

Section 106

Return of Final Meeting in a
Creditors' Voluntary Winding UpPursuant to Section 106 of the
Insolvency Act 1986

To the Registrar of Companies

S.106

Company Number

02227312

Name of Company

W J Wood & Son Limited

I / We

Louise Donna Baxter, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

Lloyd Biscoe, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

Note The copy account must be
authenticated by the written
signature(s) of the Liquidator(s)

1 give notice that a general meeting of the company was duly ~~held on~~/summoned for 28 September 2016 pursuant to section 106 of the Insolvency Act 1986, for the purpose of having an account (of which a copy is attached) laid before it showing how the winding up of the company has been conducted, and the property of the company has been disposed of, and that ~~the same was done accordingly~~ / no quorum was present at the meeting,

2 give notice that a meeting of the creditors of the company was duly ~~held on~~/summoned for 28 September 2016 pursuant to Section 106 of the Insolvency Act 1986, for the purpose of having the said account laid before it showing how the winding up the company has been conducted and the property of the company has been disposed of and that ~~the same was done accordingly~~ / no quorum was present at the meeting

The meeting was held at The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG

The winding up covers the period from 11 May 2011 (opening of winding up) to the final meeting (close of winding up)

The outcome of any meeting (including any resolutions passed) was as follows

The report of the liquidator and the following was put to the meeting

- 1 The joint liquidators' final report and account of receipts and payments be approved
- 2 The joint liquidators be granted their release

No creditors were present at the meeting therefore the above resolutions could neither be accepted nor rejected

Signed


 Louise Donna Baxter

Date 28 September 2016

Begbies Traynor (Central) LLP
The Old Exchange
234 Southchurch Road
Southend on Sea
SS1 2EG

Ref WJ005CVL/LDB/LCB/DTC/RM/DCF

COMPANIES HOUSE

FRIDAY



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07/10/2016

#136

COMPANIES HOUSE

W.J. Wood & Son Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 11 May 2011 To 28 September 2016

S of A £	£	£
SECURED ASSETS		
Freehold Land & Property	351,000 00	
Book Debts	586,951 97	
Shares & Investments	2 00	
		937,953 97
COSTS OF REALISATION		
Legal Fees	7,330 30	
Agents/Valuers Fees	18,835 85	
Debt Collection Fees	20,762 31	
Settlement re Directors Interest	31,380 34	
		(78,308 80)
SECURED CREDITORS		
Barclays Bank Plc	554,872 07	
		(554,872 07)
ASSET REALISATIONS		
Plant & Machinery	7,232 23	
Motor Vehicles	2,600 00	
Stock	28,845 00	
Cash at Bank	173 46	
Sundry Refund	173 94	
Surplus from Administration	45,225 97	
Bank Interest Gross	307 62	
		84,558 22
COST OF REALISATIONS		
Liquidators Fees	134,780 00	
Liquidators Disbursements	214 10	
Joint Administrators Disbursements	2,755 84	
Pension Costs	1,663 67	
Joint Administrators Fees	28,363 50	
Agents Fees	11,104 63	
Agents Disbursements	145 33	
Legal Fees (1)	14,092 60	
Corporation Tax	65 64	
Stationery & Postage	96 53	
Water	139 29	
Storage Costs	40,648 57	
Rates - Administration Period	5,295 80	
Insurance Costs	8,183 05	
Bank Charges	2 72	
Unclaimed Dividends	16 10	
Unclaimed Dividend Fee	25 75	
		(247,593 12)
PREFERENTIAL CREDITORS		
RPO re Arrears/Holiday Pay	9,369 94	
Employees re Arrears/Hol Pay	359 10	
		(9,729 04)
UNSECURED CREDITORS		
Trade Creditors	116,258 82	

W.J. Wood & Son Limited
(In Liquidation)
Joint Liquidators' Abstract of Receipts & Payments
From 11 May 2011 To 28 September 2016

S of A £	£	£
Employees	3 52	
RPO	11,865 47	
HMRC	3,881 35	
		(132,009 16)
		<u>(0 00)</u>

