

The Insolvency Act 1986

# Administrator's progress report

Name of Company A & P Fencing Limited	Company number 04599735
In the Preston Combined Court Centre	Court case number 658 of 2010

(a) Insert full name(s) and address(es) of the administrator(s)

We (a) Lila Thomas and David Acland of Begbies Traynor (Central) LLP, 1 Winckley Court, Chapel Street, Preston, PR1 8BU

administrators of the above company attach a progress report for the period

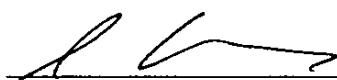
from

to

(b) Insert dates

(b) 01 November 2010	(b) 30 April 2011
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Signed

  
Joint Administrator

Dated

13 - 05 - 2011


### Contact Details

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

Begbies Traynor (Central) LLP	
1 Winckley Court, Chapel Street, Preston, PR1 8BU	
	Tel Number 01772 202000
Fax Number 01772 200099	DX Number

When you have completed and signed this form please send it to the Registrar of Companies at Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

MONDAY



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COMPANIES HOUSE

Lila Thomas and David Acland were appointed joint administrators on 1 November 2010

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

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## **A & P Fencing Limited (In Administration)**

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Progress report of the joint administrators pursuant  
to Rule 2.47 of The Insolvency Rules 1986

Period: 1 November 2010 to 30 April 2011

### **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

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	A & P Fencing Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 1 November 2010
"the administrators"	Lila Thomas and David Acland of Begbies Traynor (Central) LLP, 1 Winckley Court, Chapel Street, Preston, PR1 8BU
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (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	A & P Fencing Limited
Trading name(s)	A & P Group, A & P Building Supplies, A & P Fencing
Date of Incorporation	25 November 2002
Company registered number	04599735
Company registered office	1 Winckley Court, Chapel Street, Preston, PR1 8BU

### 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators	Lila Thomas and David Acland, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, 1 Winckley Court, Chapel Street, Preston, PR1 8BU
Date of administrators' appointment	1 November 2010
Date of administrators' resignation	N/a
Court	Preston Combined Court Centre
Court Case Number	658 of 2010
Person(s) making appointment / application	The Directors of the Company
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.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.

### 4. PROGRESS DURING THE PERIOD

This report should be read in conjunction with the Joint Administrators proposals which were circulated to all known creditors on 21 December 2010.

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 November 2010 to 30 April 2011.

#### **Sale of the Company's assets**

As detailed within the Administrators proposals, the Company's asset base consisted of plant and machinery, office furniture and equipment, motor vehicles and stock. Some of the Company's plant and machinery and motor vehicles were subject to hire purchase agreements with a variety of finance companies.

On 9 November 2010, a sale of the Company's timber stock and racking completed to P H Timber Limited ("PHT") for the sum of £41,000. PHT is a company connected by a common director (Philip Hood). A further sale for part of the plant and machinery completed to PHT on 16 December 2010 for £3,000 plus VAT.

In addition, a sale of the office furniture and equipment, part of the plant and machinery (wholly owned), financed plant and machinery and two motor vehicles completed on 4 November 2010 to Shard Construction Limited for the sum of £36,864.68 plus VAT. This figure includes the equity for the assets subject to the Caterpillar finance agreements. SCL is a company connected by a common director (Philip Jenkinson).

We previously reported that the agent, Charterfields Limited, had received an offer from a third party in the sum of £29,000 plus VAT for the remaining assets. This party subsequently withdrew their offer after confirming that they had insufficient funds to pay for the assets. A further offer in the sum of £25,000 plus VAT was received.

from M&K Motors and accepted upon agent's advice. The sale included the motor vehicles subject to finance with Clydesdale Bank and the outstanding finance in the sum of £19,505 has been settled in full.

Total realisations amount to £105,865. The monies from all sales were paid into the Joint Administrators bank account on 30 March 2011.

