



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

1 Company details

Company number 07723819

Company name in full Rentify Ltd

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

2 Administrator's name

Full forename(s) David

Surname Rubin

3 Administrator's address

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town Finchley

County/Region London

Postcode N12 8LY

Country

4 Administrator's name ①

Full forename(s) Stephen

Surname Katz

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

5 Administrator's address ②

Building name/number Pearl Assurance House

Street 319 Ballards Lane

Post town Finchley

County/Region London

Postcode N12 8LY

Country

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

AM10

Notice of administrator's progress report

6 Period of progress report

From date	d	2	d	7	m	0	m	1	y	2	y	0	y	2	y	3
To date	d	2	d	6	m	0	m	7	y	2	y	0	y	2	y	3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

X

Signature date	d	1	d	0	m	0	m	8	y	2	y	0	y	2	y	3
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Matthew Hull**

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

Address **Pearl Assurance House**
319 Ballards Lane

Post town **Finchley**

County/Region **London**

Postcode **N 1 2 8 L Y**

Country

DX

Telephone **020 8343 5900**



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

David Rubin and Stephen Katz were appointed joint administrators on 27 January 2022

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

Rentify Ltd (In Administration)

Progress report of the Joint Administrators

Period: 27 January 2023 to 26 July 2023

Important Notice

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Rentify Ltd (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 27 January 2022
"the administrators" "we" "our" and "us"	David Rubin of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY and Stephen Katz of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

2. STATUTORY INFORMATION

Name of Company	Rentify Ltd
Date of Incorporation:	1 August 2011
Company registered number:	07723819
Company registered office:	Pearl Assurance House, 319 Ballards Lane, London, N12 8LY

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	David Rubin, a Licensed Insolvency Practitioner of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY and Stephen Katz, a Licensed Insolvency Practitioner of Begbies Traynor (London) LLP, Pearl Assurance House, 319 Ballards Lane, Finchley, London, N12 8LY
Date of administrators' appointment:	27 January 2022
Court:	High Court of Justice - Business and Property Courts
Court Case Number:	CR-2022-000206
Person making appointment:	The Directors
Acts of the administrators:	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
Type of Proceedings:	The proceedings will be COMI proceedings, as defined by the Insolvency (England and Wales) Rules 2016 (as amended)
Extensions of the administration period	The administration period was extended via consent of creditors for a period of 8 months, to 27 September 2023.

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 27 January 2023 to 26 July 2023 and cumulative receipts and payments account from 27 January 2022 to 26 July 2023.

1. Receipts

1.1 Book debts

Recoveries made from the Company's receivables ledger during the course of the period in review amount to £7,656.96.

1.2 Bank Interest

The funds in hand are held in an interest-bearing account with a High Street bank in the Office Holder's name as a Liquidator of the Company.

Interest earned on the funds in hand amounts to £165.39, of which £119.01 was received during the period under review.

2. Payments

2.2 Agents Fees

The amount of £1,148.58 was paid to Marks Recoveries and Legal Services ("Marks") in respect of its instruction to assist in the recovery of the Company's book debts. Marks charge a fee equivalent to 15% of the gross sums recovered for the estate from the ledger. Marks' work on this matter is ongoing at this time.

2.3 Joint Administrators' Remuneration

Remuneration drawn during the period under review amounts to £55,000 plus VAT.

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

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

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

The details below relate to the work undertaken in the period of the report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

Periodic internal reviews have been carried out in order to ensure satisfactory progression of the case and that all statutory and regulatory obligations have been complied with.

Generally, it is necessary to maintain records to demonstrate how the case has been administered and to ensure reasons for decisions that materially affect the case are adequately documented. Meetings with the case manager and team have accordingly been held regularly to assess case status and ensure adherence to these requirements. Standard case reviews have also been conducted and documented periodically.

Whilst work undertaken in this category does not provide a direct financial benefit to creditors, it is a necessary part of the general control of all formal insolvency appointments.

Compliance with the Insolvency Act, Rules and best practice

Included in the work undertaken during the period under this heading is the following:

- Preparation and circulation of the Administrators second 6 monthly progress report in February 2023;
- Periodic reviews of the Joint Administrator's bond, as required by the Insolvency Practitioners Regulations 2005;
- General accounting, banking and cashiering including the processing of payments, maintenance of estate cash book postings and carrying out regular bank account reconciliations.

This work does not provide a direct financial benefit to creditors, however, is required in accordance with relevant insolvency legislation and best practice guidelines.