REPRESENTED BY

NIL



Louise Donna Baxter
Joint Liquidator

W.J. Wood & Son Limited (In Creditors' Voluntary Liquidation)

Final report and account of the liquidation Period: 11 May 2016 to 28 September 2016

Important Notice

This report has been produced solely to comply with our statutory duty to report to creditors and members pursuant to Section 106 of the Insolvency Act 1986. This 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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INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	W J Wood & Son Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The Company moving into creditors' voluntary liquidation from administration pursuant to Paragraph 83 of Schedule B1 to the Act
"the liquidators", "we", "our" and "us"	Louise Donna Baxter of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG and Lloyd Biscoe of Begbies Traynor (Central) LLP, The Old Exchange, 234 Southchurch Road, Southend on Sea, Essex, SS1 2EG
"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 Act

1. COMPANY INFORMATION

Trading name(s)	W J Wood & Son Limited
Company registered number	02227312
Company registered office	The Old Exchange, 234 Southchurch Road, Southend on Sea, SS1 2EG
Former trading address	1 Fleethall Road, Purdeys Industrial Estate, Rochford, SS4 1NF

2. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced	11 May 2011
Date of liquidators' appointment	11 May 2011

Changes in liquidator (if any)

None

3. PROGRESS SINCE APPOINTMENT

This is our final report and account of the liquidation and should be read in conjunction with the latest progress reports to creditors dated 27 June 2016

The Joint Liquidators have issued an annual progress report to all members and creditors of the Company during the period. They have also declared a final dividend to unsecured creditors and taken steps to reclaim VAT and pay final invoices to bring the liquidation account down to nil. The Liquidators are now in a position to convene the final meetings to bring the liquidation to a close. Formal notice of the meetings together with a proxy form is enclosed with the covering letter to this report.

Attached at Appendix 1 is our abstract of receipts and payments for the period from 11 May 2016 to 28 September 2016, as well as an abstract of receipts and payments covering the entire period of liquidation, from 11 May 2011 to 28 September 2016.

The only realisation made during the period is the sum of £1 60 in relation to bank interest (gross).

The only payments made were £5 46 in respect of corporation tax due to HM Revenue & Customs, £2 08 in respect of bank charges and £2,410 37 in respect of storage charges. Further details of these payments are provided later in this report. A reclaim has been submitted to HMRC for the VAT which is awaited.

During the period the sum of £480 has been paid in respect of the Joint Liquidators' outstanding fees. Further information is detailed in Section 5 of this report.

SECURED ASSET REALISATIONS

Freehold Land & Property

841-843 London Road, Westcliff on Sea.

The Company's accounts for the year ended 31 December 2009 outlined freehold land and property with a net book value of £710,132. Upon appointment, Edward Symmons & Partners were instructed to value the asset. They advised that the property could potentially have a realisable value between £250,000 and £300,000.

From the outset, the director had advised that this property was in his name personally, and not the Company's. The position was reviewed and an agreement was put in place to which reflected 10% of the proceeds went to the director, and the remainder would be the Company's.

The property was sold for the sum of £351,000 in April 2012 and therefore the sum of £31,380 34 was paid to the director resulting in 10% of the proceeds as mentioned above. The costs involved were as follows:

Legal Fees,

Pinsent Masons LLP were instructed to assist with preparing letters and providing advice concerning the property. Pinsent Masons were instructed due to them being experienced solicitors in insolvency matters and them being an approved bank panel solicitor, which complied with the secured creditors' wishes. Pinsent Masons LLP were remunerated on a time costs basis and were paid the sum of £7,330 30 in respect of their work.

Agents/Valuers Fees,

Edward Symmons & Partners were a bank panel firm of agents who were instructed to value and sell the Company's property and chattel assets. They were chosen due to prior dealings and known effectiveness and they were paid the sum of £14,646 15 which represented 3% of the sale price, as agreed. This included the

sum of £4,116 15 of disbursements and were made up of advertisement costs, clearance costs and sales particulars

BTG Asset Consulting was engaged to undertake regular site visits and assist with security on the property. They were instructed on a time costs basis and the total costs paid to them amounted to £4,189 70. BTG Asset Consulting is associated to Begbies Traynor (Central) LLP and is therefore deemed as a category 2 disbursements which requires creditor approval. I can confirm that this was approved at a meeting of creditors during the Company's former administration on 29 March 2011.

