

LIQ03

Notice of progress report in voluntary winding up



Companies House

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

1 Company details

Company number 1 1 3 4 9 1 2 7

Company name in full Brook Vegan Foods Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Paul

Surname Cooper

3 Liquidator's address

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R

Country

4 Liquidator's name ①

Full forename(s) Paul Robert

Surname Appleton

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 31st Floor

Street 40 Bank Street

Post town London

County/Region

Postcode E 1 4 5 N R


Country

② Other liquidator

Use this section to tell us about
another liquidator.

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

LIQ03

Notice of progress report in voluntary winding up



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 **Glyn Middleton**

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

Address **31st Floor**

40 Bank Street

Post town **London**

County/Region

Postcode **E 1 4 5 N R**

Country

DX

Telephone **020 7400 7900**



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

Brook Vegan Foods Limited
t/as The Brook
(In Creditors' Voluntary Liquidation)

Progress report

Period: 14 October 2022 to 13 October 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"	Brook Vegan Foods Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 14 October 2022.
"the liquidators", "we", "our" and "us"	Paul Cooper of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR; and Paul Robert Appleton of Begbies Traynor (London) LLP, 31st Floor, 40 Bank Street, London, E14 5NR
"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):	The Brook
Company registered number:	11349127
Company registered office:	c/o Begbies Traynor, 31st Floor, 40 Bank Street, London, E14 5NR
Former trading address:	Unit 6, The Dock, Ely, Cambridgeshire, CB7 4GS

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	14 October 2022
Date of liquidators' appointment:	14 October 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 14 October 2022 to 13 October 2023.

Receipts

Computer & Office Equipment / Fixtures & Fittings / Kitchen Equipment / Stock

The Company's chattel assets, together with its stock, were ascribed an estimated to realise value of £1,550 per the Directors' Estimated Statement of Affairs.

On 11 October 2022, the Company's property was broken into, and those assets, in their entirety, were stolen. As this predated the liquidators' appointment, the Directors reported the theft to the Police and advised the Company's insurers accordingly.

Since then, the Directors and myself, have had a number of meetings with the loss adjustor appointed by Zurich, the insurer, but the matter remains unresolved. Unfortunately, neither the Director, nor I, have managed to secure any updates from the insurer and a complaint has now been filed.

In view of the foregoing, no funds have yet been realised for these assets.

Rent Deposit

As anticipated, the rent deposit held by the landlord, has been utilised against the arrears of rent and, therefore, no recovery has been made.

VAT Refund

It will be recalled that HM Revenue & Customs was holding a VAT refund of £5,824, which was not expected to be realisable, but instead was expected to be offset against pre appointment liabilities for unpaid PAYE, NIC, etc. We are yet to receive confirmation of the use of that VAT refund, however, a claim has been received from HMRC which is higher than the amount of the refund.

Cash at Bank

Amounts totalling £1,312 have been recovered following closure of the Company's bank account, which is slightly lower than originally expected.

Book Debts

The Company's Sales Ledger, which disclosed outstanding debts of £665, has been reviewed and reconciled. Initial attempts to recover those debts were made, but no realisations were forthcoming. In light of the modest amounts involved, it was not considered commercially viable to continue with the debt collection exercise.

Cash held on Appointment

An amount of £7,200 was paid to Begbies Traynor to cover the costs of assisting the Directors in placing the Company into liquidation and appointing a liquidator. These funds were transferred to the liquidation estate before being drawn, as below.

Bank Interest Group

A nominal amount of deposit interest has been credited to the estate account during the previous 12 months.

Payments

Statement of Affairs Fee

This represents 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 the liquidators, which were approved by creditors on 14 October 2022.

Statutory Advertising

This relates to the costs of the publishing of statutory notices in the London Gazette in respect of the virtual meeting of creditors, the winding-up resolution, and the appointment of Liquidators

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?