Investigations

As set out in my last report, it was clear that the £250k CVA contribution arranged by the directors would significantly outweigh any potential recovery from the Company's managing director resulting from further investigations into the balance of an overdrawn Directors Loan Account. As per the separate communications regarding the CVA, the £250k contribution has now been received and is available for distribution to creditors in the CVA.

Realisation of assets

Book Debts

Creditors will recall from our previous progress report that we had instructed a third-party debt collection agency, Marks, to assist with realisation of the Company's outstanding receivables ledger.

A collection exercise has been ongoing during the period in review, with recoveries totalling £7,656.96 during the period. Work has also been conducted in locating and providing further information on certain properties to Marks as and when required where sums have been subject to dispute by debtors, in order to maximise recovery prospects.

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

Primary Preferential Creditors

Correspondence with the Redundancy Payments Service in order to obtain details of its final preferential claim in the estate.

Secondary Preferential Creditors

Correspondence with HM Revenue & Customs regarding the lodgement of its final claim within the estate.

Trade & Expense Creditors

The unsecured claims of the Company's trade and expense creditors, many of whom are former landlord clients of the Company, have been lodged on our internal case management system when received. Ongoing work has been required in acknowledging claims, answering telephone and email enquiries from creditors and dealing with correspondence.

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

VAT – Completing and submitting VAT returns periodically in order to ensure that VAT on estate transactions is administered correctly.

Company Voluntary Arrangement ("CVA") - As explained to creditors within our last progress report dated 23 February 2023, the CVA proposal was made available for viewing and downloading via the portal to creditors and members on 5 May 2023. Subsequently, the Joint Administrators' Proposal for a CVA, which will result in a significantly enhanced return to the Company's unsecured creditors, was approved by the creditors via a Decision by Correspondence on 25 May 2023 and thereafter by members at a general meeting held on 26 May 2023.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our statement of proposals and are summarised as follows:

Secured creditor

There are no known secured creditors.

Preferential creditors

Potential preferential claims of employees for arrears of wages and accrued holiday pay as at 27 January 2022 were estimated at £1,905 within the directors' Statement of Affairs. Following payments by the Redundancy Payments Service ("RPS"), the majority of these claims have been subrogated to the Secretary of State. I have received a preferential claim from the RPS in the sum of £5,762.

Preferential creditors will receive payment in full from the CVA.

Secondary preferential creditors

HM Revenue & Customs hold secondary preferential status in respect of certain claims in insolvent estates. 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 this secondary preferential status.

HMRC's secondary preferential claim in the estate is £72,750.50. HMRC will receive payment in full of its secondary preferential claim from the CVA.

Unsecured creditors

Claims of unsecured non-preferential creditors were estimated at circa £554,355 in the directors' Statement of Affairs. To date, claims totalling £1,589,916.53 have been lodged by 44 creditors.

Unsecured non-preferential creditors are expected to receive a return of circa 15p in the £ from the CVA.

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

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

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

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

- ☐ the net property is less than £10,000 and the administrator thinks that the cost of distributing the prescribed part would be disproportionate to the benefit; (Section 176A(3)) or

- the administrator applies to the court for an order on the grounds that the cost of distributing the prescribed part would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5)).

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, Section 176A will not apply.

Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

6. PRE-ADMINISTRATION COSTS

On 6 April 2022 the following amounts in respect of unpaid pre-administration costs were approved by decision of creditors sought via a Decision Procedure by Correspondence:

Description	Name of receipt	Net amount £	VAT £	Gross amount £
Fees in relation to pre-appointment work.	Begbies Traynor	10,255	2,051	12,306
Legal fees & disbursements associated	Sylvester Amiel Lewin & Horne LLP	1,764.40	350	2,114.40
TOTAL PRE-ADMINISTRATION COSTS		12,019.40	2,401	14,420.40

7. REMUNERATION & EXPENSES

Our remuneration has been fixed by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (London) LLP in attending to matters as set out in the fees estimate. The initial fees estimate provided to creditors at the time of approval of our remuneration was £169,825. The original level of remuneration approved by creditors was increased by £81,620 via further approval from the same body on 24 August 2022. This makes the total amount of our approved fees estimate £241,445.