Book Debts

The Company's sales ledger as at the date of the former Administration stood at £742,717 14 and it was originally estimated that the sum of £533,842 75 would be realised. Barclays Bank Plc held security over the book debts, and engaged Sovereign Credit Management to collect in the debts on their behalf with their costs being 1% of realisations.

The total book debts collected in amounted to £586,951 97. Barclays Bank Plc were discharged in full at the sum of £554,872 07. The joint liquidators continued to use Sovereign Credit Management's services following the discharge of Barclays Bank due to their ongoing knowledge of the debts. Their costs following Barclays Bank Plc discharge rose to 3.5%.

Total collection costs associated to the book debts stood at £20,762 31. These were paid in full to Sovereign Credit Management.

Shares & Investments

The sum of £2 was received from Clyde & Co in relation to the above.

ASSET REALISATIONS

Plant & Machinery, Motor Vehicles & Stock

Edward Symmons & Partners were instructed to complete a valuation of the Company's chattel assets. It was estimated that the sums of £3,900, £7,600 and £68,710 would be realised in relation to plant & machinery, motor vehicles and stock respectively. A large proportion of these assets were sold at an auction held during the course of the Company's former Administration.

A second auction was held at the Company's former trading premises during the liquidation, and the following realisations were made:

Plant & Machinery	£7,232 23
Motor Vehicles	£2,600
Stock	£28,845

Edward Symmons & Partners were to be remunerated on a basis of 10% of realisations of the chattel assets plus disbursements. Therefore the sum of £7,604 63 was paid to Edward Symmons & Partners, which included disbursements in the sum of £3,736 91 made up of advertisement costs, clearance costs and general expenses such as postage and photocopying.

As mentioned above, BTG Asset Consultancy was instructed to assist with security and site visits. The sum of £3,000 and £145 33 was paid to them in respect of their time costs and disbursements respectively relating to the security of the chattel assets. BTG Asset Consulting is associated to Begbies Traynor (Central) LLP and is therefore deemed as a category 2 disbursements which requires creditor approval. I can confirm that this was approved at a meeting of creditors during the Company's former administration on 29 March 2011.

Cash at Bank

The sum of £173 46 was received from Barclays Bank Plc in respect of a credit balance being held in the Company's former bank account

Sundry Refund

The sum of £173 94 was received from Southend Borough Council in respect of a rates refund due to the Company

Surplus from Administration

Following the move from Administration to Creditors' Voluntary Liquidation, the balance held in the Administration account was transferred to the Liquidation account in the sum of £45,225 97

Bank Interest Gross

The sum of £306 98 has been realised in respect of gross interest received on monies held in the Liquidation account

COSTS OF REALISATIONS

Details of the former Administrators' fees and disbursements are detailed in Section 5 of this report together with the Joint Liquidators' fees and disbursements

Pension Costs

Alexander Forbes Trustee Services Limited was instructed to provide a brief report on the Company's pension scheme. A fixed fee of £300 plus VAT was agreed to produce the report. Further instruction was made in order for them to complete the necessary forms on behalf of the Company to claim from the Government so the pension pot was up to date. The costs associated to this amounted to £1,363 67 which was agreed up front and was paid in full.

Agents Fees

A fixed fee of £500 plus VAT has been paid to Canwest Consultancy Limited in relation to the preparation of the Capital Gains Tax computation.

All other agents costs have been detailed previously in this report.

Legal Fees

BTMK Solicitors LLP have been paid a fixed sum of £420 plus VAT in relation to their advice given regarding retention of title claims received. BTMK Solicitors LLP were chosen due to their market rates and insolvency experience.

