event are also asked to complete a questionnaire to assist with our investigations.



Where appropriate creditors or other parties may be asked to come forward with information.

The above work has not resulted in a financial benefit to creditors.

#### Realisation of assets

Realisation of assets has mainly consisted of the following:

- Corresponding with agents and various other parties to realise the Company's chattel assets and overseeing the recovery of payment.
- Corresponding with all parties and appointed solicitors in relation to the Company's Book Debt Ledger
- Corresponding with the Company's former bankers to realise the balance held

Insolvency Practitioners are required to maximise realisations for the benefit of the Company's creditors. In order to do this, we instructed professional agents to carry out negotiations, provide inventories and valuations. We may also need to instruct solicitors to complete sales. We may need assistance with debt collection exercises.

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.

Anticipated recoveries are insufficient to enable a distribution to creditors.

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

Time is spent dealing with creditor queries as and when required. This includes queries by telephone, email or within letters received in the post. The work carried out will only lead to a financial benefit where there are sufficient funds to facilitate a distribution to creditors.

Where the Company has employees who have claims in the Liquidation, it is the role of appointed Liquidator to liaise with the Redundancy Payments Service ("RPS") and collate employment records in order to submit information concerning sums potentially due in respect of outstanding salaries, holiday pay, pay in lieu of notice and redundancy.

The government initially review and make payment of the claims of the employees, (up to their maximum allowances), and any shortfall on those claims will be a claim in the insolvency proceedings.

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

- Recording the Decision of Creditors via Deemed Consent Procedure and Decision Procedures
- Completing all Relevant Tax and VAT matters
- Reconciling the Company's Pension Scheme position.

This work has not resulted in a financial benefit to creditors.

## 5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the directors' statement of affairs) are as follows:

#### Secured creditors

There are no known secured creditors.

#### Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay were estimated at £5,856.03 and we have received claims in the total sum of £4,587.61 from the Redundancy Payments Service.

#### 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.

The secondary preferential claim of HM Revenue & Customs is estimated at £5,465.45.

#### Unsecured creditors

Unsecured creditors were estimated at £81,755.36 and we have received claims in the total sum of £70,883.77 to date.

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

As noted above, there are no known secured creditors.

#### Preferential creditors

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 preferential creditors.

#### Secondary preferential creditors

Based upon realisations to date and estimated future realisations, there will be insufficient funds available to enable a dividend to be paid to HM Revenue & Customs as 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:

Either (where charge is created between 15<sup>th</sup> September 2003 and up to 6<sup>th</sup> April 2020)

- ☐ 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

Or (where charge is created on or after 6<sup>th</sup> April 2020)

- ☐ 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

To the best of our 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

Our remuneration has been fixed by a decision of the creditors on 08 March 2023 obtained via a Decision Procedure by way of correspondence 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 in attending to matters arising in the winding up as set out in the fees estimate dated 08 February 2023 in the sum of £30,562.50.

We are also authorised to draw expenses 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.

Our time costs for the period from 09 June 2022 to 08 June 2023 amount to £29,568.50 which represents 106.0 hours at an average rate of £278.95 per hour.

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

- ❑ Time Costs Analysis for the period 09 June 2022 to 08 June 2023
- ❑ Begbies Traynor (Central) LLP's charging policy

To 08 June 2023, we have drawn the total sum of £12,000.00 on account of our remuneration, against total time costs of £29,568.50 incurred since the date of our 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 us and our staff following our appointment only.

As can be seen from the information above, we are fairly close to the limit of our approved remuneration. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reasons why the approved level of remuneration is likely to be exceeded are as follows:

- The realisation of the Company's Book Debt Ledger becoming more protracted than initially anticipated; and
- The associated costs of keeping the case open whilst overseeing realisations.

However, we do not intend to seek creditors' approval to increase our remuneration as realisations are not anticipated to be in excess of our current approved limit.

## Expenses

To 08 June 2023, we have also drawn expenses in the sum of £2,734.46.

## Category 2 Expenses

In accordance with the resolution obtained in relation to expenses, the following Category 2 expenses have been charged to the case: since the date of our appointment

<b>Other amounts paid or payable to the office holder's firm</b>	
Type and purpose	Amount £
Eddisons Commercial Limited, which is a member of the Begbies Traynor group, has provided a valuation of the Company's Stock and office Equipment and conducted the sale of the same by online auction.	1,786.15
<u>OPEN COVER INSURANCE:</u> 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.	496.55
<b>TOTAL</b>	<b>2,282.70</b>

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](http://www.begbies-traynor.com/creditorsguides). Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## 7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3.

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

Creditors will recall that we estimated that the expenses of the liquidation would total £3,657.70. 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:

As detailed in the directors' statement of affairs, the assets of the Company consisted of Freehold Land & Property, Fixtures and Fittings, Computer Equipment, Stock, Book Debts and Cash at Bank. At this stage in the liquidation, we have the following assets left to realise:

- ☐ The remaining book debts due

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 work to be undertaken in respect of general case administration and planning will mainly consist of the following:

- Discussions between the case staff and the lead partner in respect of ongoing case strategy.
- Detailed case reviews.
- Filing.
- Raising fee notes.
- Finalising the case file and ensuring that the IP Record is up to date.
- Review the case file to ensure compliance.
- General closing matters.

Filing and case reviews are necessary to comply with the firm's ongoing review requirements and do not directly result in a financial benefit to creditors.

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

Compliance with the Insolvency Act, Rules and best practice will mainly consist of the following:

- Preparing this report, all future progress reports (if required), final report and sending those to the relevant parties.
- Filing relevant documents with Companies House.
- Dealing with any payments and general banking.
- Reviewing the level of bonding.

It will be necessary to do the above work in order to comply with the Insolvency Act, Rules and best practice. We do not anticipate this work being a financial benefit to creditors.