We are also authorised to draw expenses for services provided by our firm and/or entities within the Begbies Traynor group, expenses, including expenses for services provided by our firm (defined as category 2 expenses in Statement of Insolvency Practice 9), in accordance with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 27 January 2022 to 26 July 2023 amount to £39,123.50 which represents 98 hours and 36 minutes at an average rate of £396.79 per hour. I have also reviewed my cumulative time costs for the period from 27 January 2022 to 26 July 2023 and would report that my total time costs are £282,764 for 694 hours and 6 minutes which equated to an average cost of £407.38 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 27 January 2023 to 26 July 2023
- Cumulative Costs Analysis for the period from 27 January 2022 to 26 July 2023
- Begbies Traynor (London) LLP's charging policy

To 26 July 2023, we have drawn the total sum of £220,000 on account of our remuneration, against total time costs of £282,764 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. An additional analysis is also attached which details the time costs for the entire period for which we have administered the administration. Please note that the analysis provides details of the work undertaken by us and our staff following our appointment only. Although we have exceeded the currently approved level of our fees estimate, we are not proposing to seek creditor approval for an increase at this time.

Category 1 Expenses

Category 1 expenses are set out in detail at section 4 and Appendix 3 to this report.

Category 2 Expenses

To date, no category 2 expenses have been incurred or charged to the estate.

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

8. ADMINISTRATORS' EXPENSES

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

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

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

General case administration and planning

Periodic internal reviews in order to ensure satisfactory progression of the case and that all statutory and regulatory obligations have been complied with.

Continuing to maintain records to demonstrate how the case has been administered and to ensure reasons for decisions that materially affect the case are adequately documented. Meetings with the case manager and team to assess case status and ensure adherence to these requirements. Standard case reviews will continue to be conducted and documented periodically.

Whilst work undertaken in this category does not provide a direct financial benefit to creditors, it is a necessary part of the general control of all formal insolvency appointments.

Compliance with the Insolvency Act, Rules and best practice

- Preparation and circulation of progress reports on a six monthly basis;
- Periodic reviews of the Administrators' bond, as required by the Insolvency Practitioners Regulations 2005;
- General accounting, banking and cashiering including the processing of payments, maintenance of estate cash book postings and carrying out regular bank account reconciliations;
- Arranging a transfer of the final balance of funds in the estate to the CVA Supervisors;
- Preparation of the final account and relevant forms in order to close the administration at the relevant time.

This work does not provide a direct financial benefit to creditors, however, is required in accordance with relevant insolvency legislation and best practice guidelines.

Realisation of assets

Books Debts

Whilst the administration remains open, we will continue to engage with Marks in relation to the ongoing collect out of the Company's receivables ledger, in order to maximise realisations for the estate. In the event that the proposed CVA is approved, the collections achieved during the administration and prior to circulation of the CVA proposal will form part of the assets available to the CVA creditors.

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

Following approval of the CVA, the task of agreeing the claims of primary and secondary preferential creditors and general unsecured creditors, and processing the relevant distributions in this regard, will take place as part of the CVA work.

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

VAT – Completing and submitting VAT returns periodically in order to ensure that VAT on estate outputs and inputs is accounted for in a timely fashion.

Corporation Tax – Completion and submission of relevant Corporation Tax returns for the administration period and liquidation periods and obtaining requisite tax clearance to close the case from HMRC at the relevant time.

Decision Procedures – Convening a decision of creditors via Deemed Consent in order to change the statutory purpose of the administration to that detailed at point (a) of Paragraph 3(1)1 of Schedule B1 to the Act as a consequence of the recent approval of the CVA.

How much will this further work cost?

Much of the 'further work' detailed above has always been anticipated, but at this point in the proceedings, it has not yet been completed and the time costs associated with the further work are currently uncertain. As you know, this work is necessary in order that I may complete the administration as envisaged. We are not proposing to seek creditor approval for any increase in the approved level of our remuneration prior to closure of the administration.

10. OTHER RELEVANT INFORMATION

Extension of administration

The administration was extended for a period of up to 8 months, to 27 September 2023, with the consent of creditors to the proposed extension obtained via Deemed Consent on 9 January 2023.

Purpose of the administration

In the Report and Statement of Proposals dated 18 March 2022, we set out our proposals for achieving the statutory purpose of the administration pursuant to Schedule B1 to the Act.

Creditors will recall that we initially considered that the appropriate objective to pursue in this case was that specified at sub-paragraph 3(1)(b), namely achieving a better result for the Company's creditors as a whole than would be likely of the Company were wound up (without first being in administration).

However, the recent approval of the CVA means that the statutory objective specified at sub-paragraph 3(1)(a), namely rescuing the company as a going concern, has in fact been achieved - albeit that the entity itself will be solvently struck off by the directors upon successful completion of the CVA. Consequently, a notice to creditors of a decision by Deemed Consent that the statutory purpose of the administration be changed to this effect has been circulated at the same time as this progress report.