As mentioned above, Pinsent Masons LLP were instructed to assist the Joint Liquidators in preparing letters and providing advice on general matters that arose throughout the course of the former Administration and Liquidation. Pinsent Masons were to be remunerated on a time costs basis, and the sum of £13,672 60 was paid to them in respect of their costs incurred.

Corporation Tax

The sum of £65 64 has been paid to HM Revenue & Customs in respect of corporation tax due from the Company.

Stationary & Postage

The sum of £96 53 has been paid in relation to the above.

Water

I can advise that the sums of £60 35 and £78 94 have been paid to Essex & Suffolk Water and Anglian Water Services Limited respectively, in respect of meter readings and payments due whilst in occupation at the property

Storage Costs

The sum of £38,547 57 has been paid to Archive Facilities (Southend) Limited for the collection, scheduling and storage of the Company's books and records. Archive Facilities (Southend) Limited is associated to partners of Begbies Traynor Group and therefore deemed as a category 2 disbursement, which requires creditor approval. We can advise that approval was obtained at the meeting of creditors on 29 March 2011.

Rates

The sum of £5,295 80 has been paid from Rochford District Council in respect of a rates refund.

Insurance Costs

AUA Insolvency Risk Services Limited have been paid the sum of £8,183 05 in relation to insurance cover put in place for the property and chattel assets.

Unclaimed Dividends

The sums of £16 10 and £25 75 have been paid as a cost of realisations due to the above from the Insolvency Service.

4. OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in the latest progress report of the Company dated 27 June 2016.

On the basis of realisations, the outcome for each class of the Company's creditors is as follows:

Secured creditor

Barclays Bank Plc held a fixed and floating charge over the Company's assets dated 07 March 1990. As at the date of our appointment, Barclays Bank had an outstanding liability due in the sum of £549,000. Barclays Bank submitted a claim in the sum of £554,872 07 and has been paid in full.

Preferential creditors

A dividend of 100p in the £ was paid to the preferential creditors of the Company on 22 November 2011. I can confirm that the preferential creditors have been repaid in full.

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

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

- ☐ 50% of the first £10,000 of net property,
- ☐ 20% of net property thereafter,

- ☐ Up to a maximum amount to be made available of £600,000

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

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

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

Unsecured creditors

Dividends in the total sum of 17 31 pence in the £1 have previously been paid to unsecured creditors as follows

Dividend	Date of Dividend	Amount (pence in £)
First	02/10/2013	5p in £
Second	24/10/2014	5 71p in £
Third	08/10/2015	6 16p in £
Final	28/06/2016	0 44p in £

As we have previously advised by letter dated 26 July 2016, are insufficient funds to pay a further dividend as the balance of funds realised have already been distributed or used or allocated for defraying the expenses of the liquidation

5. REMUNERATION & DISBURSEMENTS

Pursuant to Rule 4 127(5A)(a) of the Rules, our remuneration is treated as having been fixed on the same basis as the former administrators by reference to the time properly given by us (as liquidators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the liquidation

Pursuant to Statement of Insolvency Practice 9, we are also authorised to draw disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) on the same basis as the former administrators, namely, in accordance with our firm's policy, a copy of which is attached at Appendix 2 of this report

The sum of £28,363 50 and £2,755 84 has been paid to the former Joint Administrators in relation to their time costs and disbursements Further information was detailed in their final administration report dated 16 May 2011

Our time costs for the period from 11 May 2016 to 28 September 2016 amount to £6,506 50 which represents 26 30 hours at an average rate of £247 40 per hour

The following further information in relation to our 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 11 May 2016 to 28 September 2016

□ **Begbies Traynor (Central) LLP's charging policy**

In addition to the table of time spent by us and our staff in attending to matters arising in the liquidation for the period covered by this report, a cumulative table of time spent and charge out value for the period from 11 May 2011 to 10 May 2016 and a description of the work undertaken by us and our staff during the period (contained in the narrative summary of time costs incurred) is also attached at Appendix 2