Immediately following our appointment, we undertook all statutory requirements, as required by the Insolvency legislation, including, inter alia, issuing statutory notifications to creditors and members, gazetting our appointment, filing statutory documents at Companies House, and all other matters required following our appointment.

We also sought to obtain copy bank statements from the Company's bank for the period of 3 years leading to the liquidation date for our review and inclusion in the directors conduct report and to close all accounts that remained open in the Company's name, transferring any credit balance to the estate.

As detailed above, all assets that were capable of being realised, have been. However, those chattel items which were stolen from the Company's property are the subject of an insurance claim, the outcome of which is currently unknown.

The book debts have been abandoned as having no commercial value despite my initial attempts to collect the same.

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

We 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, a strategy for how the case would be managed is formed and regular reviews have subsequently been undertaken to ensure case progression and that the files are kept up to date. Whilst this does not benefit creditors financially, it is necessary to ensure the efficient and compliant progression of the liquidation, which ensures that work is carried out to high professional standards.

- Case planning - devising an appropriate strategy for dealing with the case and giving instructions to the staff to undertake the work on the case.
- Setting up physical and electronic case files.
- Setting up the case on the practice's electronic case management system and entering data, which includes company information, creditor, debtor, and employee details.
- Dealing with all routine correspondence and emails relating to the case.
- Undertaking periodic reviews of the progress of the case.
- Overseeing and controlling the work done on the case by the case administrators.

Compliance with the Insolvency Act, Rules and best practice

As an Insolvency Practitioner, we 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 notifying various bodies of our appointment, including creditors, Companies House, and to 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 bond the case appropriately. This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

- Issuing the statutory notifications to creditors and others required on appointment as office holders, including gazetting the office holders' appointment.
- Obtaining a specific penalty bond.
- Reviewing the adequacy of the specific penalty bond on a regular basis.
- Opening, maintaining, and managing the office holders' estate bank account.
- Creating, maintaining, and managing the office holders' cashbook.
- Undertaking regular bank reconciliations of the bank account containing estate funds.
- Filing returns at Companies House.

Investigations

We are required to carry out necessary investigations in order to determine whether there are potential recovery actions for the benefit of creditors and to report on the conduct of the Directors pursuant to the requirements of the Company Directors Disqualification Act 1986.

We have, therefore, undertaken an initial investigation into the Company's affairs to establish whether there were potential asset recoveries or conduct matters that justify further investigation, taking account of the public interest, potential recoveries, the funds likely to be available to fund an investigation, and the costs involved.

Specifically, we have recovered and reviewed the available records of the Company's; obtained and reviewed copy bank statements from the Company's bankers; and compared the information in the Company's last set of accounts with that contained in the statement of affairs lodged in the Liquidation and made enquiries about the reasons for the changes. We are required by the Statements of Insolvency Practice to undertake such an initial investigation and the work detailed herein was undertaken in connection with that initial investigation.

Our analysis of the Company's bank statements is currently being continued, with a view to establishing whether there are any potential asset recoveries and/or matters justifying further investigations, which we hope to be concluded shortly.

In addition to the above, in accordance with the Company Directors Disqualification Act 1986, within three months of our appointment as Liquidators, we were also required to submit a confidential report to the Department for Business, Energy & Industrial Strategy (BEIS) to include any matters which may have come to our attention during the course of our work, which may indicate that the conduct of any past or present Director would make them unfit to be concerned with the management of the Company. This report has been submitted. As this is a confidential report, we are not able to disclose the contents.

Realisation of assets

We are required to maximise realisations for the benefit of the Company's creditors and the work carried out in this respect is for the purpose of realising assets for the benefit of the creditors generally. As referred to earlier on, work has been undertaken in an attempt to realise the Company's assets and specific details of the work undertaken and realisations achieved are detailed above.

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

Time has been spent dealing with creditor queries as and when required. This generally includes queries by telephone, email or within letters received in the post. The work carried out in this respect only leads to a financial benefit where there are sufficient funds for a distribution.