Proposed exit route from administration

Creditors will recall from our previous reports that it was envisaged that realisations in the estate would amount to a sum sufficient to facilitate a small general distribution to unsecured creditors, and consequently that the proposed exit route from administration was a move to Creditors Voluntary Liquidation ("CVL") pursuant to Paragraph 83 of Schedule B1 to the Act.

However, this position has changed given the recent approval of the CVA, which has the effect of formally compromising the Company's debts and rescuing the entity meaning that a move to CVL is no longer appropriate. Accordingly, the following completion of all outstanding administrative matters the administration will shortly be terminated pursuant to Paragraph 80 of Schedule B1 to the Act.

Use of personal information

Please note that in the course of discharging our statutory duties as s, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

11. CREDITORS' RIGHTS

Right to request further information

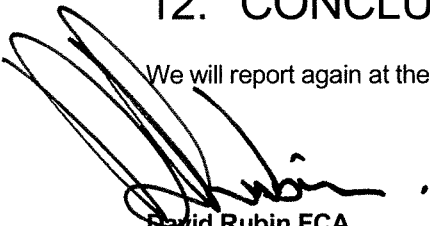
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors,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

Right to make an application to court

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

12. CONCLUSION

We will report again at the conclusion of the administration.



David Rubin FCA
Joint Administrator
Dated: 10 August 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 27 January 2022 to 26 July 2023

RENTIFY LTD - IN ADMINISTRATION**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT****FOR THE PERIOD FROM 27 JANUARY 2022 TO 26 JULY 2023**

	<u>Realised</u> <u>to-date</u> £	<u>P/E</u> <u>26-Jul-23</u> £
<u>Balance brought forward</u>		140,744.43
<u>Receipts</u>		
Cash Held on Appointment	6,000.00	0.00
Recovery of Sale Completion Funds	70,000.00	0.00
Book Debts	7,656.96	2,244.09
Cash at Bank	292,851.78	0.00
Client Accounts	3,456.19	0.00
Bank Interest Received	165.39	119.01
	<u>380,130.32</u>	<u>143,107.53</u>
<u>Payments</u>		
Joint Administrators' Pre-appointment Remuneration	10,255.00	0.00
Specific Bond	252.00	0.00
Statutory Advertising	103.50	0.00
Software Demonstrations and Tech Support	2,628.36	0.00
Software and Systems	30,043.25	0.00
Professional Fees	370.00	0.00
Bank Charges	165.00	0.00
Sundry	267.83	0.00
Agent's Fees	6,148.58	336.63
Pre-appointment Legal Fees	1,764.40	0.00
Legal Fees & Disbursements	20,361.50	0.00
Joint Administrators' Remuneration	220,000.00	55,000.00
	<u>292,359.42</u>	<u>55,336.63</u>
<u>Receipts less Payments</u>	<u>87,770.90</u>	<u>87,770.90</u>
<u>Represented by:-</u>		
Balance at Bank	80,717.84	
VAT Recoverable	<u>7,053.06</u>	
	<u>87,770.90</u>	

COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy;
- b. Time Costs Analysis for the period from 27 January 2023 to 26 July 2023;
- c. Cumulative Time Costs Analysis for the period from 27 January 2022 to 26 July 2023.

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 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 fees 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 expenses 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 guidance¹ indicates that such charges should be disclosed to 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 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.

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

Grade of staff	Charge-out rate (£ per hour) until further notice
Consultant/Partner	690
Director	580
Senior Manager	500
Manager	475
Assistant Manager	385
Senior Administrator	340
Administrator	260
Trainee Administrator	190
Support	175

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

SIP9 Rentify Ltd - Administration - Time Costs Analysis From 27/01/2023 To 26/07/2023