To 28 September 2016, we have drawn the total sum of £134,780 on account of our remuneration, against total time costs of £142,721 50 incurred since the date of our appointment

To 28 September 2016, we have also drawn disbursements in the sum of £214 10 Further information is detailed at Appendix 2

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

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2015' 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

6. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during since our last progress report is attached at Appendix 3 A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3

Further information relating to expenses incurred during the course of the Administration have been detailed in Section 3 of this report

7. UNREALISABLE ASSETS

There are no assets that have proved to be unrealisable

8. OTHER RELEVANT INFORMATION

Investigations and reporting on directors conduct

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

Investigations completed

As explained in our progress reports, we have been investigating the manner in which the business was conducted prior to the liquidation of the Company and potential recoveries for the estate in this respect

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties

9. CONCLUSION

This report and account of receipts and payments will be laid before final meetings of the Company and the creditors to be held on 28/09/2016 in accordance with Section 106 of the Act. Formal notice of the meetings and a proxy form are enclosed with the covering letter accompanying this report.

The meetings are a formal requirement of liquidation procedure and are a prelude to the formal dissolution of the Company, which will occur automatically, approximately three months later. Unless creditors otherwise resolve, pursuant to Section 173(2) of the Act we will be released from liability at the time that we vacate office.

Although the meetings are rarely attended, if any creditor wishes to attend the meeting, it would assist us in making the necessary administrative arrangements if you would inform the case manager by telephone. This is particularly important for any creditor wishing to attend who considers that the proposed venue is inconvenient. In that event we will consider reconvening the meetings at an alternative venue to be agreed. Any such request should be made within the next seven days so that we may inform all creditors of the revised arrangements. Alternatively, if you wish a proxy to attend on your behalf, the proxy form should be returned to our office by 12 noon on the business day before the meeting. Please note that we will not accept receipt of completed proxy forms by email. Submission of proxy forms by email will lead to the proxy being held invalid and the vote not cast.

In accordance with The Insolvency Regulations 1994 Paragraph 16(2), the liquidators may, at any time after the expiration of a period of one year from the date of dissolution, destroy or otherwise dispose of the books, papers and other records of the company.

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



Louise Baxter
Joint Liquidator

Dated 28 September 2016

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 11 May 2016 to 28 September 2016

W.J. Wood & Son Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 11/05/2016 To 28/09/2016 £	From 11/05/2011 To 28/09/2016 £
SECURED ASSETS		
Freehold Land & Property	NIL	351,000 00
Book Debts	NIL	586,951 97
Shares & Investments	NIL	2 00
	NIL	937,953 97
COSTS OF REALISATION		
Legal Fees	NIL	7,330 30
Agents/Valuers Fees	NIL	18,835 85
Debt Collection Fees	NIL	20,762 31
Settlement re Directors Interest	NIL	31,380 34
	NIL	(78,308 80)
SECURED CREDITORS		
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ASSET REALISATIONS		
Plant & Machinery	NIL	7,232 23
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Cash at Bank	NIL	173 46
Sundry Refund	NIL	173 94
Surplus from Administration	NIL	45,225 97
Bank Interest Gross	2 24	307 62
	2 24	84,558 22
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Joint Administrators Disbursements	NIL	2,755 84
Pension Costs	NIL	1,663 67
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Agents Disbursements	NIL	145 33
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Unclaimed Dividend Fee	NIL	25 75
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Employees re Arrears/Hol Pay	NIL	359 10
	NIL	(9,729 04)

W.J. Wood & Son Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 11/05/2016 To 28/09/2016 £	From 11/05/2011 To 28/09/2016 £
UNSECURED CREDITORS		
Trade Creditors	7,009 07	116,258 82
Employees	0 09	3 52
RPO	NIL	11,865 47
HMRC	NIL	3,881 35
	<u>(7,009 16)</u>	<u>(132,009 16)</u>
	<u>(9,905.47)</u>	<u>(0.00)</u>

REPRESENTED BY

NIL



Louise Donna Baxter
Joint Liquidator

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Narrative summary of time costs incurred,
- c Table of time spent and charge-out value for the period from 11 May 2016 to 28 September 2016, and
- d Table of time spent and charge-out value for the period from 11 May 2011 to 28 September 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration together with an explanation of how those charges are calculated.