The Insolvency Act and Rules require IPs to produce progress reports; a final report; file information with the Registrar of Companies and ensure that the case is adequately bonded. We do not anticipate this work being a financial benefit to creditors.

### Realisation of assets

- Continuing to try and collect in the Company's Book Debt Ledger
- Overseeing the appointed solicitor to aid realisations of the Book Debt Ledger

It is anticipated that realisations will be insufficient to enable a distribution to creditors so subsequently this work will not result in a financial benefit to creditors.

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

- Reviewing and replying to creditor correspondence, updating records accordingly.

This work will not result in a financial benefit to creditors.

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

- Completion of all relevant tax and VAT returns.
- Requesting clearance from HMRC in reference to the case closure.

This work will not result in a financial benefit to creditors.

How much will this further work cost?

The 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been carried out or completed. As can be seen above, there are additional or unforeseen elements of work which were not envisaged at the onset of my appointment, and which need to be carried out in order to complete my duties. The cost of the additional unforeseen work is estimated to be £3,000 which is in addition to the original remuneration approval we have received. However, as previously advised, we do not intend to seek creditor approval for the fair and reasonable increase in our remuneration as total realisations are not anticipated to be in excess of our originally requested fees estimate.

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 8 February 2023 which included all of the expenses that we anticipate that we will incur throughout the liquidation.

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

We estimated that the cost of administering the case would be in the region of £30,562.50, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, due to the fact that there are limited assets, the remuneration that we can 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, I can estimate that total remuneration drawn will be in the region of £18,000.00 and all additional costs incurred over and above that contribution are likely to be written off.

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

## 9. OTHER RELEVANT INFORMATION

Connected party transactions

We 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 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. 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.

## 11. CONCLUSION

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



J J Beard  
Joint Liquidator

Dated: 7 August 2023

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 09 June 2022 to 08 June 2023

**Kent Electrical & Lighting Centre Ltd Trading As: Directelectrical.online  
(In Liquidation)  
Joint Liquidators' Summary of Receipts & Payments  
To 08/06/2023**

S of A £		£	£
	<b>ASSET REALISATIONS</b>		
Uncertain	Freehold Land & Property	NIL	
Uncertain	Fixtures & Fittings	NIL	
NIL	Computer Equipment	NIL	
Uncertain	Stock / Office Equipment	3,927.74	
12,640.80	Book Debts	6,566.09	
13,327.16	Cash at Bank	13,154.42	
	Bank Interest Gross	0.69	
			23,648.94
	<b>COST OF REALISATIONS</b>		
	Specific Bond	68.00	
	Statement of Affairs Fee	5,000.00	
	Liquidators' Fees	12,000.00	
	Agents/Valuers Fees	1,422.77	
	Agents/Valuers Disbursements	363.38	
	Stationery & Postage	176.76	
	Statutory Advertising	207.00	
	Insurance of Assets	496.55	
			(19,734.46)
	<b>PREFERENTIAL CREDITORS</b>		
(5,578.32)	Employees re Arrears/Hol Pay	NIL	
(277.71)	Pension Contributions	NIL	
			NIL
	<b>SECONDARY PREFERENTIAL CREDITORS</b>		
(532.15)	HMRC (PAYE/NIC)	NIL	
(4,933.30)	HMRC (VAT)	NIL	
			NIL
	<b>UNSECURED CREDITORS</b>		
(62,437.46)	Trade Creditors	NIL	
(19,317.90)	Employees	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(400.00)	Ordinary Shareholders	NIL	
			NIL
(67,508.88)			3,914.48
	<b>REPRESENTED BY</b>		
	Vat Receivable		2,757.23
	Barclays FL Current Acc NIB		66.90
	Vat Control Account		1,090.35
			3,914.48



## COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's charging policy; and
- b. Time Costs Analysis for the period from 09 June 2022 to 08 June 2023.

## a. BEGBIES TRAYNOR (CENTRAL) LLP'S 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.

\* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

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 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):

Eddisons Commercial Limited

Instruction of Eddisons Commercial Limited to value for sale the Company's Stock and Office Equipment. Their charges will be a fee of £750.00 plus £280.00 for Porterage.

Instruction of Eddisons Commercial Limited to also market the above assets for sale via their website and contact database, including preparing the assets for inclusion within an online auction sale and providing staff for sale preparation, viewing and clearance. Their charges will be equivalent to 10% of realisations.

Incurred disbursements, including digital marketing, mileage and out of pocket expenses total £363.38.

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

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 cost of insurance in this matter is £496.55 inclusive of Insurance Premium Tax.

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.

Where EIS have initially been consulted on a policy, but the policy has not been taken out, EIS will charge an administration fee of £150.

#### 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 expense:

- ☐ 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 Brighton office as at the date of this report are as follows:

Grade of staff	Charge-out rate range (£ per hour) 10 <sup>th</sup> July 2023 until further notice
Appointment taker/partner	560-640
Managers/directors	415-540
Other professional	215-300
Junior professional/support	170

Prior to 10<sup>th</sup> July 2023, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

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.

2b. SIP9 Kent Electrical & Lighting Centre Ltd - Creditors Voluntary Liquidation - 02KE432.CVL : Time Costs Analysis From 09/06/2022 To 08/06/2023

[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	207.00	207.00	0.00
Storage	Restore	234.96	0.00	234.96
Bond	AUA Insolvency Risk Services Ltd	68.00	68.00	0.00
Postage	Postworks	259.31	176.76	82.55
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
Agent's costs paid to Eddisons	Eddisons Commercial Limited	1,786.15	1,786.15	0.00
Insurance premium paid to Eddisons	Eddisons Insurance Services	496.55	496.55	0.00