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

During administering the case, we are also required to carry out additional work which does not necessarily fall under any of the other categories above.

This includes submitting VAT and Tax returns when appropriate to reclaim monies for the estate and pay over any taxes due to HM Revenue & Customs ("HMRC").

There may not be any obvious financial benefit to creditors, but all work carried out is necessary for the administration and progression of the case.

5. ESTIMATED OUTCOME FOR CREDITORS

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

Based on realisations to date, together with estimated future realisations, we estimate an outcome for each class of the Company's creditors as follows:

Secured creditor

No distribution is expected to be declared.

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:

- ☐ 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

<https://intranet/compliance/technical-library/?slug=changes-prescribed-part-coming-effect-6-april-2020>

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)).

There will be no distribution of the prescribed part as our estimate of the Company's net property is less than the minimum prescribed by the Insolvency Act 1986 (Prescribed Part) Order 2003 and we think, in accordance with Section 176A(3)(b) of the Act, that the costs of making a distribution of the prescribed part to unsecured creditors would be disproportionate to the benefits.

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 resolution of creditors at a meeting held on 14 October 2023 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 (London) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 28 September 2022 in the sum of £50,955.

We are also authorised to draw expenses, including expenses for services provided by our firm (defined as category 2 expenses in Statement of Insolvency Practice 9).

Our time costs for the period from 14 October 2022 to 13 October 2023 amount to £47,553, which represents 134.4 hours at an average rate of £353.82 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 14 October 2022 to 13 October 2023
- ☐ Begbies Traynor (London) LLP's charging policy

To 13 October 2023, we have drawn no remuneration.

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 concluded from the information above, the level of our approved remuneration has been sufficient to cover the costs of the liquidation and we are pleased to report that we do not anticipate seeking any increase or amendment to our approved remuneration basis if matters progress to conclusion as envisaged.

In light of the above, we are obliged to provide creditors with details of the additional work that we propose to undertake along with details of the estimated costs of that additional work. This information appears at Appendix 2. We do not anticipate that we will need to seek further approval.

Work undertaken prior to appointment

In addition to the post appointment remuneration, the costs relating to work undertaken prior to our appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors on 14 October 2022.

Expenses

To 13 October 2023, we have drawn no expenses.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact 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 £2,930. 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

Final resolution of the Company's insurance claim is required, however, this is subject to the insurer progressing the claim, which, at present, it does not appear to be doing.

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

In addition to the above, any additional work remaining to be done would likely include the following matters:

- Regular compliance and strategy reviews;
- Regular Bond reviews;
- Regular bank reconciliations;
- Filing of this progress report with Companies House; and
- Continue to deal with all Creditor correspondence and enquiries as received.

The remaining work detailed above will not have a direct financial benefit to Creditors. However, these tasks are required to ensure that the liquidation progresses in an efficient and compliant manner.

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. As you know, this work is necessary in order that I may complete the liquidation as envisaged. The cost of completing this work will not exceed any amounts approved by creditors previously.

Expenses

Any further expenses to be incurred on this case are expected to be nominal. 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 previously sent to creditors, which included all the expenses that we anticipated to incur throughout the liquidation.

Based on current information, we do not anticipate that any further significant expenses will be incurred.

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 £50,955, 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).

However, please also 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.

A handwritten signature in black ink that reads "Paul" followed by a stylized flourish.