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

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

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

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

Best practice guidance classifies expenses into two broad categories:

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

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 (London £150) per meeting.
Car mileage is charged at the rate of 45 pence per mile.
Storage of books and records (when not rechargeable as a *Category 1 disbursement*).

In addition to the two categories referred to above, best practice guidance indicates that where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest, these should be treated as *Category 2 disbursements*. The following items of expenditure which relate to services provided by entities within the Begbies Traynor Group are to be charged to the case (subject to approval):

Services provided by other entities within the Begbies Traynor group

The following items of expenditure which relate to services provided by entities within the Begbies Traynor group, of which the office holder's firm is a member, are also to be charged to the case (subject to approval):

Instruction of Eddisons Commercial Limited to provide assistance with the sale of assets. Their charges will be based on a percentage of realisations plus disbursements.

Instruction of Eddisons Commercial Limited to provide a valuation of the Company's physical assets. Their charges will be based on a fixed fee to be agreed plus disbursements.

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

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

Instruction of Eddisons Insurance Services Limited to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the

case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case. Eddisons Insurance Services Limited is not paid from the assets of the estate for the services it provides. In accordance with standard insurance industry practice, Eddisons Insurance Services Limited will receive payment of commission for the services it provides directly from the open cover insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

Services provided by an entity in which an Office Holder has an interest

The following items of expenditure which relate to services provided by an entity that a licensed insolvency practitioner within the firm has an interest in, are also to be charged to the case (subject to approval):

Storage of books and records (when not rechargeable as a *Category 1 expense*) is charged by Archive Facilities (Southend) Limited, an associated company. The rates applying as at the date of this report are: Minimum charge of £40 per quarter for up to three boxes. Four to Two Hundred Boxes charged at £11 per quarter per box over two hundred boxes are charged at half the aforementioned price (£5.50 per box per quarter). Mileage for collection of books and records is charged at 55p per mile. Provision of cardboard box charged at £2.75 per box. Where Archive Facilities (Southend) Limited are required to physically pack the books and records, there is a minimum charge of 2 hours at £15 per hour per person required and at £15 per hour for each hour thereafter. All figures stated are net.

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 Southend-on-Sea as at the date of this report are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Partner	495	495-550
Director	395	395
Senior Manager	365	365
Manager	315	315
Assistant Manager	270	285
Senior Administrator	235	250
Administrator	185	220
Trainee Administrator	160	n/a
Junior Administrator	n/a	160
Support	160	n/a
cashier	n/a	160
secretarial	n/a	160

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

Time is recorded in 6 minute units.

The office holder may use the services of BTG Contentious Insolvency Division during the course of the case. BTG Contentious Insolvency Division is a specialist department of the office holder's firm which provides forensic investigating services. The current charge-out rates applying to work carried out by BTG Contentious Insolvency Division are as follows:

Grade of staff	Charge-out rate (£ per hour)	Charge-out rate (£ per hour)
	1 May 2011 – 30-Apr-16	1 May 2016 – until further notice
Director	395	395
Senior Manager	365	365
Assistant Manager	270	285

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

² Ibid 1

W J Wood & Son Limited

SUMMARY OF TIME COSTS AND EXPENSES

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.

General case administration and planning

Banking

There is no direct commercial benefit to creditors in relation to the above matter. This work is necessary to progress the case and comply with best practice and statute.

Compliance with the Insolvency Act, Rules and best practice

Drafting and submission of Progress Reports and all associated work.

Bond Review

Updating case checklists and diaries where necessary.

There is no direct commercial benefit to creditors in relation to the above matters; however, it is a duty of the Joint Liquidators to comply with the Insolvency Act and Rules.

Investigations

No investigations have been conducted during the period.

Realisation of assets

No investigations have been conducted during the period.

Trading

None.