#### **Debtors**

Upon appointment, the Company had an outstanding debtor ledger in the sum of £322,136 before provisions were applied for bad and aged debts and excluding the contractual debts (see below). The ledger is subject to an invoice discounting agreement with YBIF and their indebtedness amounted to circa £302,529 plus any collect out/termination charges and interest.

YBIF instructed Cobbetts LLP and their debt collection agents, Incasso LLP to pursue the ledger from the outset. The Administrators have provided Incasso with the ledger and recovery reports. All monies received by the Administrators are being passed to YBIF.

Incasso have provided the Administrators with a copy of their recovery report up to 14 April 2011 and collections to date total £75,448 leaving an outstanding ledger balance of £246,688. Incasso have identified additional write offs due to insolvency, contra claims and disputes and these have been applied to the account. For the purposes of this report, the Administrators have applied a further provision against the outstanding ledger based on the age of the debt increasing in percentage of recoverability from aged debts to current debts and it is estimated that a further £120,984 will be collectable.

#### **Contractual Debts/Retentions**

The Company has contractual debts with a book value of £229,714. Vindens have produced a recovery schedule of the contractual debts and have been instructed to pursue the ledger on behalf of the Administrators and YBIF. A debt collection fee of 12.5% has been agreed for all contractual monies received, together with an initial reporting and review fee of £4,000. Based on their initial estimations, only 30% of the ledger would be recoverable.

There are two contractual debts with a book value of £125,760 which are not subject to the invoice discounting agreement with YBIF. A settlement has been agreed with one of the contractors and the sum of £50,000. For the purposes of the EOS, a 70% provision has been applied to the remaining debt in the sum of £25,760. It is anticipated that total realisations will amount to £57,728.

The remaining contractual debts with a book value of £103,955 are subject to the invoice discounting agreement with YBIF. Vindens have agreed a settlement with one contractor for the sum of £18,800. Upon deduction of their agreed fee, the balance in the sum of £15,980 has been sent to YBIF. Of the remaining debts and following site visits, Vindens have advised that it is unlikely any additional monies will be recovered after taking into consideration counter claims for unfinished contracts, disputes and contras.

#### **Cash in Hand**

As creditors are aware, the Company's trade counter continued to operate for a short period following the filing of the Notice of Intention to Appoint an Administrator on 19 October 2010 generating cash sales in the sum of £2,616.

#### **Insurance/Rates Refund**

The sum of £12.96 has been received from Electricity North West and the sum of £79.57 has been refunded from Fylde Borough Council in respect of an overpayment for business rates.

In addition, the sum of £125 has been received from CS2 Lawyers Limited as settlement of an employee claim.

### **Bank Interest Gross**

The sum of £25 38 has been received to date Corporation tax will be payable on this amount.

## **5. ESTIMATED OUTCOME FOR CREDITORS**

Details of the sums owed to each class of the Company's creditors were provided in the administrators' statement of proposals

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**

#### **Yorkshire Bank Invoice Finance ("YBIF")**

At the date of appointment, YBIF's indebtedness amounted to £302,529 which is subject to accruing interest and charges Based on current anticipated realisations, YBIF will suffer a shortfall Incasso continue to collect the ledger on behalf of YBIF

#### **Yorkshire Bank plc ("the Bank")**

At the date of appointment, the Bank's indebtedness amounted to £132,656 which is subject to accruing interest and charges The level of the return to the Bank is dependent on future recoveries and costs Based on current anticipated realisations, the Bank will suffer a shortfall and will have to rely on their additional security

### **Preferential creditors**

The employees of the Company submitted claims to the Redundancy Payments Office ("RPO") in respect of unpaid wages, holiday pay, redundancy pay and pay in lieu of notice Employee claims for arrears of pay and holiday pay subject to certain limitations rank as preferential A preferential claim in the sum of £34,096 has been received from the RPO and there are further employee claims in their own right which amount to £5,348 The preferential claims which total £39,444 will be paid in full

