

# AM10

## Notice of administrator's progress report



Companies House

THURSDAY



A27

\*A8906W8R\*

04/07/2019

#240

COMPANIES HOUSE

### 1 Company details

Company number 0 2 8 4 6 4 3 6

Company name in full Elderworth Limited

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

### 2 Administrator's name

Full forename(s) Gareth David

Surname Rusling

### 3 Administrator's address

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

### 4 Administrator's name ①

Full forename(s) Joanne Louise

Surname Hammond

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

### 5 Administrator's address ②

Building name/number 3rd Floor

Street Westfield House

Post town 60 Charter Row

County/Region Sheffield

Postcode S 1 3 F Z

Country

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

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

### 2 Insolvency practitioner's name

Full forename(s)

Gareth

Surname

Prince

### 3 Insolvency practitioner's address

Building name/number

3rd Floor

Street

Post town

1 Temple Row

County/Region

Birmingham

Postcode

B 2 5 L G

Country

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d	0	d	5	m	1	m	2	y	2	y	0	y	1	y	8
To date	d	0	d	4	m	0	m	6	y	2	y	0	y	1	y	9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	d	0	d	3	m	0	m	7	y	2	y	0	y	1	y	9
----------------	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---

**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	Callum Hartley
Company name	Begbies Traynor (SY) LLP
Address	3rd Floor Westfield House
Post town	60 Charter Row
County/Region	Sheffield
Postcode	S 1 3 F Z
Country	
DX	
Telephone	0114 2755033

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

**Elderworth Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 05/12/2018 To 04/06/2019 £	From 05/06/2018 To 04/06/2019 £
	<b>SECURED ASSETS</b>		
(800,000.00)	Finance Birmingham	69,000.00	69,000.00
100,000.00	Freehold Land & Property	NIL	NIL
		(69,000.00)	(69,000.00)
	<b>ASSET REALISATIONS</b>		
Uncertain	Intercompany Loans	NIL	NIL
NIL	Motor Vehicles	NIL	NIL
300,000.00	Plant & Machinery	NIL	177,075.76
NIL	Shares - Elderworth Properties Limited	NIL	NIL
		NIL	177,075.76
	<b>COST OF REALISATIONS</b>		
	Accountants Fee	3,523.33	3,523.33
	Administrators' Fees		
	Pre-Appointment Fees	NIL	14,158.00
	Post Appointment Fees	30,000.00	30,000.00
	Agents/Valuers Fees (2)	NIL	20,632.95
	Bank Charges	32.75	31.75
	Disbursements		
	Postage	1.20	1.20
	Specific Bond	213.34	213.34
	Statutory Advertising		
	Advertising	72.00	72.00
		(33,842.62)	(68,632.57)
	<b>COSTS OF REALISATIONS</b>		
	Electricity	1,068.90	1,068.90
		(1,068.90)	(1,068.90)
	<b>UNSECURED CREDITORS</b>		
(4,358.00)	T Osborne	NIL	NIL
(1,492.00)	Trade Creditors	NIL	NIL
(412,169.00)	TRS Engineering Services Limited	NIL	NIL
(21,146.64)	Wesley John Osborne	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(839,167.64)</b>		<b>(103,911.52)</b>	<b>38,374.29</b>
	<b>REPRESENTED BY</b>		
	Bank 1 Current-PP to pay £21k		38,374.29
			<b>38,374.29</b>

Gareth David Rusling, Joanne Louise Hammond and Gareth Prince were appointed joint administrators on 5 June 2018

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.

---

## **Elderworth Limited (In Administration)**

---

Progress report of the joint administrators

Period: 5 December 2018 to 4 June 2019

## **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.

---

## **Contents**

- ☐ Interpretation
- ☐ Statutory information
- ☐ Details of appointment of administrators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Expenses
- ☐ Assets that remain to be realised and work that remains to be done
- ☐ Other relevant information
- ☐ Creditors' rights
- ☐ Conclusion
- ☐ Appendices
  - 1. Account of receipts and payments
  - 2. Time costs information
  - 3. Statement of administrators' expenses

# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	Elderworth Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 5 June 2018
"the administrators" "we" "our" and "us"	Gareth David Rusling and Joanne Louise Hammond of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row , Sheffield , S1 3FZ, Sheffield.North@Begbies-Traynor.com and Gareth Prince of Begbies Traynor (Central) LLP, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