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

Phone calls with creditors in relation to the final notice of intended dividend and confirmation of whether their claim has been received, agreed or rejected.

Declaring unsecured creditors' dividend and distributing accordingly.

The work detailed above has a direct financial benefit to creditors as it is required to enable claim agreement against which dividends are paid.

Other matters which includes meetings, tax, litigation, pensions and travel

- The completion of VAT forms in order to reclaim outstanding VAT.
- The Completion of Corporation Tax return,

The recovery of VAT benefits the estate as it is a realisable asset. The liquidators are required to comply with VAT and Tax legislation and returns.

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving 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 liquidation.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

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

The Joint Liquidators are in the process of declaring a final dividend to creditors and will shortly thereafter be bringing the liquidation to a close.

All points below are required to be brought to a close to the liquidation and have no direct financial benefit to creditors other than the final dividend.

General case administration and planning

The liquidation bank accounts will be closed and internal checklists and diaries will be completed.

Compliance with the Insolvency Act, Rules and best practice

Upon closure, an Insolvency Practitioner is also required to draft a final report on the liquidation and send a copy of that report to all creditors of the Company. A final meeting will then be convened in order to discharge the liquidators' duties and that the final report and account of receipts and payments be approved. This work will therefore be required to be undertaken in due course.

The following tasks will need to be completed following the issue of the draft final report:

- Advertise final meetings in London Gazette,
- Release Bond, and
- Hold final meeting

Investigations

No further investigations are to be conducted.

Realisation of assets

No further assets are to be realised.

Trading

None

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

None

Other matters which includes meetings, tax, litigation, pensions and travel

- Final corporation tax return to be submitted to HM Revenue & Customs

How much will this further work cost?

We expect to incur a further £800 in completing the above tasks

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows

Advertisement - £74 60

Photocopying - £232

Postage - £91 35

SIP9 W.J. Wood & Son Limited - Creditors Voluntary Liquidation - 03WJ005.CVL : Time Costs Analysis From 11/05/2016 To 28/09/2016

Staff Grade	Consultant/Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning			0.5						0.5	157.50	315.00
	Administration	0.2		2.3				0.1		2.6	819.50	315.19
	Total for General Case Administration and Planning	0.2		2.8				0.1		3.1	977.00	315.16
	Appointment											0.00
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding	0.9					1.3	0.5	2.8	5.5	1,124.00	204.36
	Case Closure					8.8				8.8	2,068.00	235.00
	Statutory reporting and statement of affairs			0.4		2.0				2.4	596.00	248.33
	Total for Compliance with the Insolvency Act, Rules and best practice	0.9		0.4		10.8	1.3	0.5	2.8	16.7	3,788.00	226.83
Investigations	CDDA and investigations											0.00
	Total for investigations											0.00
	Debt collection											0.00
	Property business and asset sales											0.00
Realisation of assets	Retention of Title/Third party assets											0.00
	Total for Realisation of assets											0.00
	Trading											0.00
	Total for Trading											0.00
Dealing with all creditors claims (including employees) distributions	Secured											0.00
	Others			3.4		0.4				3.8	1,165.00	306.58
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions			3.4		0.4				3.8	1,165.00	306.58
Other matters which includes meetings tax litigation, pensions and travel	Meetings											0.00
	Other											0.00
	Tax	0.2				1.3		1.2		2.7	576.50	213.52
	Litigation											0.00
Total for Other matters	Total for Other matters					1.3		1.2		2.7	576.50	213.52
	Total hours by staff grade	1.1		6.6		12.5	1.3	1.8	2.8	26.3		
	Total time cost by staff grade	434.50	79.00	2,079.00		2,937.50	240.50	288.00	448.00		6,506.50	
	Average hourly rate £	395.00	395.00	315.00	0.00	235.00	185.00	160.00	160.00			247.40
Total fees drawn to date £											488.00	