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

Details of how the prescribed part for unsecured creditors is calculated were provided in the administrators' statement of proposals

The administrators have estimated, to the best of their knowledge and belief, the Company's net property, as defined in Section 176A(6) of the Act, to be £51,192 and the prescribed part of the Company's net property to be £13,238

On present information the administrators do not intend to make an application to court under Section 176A(5) of the Act for an order not to distribute the prescribed part of net property to the unsecured creditors However we reserve our position generally in this regard should circumstances materially change

### **Unsecured creditors**

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors with the exception of the potential distribution of the prescribed part fund

## 6. ADMINISTRATORS' REMUNERATION & DISBURSEMENTS

The administrators' remuneration has been fixed by reference to the time properly given by them (as administrators) and the various grades of their staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration and they are authorised to draw disbursements, including disbursements for services provided by their firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with their 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

Total time spent to date on this assignment amounts to 320 hours at an average rate of £194.18 per hour resulting in time costs of £62,137

The following further information in relation to the administrators' time costs and disbursements is set out at Appendix 2

- Narrative summary of time costs incurred
- Table of time spent and charge-out value for the period 1 November 2010 to 30 April 2011
- Begbies Traynor (Central) LLP's policy for re-charging disbursements
- Begbies Traynor (Central) LLP's charge-out rates

To date, the administrators have drawn the total sum of £15,000 plus disbursements of £286.40 on account.

Details of the Category 2 disbursements and also disbursements that should be treated as Category 2 disbursements that have been drawn during the period of this report in accordance with the approval obtained are provided in the narrative summary of time costs incurred which is at Appendix 2

## 7. ADMINISTRATORS' EXPENSES

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

## 8. ASSETS THAT REMAIN TO BE REALISED

The contractual debts and retentions continue to be pursued by Vindens and Incasso are continuing to collect the outstanding debtor ledger

## 9. OTHER RELEVANT INFORMATION

### **Report on Directors conduct**

As detailed in the administrators' statement of proposals, the administrators have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. The administrators have complied with their duties in this respect.

### **Statement of Affairs**

The Administrators have received a draft copy of the Statement of Affairs which has been prepared by the Company's accountants, Moore & Smalley LLP. Once a final version (signed by a Director) has been received it will be circulated to creditors for information purposes.

## 10. CREDITORS' RIGHTS

### **Right to request further information**

Pursuant to Rule 2.48A of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court) may request in writing that the administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been detailed in this progress report

### **Right to make an application to court**

Pursuant to Rule 2.109 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 by the administrators as set out in this progress report are excessive or, in relation to the basis fixed for the administrators' remuneration, inappropriate