# 2. STATUTORY INFORMATION

Name of Company	Elderworth Limited
Trading name(s):	Elderworth Limited
Date of Incorporation:	20 August 1993
Company registered number:	02846436
Company registered office:	3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ

# 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Gareth David Rusling, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row , Sheffield , S1 3FZ, Sheffield.North@Begbies-Traynor.com
------------------------------	--



	and Joanne Louise Hammond, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Gareth Prince, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG <a href="mailto:Birmingham@Begbies-Traynor.com">Birmingham@Begbies-Traynor.com</a>
Date of administrators' appointment:	5 June 2018
Date of administrators' resignation:	Not applicable
Court:	Leeds District Registry
Court Case Number:	2018-442
Person(s) making appointment / application:	Wesley James Osborne (the Company's director), on behalf 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.
EU Regulation on Insolvency Proceedings:	Regulation (EU) 2015/848 of the European Parliament and of the Council applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration period was extended with the consent of creditors for a period of 12 months.

## 4. PROGRESS DURING THE PERIOD

### Position with regards to the Company's assets

Creditors will be aware from the Joint Administrators' previous reports that the Company is part of a group of four companies, all of which entered Administration on 5 June 2018.

The companies all operated from four industrial units situated at Saddlers Court, Fryers Road, Walsall, West Midlands, WS2 7LZ.

T R S Engineering Services Limited ("TRS") was incorporated in March 1993 by the current director and traded as an engineering solutions and research and development business. TRS was at the cutting edge in providing innovative engineering solutions to the Automotive, Aerospace, Auto sport, Medical, Mining, Nuclear, Petrochemical and general engineering sectors. TRS had a longstanding reputation as a 'problem solver' within these industries with a key focus on:

- Design and Manufacture of specialist Precision Tooling
- Batch Production
- Failure & Special Investigations
- Consultancy
- Offshore and Large Component Measurement
- Design and Manufacture of TechModern Presses

- Product Support

TRS owned two of the four trading premises together with approximately half of the chattel assets and machinery utilised by the companies.

Elderworth Limited ("Elderworth") was incorporated in August 1993 and traded as a management and holding company to the other three group companies. Elderworth owned one of the four trading premises together with approximately half of the chattel assets and machinery utilised by the companies.

Elderworth Properties Limited ("Elderworth Properties") was incorporated in December 2000 to acquire the fourth trading unit. Other than the freehold property, Elderworth Properties had no assets and did not engage in any commercial activities.

TRS Engineering Laser Limited ("TRS Laser") was incorporated in April 2001. We are advised that this company was initially established with the intention of transferring the laser cutting element of the business but the transfer was never completed. TRS Laser was consequently a non-trading business.

Over recent years, the primary focus of the business had been the research and development of a hydroforming press which operated within Units 2 and 3 Saddlers Court.

The development of this innovative machinery was funded via capital injections from the director personally and a combination of secured loans and development grants from Finance Birmingham (a division of Birmingham City Council).

The funds introduced by Finance Birmingham were paid to TRS and a fixed and floating charge debenture was granted over its assets as security. Elderworth and Elderworth Properties provided cross guarantees in respect of TRS's indebtedness to Finance Birmingham which are also secured by fixed and floating charge debentures.

Despite the successful development of the hydroforming press, orders and pipeline work for this and the other sectors of the business were lower than expected and were not sufficient to fund the ongoing operating costs for the business. TRS therefore began to build up arrears with its trade creditors and HM Revenue & Customs ("HMRC").

In April 2018, HMRC began escalating their attempts to recover the outstanding monies and, on several occasions, threatened to send a bailiff to the companies' premises to distrain over the assets.

In the lead up to the administration, TRS had entered into an invoice discounting facility with Lloyds TSB Commercial Finance Plc ("LTSBCF"). LTSBCF provided funding against TRS's invoices and as at the date of the Administration were owed approximately £27,000 against a debtor ledger of approximately £31,000. We were advised that some monies due to LTSBCF may have been paid into TRS's general bank account which would constitute a breach of the facility terms. LTSBCF have now confirmed that they have been repaid in full via book debt receipts and a small surplus has been transferred into the administration estate.