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	30	148		54	61	08		15		316	10 972 00	347 22
Administration	31 6			41	16 6		9 3	15 5		77 1	22 456 00	291 26
Total for General Case Administration and Planning	34 6	14 8		9 5	22 7	0 8	9 3	17 0		108 7	33 426 00	307 53
Compliance with the Insolvency Act Rules and best practice								4 7		4 7	752 00	160 00
Appointment												
Banking and Bonding	3 6						13 7	3 6	24 2	45 1	8 481 50	188 06
Case Closure						8 8				8 8	2 068 00	235 00
Statutory reporting and statement of affairs	7 8	14 3		0 4	0 4	2 0	5 7	16 9		47 6	13 451 50	282 59
Total for Compliance with the Insolvency Act, Rules and best practice	11 5	14 3		0 4	0 4	10 8	19 4	25 2	24 2	108 2	24 753 00	233 08
Investigations		3 0			8 4		2 8	2 0		16 2	4 291 00	264 88
OOOA and Investigations		3 0			8 4		2 8	2 0		16 2	4 291 00	264 88
Total for Investigations												
Realisation of assets				4 0	1 1		0 7	3 1		8 8	2 182 50	245 22
Debt collection												
Property business and asset sales	63 4	0 4		1 0	19 0					83 8	30 783 50	367 34
Retention of Title/Third party assets							1 4			1 4	259 00	185 00
Total for Realisation of assets	63 4	0 4		5 0	20 1		2 1	3 1		94 1	33 225 00	353 08
Trading												0 00
Total for Trading												0 00
Dealing with all creditors claims (including employees) correspondence and distributions					4 2		0 2			4 4	1 171 00	266 14
Secured												
Others	4 6	13 1		84 4	18 9	0 4	3 3	30 0	9 0	143 9	38 564 50	268 00
Creditors committee								0 7		0 7	112 00	160 00
Total for Dealing with all creditors claims (including employees) correspondence and distributions	4 6	13 1		64 4	23 1	0 4	3 5	30 7	9 0	149 0	39 847 50	267 43
Other matters which includes meetings, tax, litigation, pensions and travel	2 0						0 7			2 7	819 50	340 56
Meetings												
Other					3 5		0 8	3 2		7 5	1 605 00	214 00
Tax		2 1		2 5	3 4	1 3	0 8	10 4		20 5	4 652 50	228 95
Litigation												0 00
Total for Other matters	2 0	2 1		2 5	6 9	1 3	2 3	13 6		30 7	7 177 00	233 76
Total hours by staff grade	116 3	47 7		81 8	81 6	13 3	39 4	91 6	33 2	504 9		
Total time cost by staff grade	45 538 50	18 841 50		25 787 00	22 032 00	3 125 50	7 289 00	14 656 00	4 412 00		142 721 50	
Average hourly rate £	406 67	395 00	0 00	315 00	270 00	235 00	185 00	160 00	132 89			282 67
Total fees drawn to date £											134 780 00	

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Statutory Advertising	The Stationery Office	79 40	0 00	79 40
Postage	Royal Mail	341 32	0 00	341 32
		420 72	0 00	420 72
Expenses incurred with entities within the Begbies Traynor Group (<i>for further details see Begbies Traynor Charging Policy</i>)				
Photocopying	Begbies Traynor (Central) LLP	111 00	0 00	111 00
		111 00	0 00	111 00

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Specific Penalty Bonding	Insolvency Risk Services	50 40
Statutory Advertising	The Stationery Office Limited	217 90
Photocopies & faxes	Begbies Traynor	136 20
Telephone, postage & stationery	Begbies Traynor	437 85
Pension Costs	Alexander Forbes Trustee Services Limited	1,663 67
Agents Fees and Disbursements	BTG Asset Consulting, Edward Symmons LLP, and Canwest Consulting Limited	3,145 33 7,604 63 500 00
Legal Fees	Pinsent Masons LLP, BTMK Solicitors LLP	13,672 60 420 00
Water	Essex & Sussex Water, Anglian Water Services	60 35 78 94
Storage Costs	Archive Facilities (Southend) Ltd	38,547 57
Rates	Rochford District Council	5,295 80
Insurance Costs	Insolvency Risk Services	8,183 05