## 11. CONCLUSION

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner



**L Thomas**  
Joint Administrator

Dated 13 May 2011



# JOINT ADMINISTRATORS' ACCOUNT OF RECEIPTS AND PAYMENTS, INCORPORATING ESTIMATED OUTCOME FOR CREDITORS

Period 1 November 2010 to 30 April 2011

	Receipts & Payments to date £	Anticipated Receipts & Payments £	Projected Outcome £
<b>ASSETS SPECIFICALLY PLEDGED</b>			
Motor Vehicles		19,505	19,505
Less Yorkshire Bank Asset Finance		(19,505)	(19,505)
Surplus/(Deficit)	-	-	-
Motor Vehicles & Plant		63,000	63,000
Less Various Finance Companies		(123,851)	(123,851)
Surplus/(Deficit)	-	(60,851)	(60,851)
Plant & Machinery		66,924	66,924
Less Caterpillar Finance	-	(55,059)	(55,059)
Surplus/(Deficit) carried down	-	11,865	11,865
Trade Debtors*	91,428	120,984	212,412
Less Yorkshire Bank Invoice Finance ("YBIF")	(91,428)	(211,101)	(302,529)
Surplus/(Deficit)	-	(90,117)	(90,117)
<b>ASSETS NOT SPECIFICALLY PLEDGED</b>			
Contractual Debtors/Retentions	50,000	7,728	57,728
Plant & Machinery	25,000	-	25,000
Stock	40,000	-	40,000
Motor Vehicles	9,495	-	9,495
Surplus from Encumbered Assets	11,865	-	11,865
Rates Refund	93	-	93
Insurance Refund	125	-	125
YBIF Debtors	2,820	-	2,820
Bank Interest Gross	25	-	25
Cash at Bank and in Hand	2,616	-	2,616
	<b>142,038</b>	<b>7,728</b>	<b>149,766</b>
<b>Payments</b>			
Accountant's fees	-	(1,750)	(1,750)
Statement of Affairs Fee	-	(2,500)	(2,500)
Administrator's disbursements	(76)	(1,424)	(1,500)
Administrator's fees	(15,000)	(10,000)	(25,000)
Agent's fees & expenses	(8,380)	-	(8,380)
Bordereau (statutory bond)	(135)	-	(135)
Legal fees	-	(4,000)	(4,000)
Quantity Surveyor Fees	(12,600)	(966)	(13,566)
Rent and Insurance	(2,224)	-	(2,224)
Statutory advertising	(76)	-	(76)
Available for preferential creditors	103,548	(12,912)	90,635
Arrears of wages and holiday pay	-	(39,443)	(39,443)
<b>Net property</b>	<b>103,548</b>	<b>(52,356)</b>	<b>51,192</b>
Prescribed part of net property set aside for unsecured creditors	-	-	(13,238)
Available for floating charge holder	103,548	(52,356)	37,954
Yorkshire Bank plc	-	(132,656)	(132,656)
<b>Shortfall to floating charge holder</b>	<b>103,548</b>	<b>(185,012)</b>	<b>(94,702)</b>

**Summary of balances held**

Fixed charge	-
Floating charge	<u>103,548</u>
	<u>103,548</u>

**Held as**

Bank Account	117,406
VAT	<u>(13,858)</u>
	<u>103,548</u>

**Summary of outcome for unsecured creditors:**

Fixed charge	212,412
Preferential Creditors	39,443
Prescribed part of net property set aside for unsecured creditors	13,238
Floating charge	<u>37,954</u>
	<u>303,047</u>

\*The debt recoveries subject to YBIF's fixed charge are estimated and are being collected by Incasso LLP and The Vinden Partnership. No provision is detailed for debt collection costs.

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**ADMINISTRATORS' TIME COSTS AND DISBURSEMENTS**

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred and
- d Table of time spent and charge-out value for the period from 1 November 2010 to 30 April 2011

**SUMMARY OF OFFICE HOLDERS' TIME COSTS**

CASE NAME                                    A & P Fencing Limited  
CASE TYPE                                     ADMINISTRATION  
OFFICE HOLDERS                                Lila Thomas and David Acland  
DATE OF APPOINTMENT                        1 November 2010

**1 CASE OVERVIEW**

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

**1.2 Complexity of the case**

As advised in the report, agents were instructed to assist and advise on a potential sale of the Company's business and assets pre-appointment. It was envisaged that the majority of the timber stock would be subject to Retention of Title claims from suppliers and various claims were received and processed by the Administrators. The Company's assets were varied and the Company operated in four district divisions, consequently multiple sales were undertaken.

**1.3 Exceptional responsibilities**

None

**1.4 The office holders' effectiveness**

The strategy, once it became clear the survival of the Company was not possible to achieve, was to market the assets for sale to maximise realisations for creditors. All sales have now completed. Whilst there is a shortfall in the realisations below ex-situ valuations of circa £5,000, this is an acceptable outcome given that the costs which would have been incurred to hold a sale at the premises have been avoided, or indeed the costs of removal.

**1.5 Nature and value of property dealt with by the office holders'**

The assets include office furniture and equipment, plant and machinery, motor vehicles, stock and debtors.