Paul Cooper
Joint Liquidator

Dated: 6 November 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 14 October 2022 to 13 October 2023

BROOK VEGAN FOODS LIMITED - IN LIQUIDATION LIQUIDATORS' RECEIPTS AND PAYMENTS ACCOUNT FROM 14 OCTOBER 2022 TO 13 OCTOBER 2023		
	<u>Estimated</u> <u>to realise</u> £	<u>Realised to date</u> <u>13/10/2023</u> £
<u>Receipts</u>		
Computer & Office Equipment	500.00	Nil
Fixtures & Fittings	50.00	Nil
Kitchen Equipment	Nil	Nil
Stock	1,000.00	Nil
Rent Deposit	Nil	Nil
VAT Refund	Nil	Nil
Cash at Bank	1,400.00	1,312.37
Book Debts	665.00	Nil
Cash held on Appointment	-	7,200.00
Bank Interest Gross	-	0.06
		<u>8,512.43</u>
<u>Payments</u>		
Statement of Affairs Fee		6,000.00
Statutory Advertising		310.50
		<u>6,310.50</u>
Receipts less Payments		<u><u>2,201.93</u></u>
Represented by:-		
Current Account		939.83
VAT Receivable		1,262.10
		<u><u>2,201.93</u></u>

COSTS AND EXPENSES

- a. Begbies Traynor (London) LLP's charging policy; and
- b. Time Costs Analysis for the period from 14 October 2022 to 13 October 2023.

SIP9 Brook Vegan Foods Limited - Creditors Voluntary Liquidation - 23BR935.CVL : Time Costs Analysis From 14/10/2022 To 13/10/2023

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		0.7								0.7	424.00	605.71
	Administration		2.7	4.2				0.1	11.5		18.5	6,005.00	324.59
	Total for General Case Administration and Planning:		3.4	4.2				0.1	11.5		19.2	6,429.00	334.84
Compliance with the Insolvency Act, Rules and best practice	Appointment		2.0	2.4					4.5		8.9	3,215.00	361.24
	Banking and Bonding		0.5	1.4					1.1	3.3	6.3	1,776.50	281.98
	Case Closure												0.00
	Statutory reporting and statement of affairs												0.00
	Total for Compliance with the Insolvency Act, Rules and best practice:		2.5	3.8					5.6	3.3	15.2	4,991.50	328.39
Investigations	CDDA and investigations		16.3	2.0					43.7		62.0	18,775.00	302.82
	Total for Investigations:		16.3	2.0					43.7		62.0	18,775.00	302.82
Realisation of assets	Debt collection												0.00
	Property, business and asset sales		1.6	12.3							13.9	7,102.00	510.94
	Retention of Title/Third party assets		0.3								0.3	174.00	580.00
	Total for Realisation of assets:		1.9	12.3							14.2	7,276.00	512.39
Trading	Trading												0.00
	Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured												0.00
	Others		5.9	7.7					2.6		16.2	7,779.50	480.22
	Creditors committee												0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:		5.9	7.7					2.6		16.2	7,779.50	480.22
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors												0.00
	Meetings								1.6		1.6	304.00	190.00
	Other		0.9						1.2		2.1	750.00	357.14
	Tax		1.3						2.6		3.9	1,248.00	320.00
	Litigation												0.00
	Total for Other matters:		2.2						5.4		7.6	2,302.00	302.89
	Total hours by staff grade:		32.2	30.0				0.1	68.8	3.3	134.4		
	Total time cost by staff grade £:		18,799.00	15,038.00				28.50	13,110.00	577.50		47,553.00	
	Average hourly rate £:	0.00	583.82	501.27	0.00	0.00	0.00	285.00	190.55	175.00			353.62
	Total fees drawn to date £:											0.00	

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holders' 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 holders' 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 disbursements to recover the cost of facilities provided by the firm. Best practice guidance* indicates that such charges should be disclosed to those who are responsible for approving the basis of the office holders' 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 holders have overall responsibility for the administration of the estate. They will delegate tasks to members of their staff. Such delegation assists the office holders as it allows them 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 holders and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holders 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 £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 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 London office as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)
	1 January 2022 – 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. As detailed above, time is recorded in 6 minute units.

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

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				
Specific Bond	AUA Insolvency Risk Services	18.00	Nil	18.00
Statutory Advertising	Courts Advertising Ltd	310.50	310.50	Nil
Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)				
None				