Staff Grade		Consultant/Partner	Snr Mngr	Snr Admin	Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	5.4	0.3		1.2		6.9	4,188.00	606.96
	Administration		0.6	12.4	4.9		17.9	5,790.00	323.46
	Total for General Case Administration and Planning:	5.4	0.9	12.4	6.1		24.8	9,978.00	402.34
Compliance with the Insolvency Act, Rules and best practice	Appointment								0.00
	Banking and Bonding			4.4		4.7	9.1	2,346.50	257.86
	Case Closure				2.2		2.2	582.00	264.55
	Statutory reporting and statement of affairs	0.5	5.4	5.0	7.0		17.9	6,802.50	368.85
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.5	5.4	9.4	9.2	4.7	29.2	9,531.00	326.40
Investigations	CCDA and investigations								0.00
	Total for Investigations:								0.00
Realisation of assets	Debt collection		0.4				0.4	200.00	500.00
	Property, business and asset sales		0.2				0.2	100.00	500.00
	Retention of Title/Third party assets								0.00
	Total for Realisation of assets:		0.6				0.6	300.00	500.00
Trading	Trading								0.00
	Total for Trading:								0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured								0.00
	Others	1.9	10.4	3.8	0.8		16.9	8,028.50	475.06
	Creditors committee								0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	1.9	10.4	3.8	0.8		16.9	8,028.50	475.06
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors		15.9		5.9		21.8	9,484.00	435.05
	Meetings								0.00
	Other								0.00
	Tax			5.3			5.3	1,802.00	340.00
	Litigation								0.00
	Total for Other matters:		15.9	5.3	5.9		27.1	11,286.00	416.46
	Total hours by staff grade:	7.8	33.2	30.9	22.0	4.7	98.6		
	Total time cost by staff grade £:	5,382.00	16,600.00	10,544.50	5,767.50	829.50		39,123.50	
	Average hourly rate £:	690.00	500.00	341.25	262.16	176.49			396.79
	Total fees drawn to date £:							0.00	

SIP9 Rentify Ltd - Administration - Time Costs Analysis From 27/01/2022 To 26/07/2023

Staff Grade		Consultant/Partner	Snr Mngr	Snr Admin	Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	46.6	15.0		3.9		65.5	40,668.00	620.89
	Administration	0.3	14.4	53.6	38.2		106.5	35,563.00	333.92
	Total for General Case Administration and Planning:	46.9	29.4	53.6	42.1		172.0	76,231.00	443.20
Compliance with the Insolvency Act, Rules and best practice	Appointment		4.0	5.5	10.1		19.6	6,496.00	331.43
	Banking and Bonding		0.9	9.7	3.9	20.2	34.7	8,325.00	239.91
	Case Closure				2.2		2.2	582.00	264.55
	Statutory reporting and statement of affairs	3.5	34.8	5.0	29.3		72.6	29,170.50	401.80
	Total for Compliance with the Insolvency Act, Rules and best practice:	3.5	39.7	20.2	45.5	20.2	129.1	44,573.50	345.26
Investigations	CDDA and investigations	27.0	25.6	4.7	49.2		106.5	45,820.00	430.23
	Total for Investigations:	27.0	25.6	4.7	49.2		106.5	45,820.00	430.23
Realisation of assets	Debt collection	3.2	7.1	9.5	14.3		34.1	12,706.00	372.61
	Property, business and asset sales	10.9	17.2		7.7		35.8	18,123.00	506.23
	Retention of Title/Third party assets		0.5				0.5	250.00	500.00
	Total for Realisation of assets:	14.1	24.8	9.5	22.0		70.4	31,079.00	441.46
Trading	Trading								0.00
	Total for Trading:								0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured								0.00
	Others	16.3	55.3	20.6	52.5		144.7	59,568.50	411.67
	Creditors committee								0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	16.3	55.3	20.6	52.5		144.7	59,568.50	411.67
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors		23.5		8.8		32.3	14,038.00	434.61
	Meetings				18.3		18.3	4,758.00	260.00
	Other		2.3	0.4	9.3		12.0	3,704.00	308.67
	Tax			8.8			8.8	2,992.00	340.00
	Litigation								0.00
	Total for Other matters:		25.8	9.2	36.4		71.4	25,492.00	357.03
	Total hours by staff grade:	107.8	200.6	117.8	247.7	20.2	694.1		
	Total time cost by staff grade £:	74,382.00	100,300.00	40,090.50	64,449.50	3,542.00		282,764.00	
	Average hourly rate £:	690.00	500.00	340.33	260.19	175.35			407.38
	Total fees drawn to date £:							0.00	

APPENDIX 3

STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Software and Systems	Github	398.19	219.33	178.86

CUMULATIVE 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				
Legal fees	Sheridans Solicitors LLP	18,551.50	18,551.50	-
Legal fees	Sylvester Amiel Lewin & Horne LLP	2,200	2,200	-
Agents Fees	Rabbow & Co LLP	5,000	5,000	-
Statutory advertising	Courts Advertising	103.50	103.50	-
Software Demonstration & Tech Support and IT Consultancy Fees	Flat Peak Ltd	2,628.36	2,628.36	-
Software and Systems	Amazon Web Services	21,066.10	21,066.10	-
Software and Systems	Github	398.19	219.33	178.86
Professional fees	Buzzacott LLP	370	370	-
Specific Bond	AUA	252	-	-
Sundry search fees	Travel and Various	267.83	267.83	-