**1.6 Anticipated return to creditors**

Based on current anticipated realisations, it is anticipated that preferential creditor claims will be paid in full. The Bank will receive a distribution in accordance with their floating charge security, the level of which is dependent on a successful debt collection exercise, however it is anticipated that the Bank will suffer a shortfall. There will be insufficient monies available to enable a distribution to be made to unsecured creditors other than by virtue of the provisions of Paragraph 176A.

**1.7 Time costs analysis**

An analysis of time costs incurred between 1 November 2010 and 30 April 2011 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

**1 8 The views of the creditors**

The proposals were circulated to all known creditors for their information. As the Joint Administrators considered that the Company had insufficient property to enable a distribution to be made to unsecured creditors, other than by virtue of the provisions of Paragraph 176A, no initial meeting of the Company's creditors was summoned and the Joint Administrators' proposals were deemed approved. However, the approval of the secured and preferential creditors was sought to certain resolutions detailed within the proposals regarding fees, disbursements and discharge from liability. The requisite approval has been received.

**1 9 Approval of fees**

The proposals included a provision for the Joint Administrators to be remunerated on a time costs basis and this is detailed further within the report.

**1 10 Approval of Expenses and Disbursements**

The Proposals included a provision for the joint administrators to be authorised to draw disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9), in accordance with their firm's policy and has been approved by the secured and preferential creditors.

**1 11 Other professionals employed & their costs**

Charterfields Limited were instructed to undertake valuations of the Company's chattel assets and negotiate with interested parties to achieve the best sale price. They also assisted with the ROT claims. The Vinden Partnership have been instructed to assist the Administrators with the collection of the contractual debts. AUA Insolvency Risk Services have been instructed to provide insurance cover for the chattel assets whilst sales could be agreed. Moore & Smalley LLP have been instructed to assist in the preparation of the Statement of Affairs and the end of year returns. Cobbetts LLP have been instructed to provide validity advice and assistance with the ROT claims.

Details of the anticipated fees and/or fees paid to date are detailed within the Estimated Outcome Statement at Appendix 1.

**2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES**

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached.

2 2 The rates charged by the various grades of staff who may work on a case are attached.

**3 SUMMARY OF WORK CARRIED OUT SINCE OUR LAST REPORT**

- Dealing with creditor claims including ROT,
- Completing sales of the Company's chattel assets,
- Dealing with employee claims, reviewing and calculating the preferential claims,
- Informal reporting to the Bank and YBIF,
- The preparation of this report.

## BEGBIES TRAYNOR CHARGING POLICY

### INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance<sup>1</sup> requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance<sup>2</sup> requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

### OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

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

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

### EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 40 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

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

<sup>2</sup> *ibid* 1

(B) 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 Preston office as at the date of this report are as follows

	<b>Standard 1 July 2008 – until further notice Regional</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Prior to 1 May 2011, the following rates applied

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner 1	395
Partner 2	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units





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## STATEMENT OF ADMINISTRATORS' EXPENSES

### **Agents Fees and Disbursements**

Charterfields Limited were instructed to deal with the assets valuations and disposals. Their costs in the sum of £8,380 plus VAT have been discharged.

### **Insurance and Property Costs**

AUA Insolvency Risk Services were instructed to provide insurance cover in respect of the Company's assets. Their costs in the sum of £2,224 have been paid in full.

### **Debt Collection Fees**

Vindens were instructed to prepare a recovery report on behalf of the Administrators and YBIF in respect of the Company's ledger and contractual debts. They continue to pursue the contractual debts and retentions. To date, fees in the sum of £12,600 plus VAT have been paid.

### **Legal Fees**

Cobbetts LLP have been instructed to provide validity advice in respect of YBIF's and the Bank's security and they provided advice to the Administrators when dealing with Retention of Title claims. To date, no fees have been paid although legal costs have been estimated in the attached EOS.