TRS granted LTSBCF a fixed and floating charge debenture as security for the facility. This is supported by a cross guarantee and accompanying fixed and floating charge debenture against Elderworth.

As a result of the circumstances highlighted above, the companies' accountants, Gregory Priestley and Stewart, recommended that the director seek specialist financial advice from Begbies Traynor. Begbies Traynor were formally engaged to advise the companies on 8 May 2018.

Following a review of the companies' financial affairs, it was concluded that TRS was insolvent on a cash flow basis. TRS could not afford to maintain supplier payments when they fell due for payment and had accrued arrears with HMRC and its employees.

In addition, and when taking into account the intercompany positions, all four companies were insolvent on a balance sheet basis as their liabilities exceeded their assets.

Having considered the various insolvency options, it was concluded that administration would be most appropriate in these circumstances to secure the maximum value for the companies' assets. It was agreed that a short term marketing campaign would be undertaken to see if a pre-packaged sale of the business could be achieved.

Charterfields Limited ("Charterfields"), specialist asset consultants, were instructed to undertake a valuation of the companies' assets and provide their recommendations for a marketing strategy.

With the assistance of the companies' director, marketing literature was compiled and distributed to both Charterfields' database of known interested parties and key contacts highlighted by the director as likely to be interested in the business.

In order to protect TRS, Elderworth and Elderworth Properties from precipitous creditor action during this marketing period, a Notice of Intention to Appoint Administrators was lodged with the court on 9 May 2018.

Multiple expressions of interest were received and negotiations with these parties were overseen by Charterfields and the director. Unfortunately, due to the low level of pipeline work and concerns over the viability of the business moving forward, no offers were received for the business as a whole.

We did however receive an offer in the sum of £150,000 for the hydroforming press and ancillary machinery associated with this sector of the business. The interested party also indicated that they were seeking to take occupation of Units 2 and 3 Saddlers Court.

As TRS could not afford payroll costs during this marketing period, 9 of the 14 employees were made redundant. The remaining 5 employees (including the director) were retained to assist with the marketing process and complete the small number of outstanding orders that TRS had received.

To allow the conclusion of the marketing process a second Notice of Intention to Appoint an Administrator was lodged with the Court on 23 May 2018 to continue the period of protection from any creditor action.

During the marketing period, we liaised with Finance Birmingham and provided regular updates in relation to the interest received. Finance Birmingham confirmed they were supportive of the proposed Administration and the strategy adopted.

On 4 June 2018, we held a meeting with Charterfields and the director to discuss the offer we had received for the hydroforming press and the feedback we had received from the other interested parties. It was concluded that the companies needed to enter into Administration to protect the value within the assets and ensure the maximum return to the companies' creditors.

Gareth David Rusling, Joanne Louise Hammond and Gareth Prince were subsequently appointed as joint administrators on 5 June 2018.

Upon our appointment, we undertook an immediate review of the ongoing work in progress and small number of future orders to determine whether or not it would be worthwhile concluding this work.

It was concluded that the employees should immediately conclude the work that they were dealing with and that it was not cost effective to continue any further work. We secured the final products and arranged for the customers to collect these the following day.

Consequently, TRS's remaining five employees were made redundant on the date of our appointment.

The sale of the hydroforming press and ancillary assets for the sum of £150,000 plus VAT completed shortly after our appointment. The purchase price was paid in full at completion.

As a condition of the sale, the purchaser of the hydroforming press was granted a three month licence to occupy Units 2 and 3 Saddlers Court. They have subsequently entered into a five year lease over these premises. Having undertaken a review of property prices within the area, Charterfields advised that the value of Units 2 and 3 would be higher with a tenant in situ.

The companies' remaining assets were situated in Units 7 and 8 Saddlers Court. At the director's request, these were offered for sale as a single manufacturing unit. Charterfields assisted the director in negotiations with a number of third parties who expressed an interest in acquiring the manufacturing unit.

Whilst this resulted in a formal offer being received for the remaining plant and machinery assets, the companies' properties and the goodwill of the business, when we compared the offer to the projected realisations Charterfields expected to receive on a break up sale of the plant and machinery and open market sale of the properties, the offer received was not sufficient and the proposed purchaser was unwilling to offer any further increase. Accepting this offer would have resulted in a substantially lower return to the secured creditor, Finance Birmingham, and a smaller prescribed part pot being available for the unsecured creditors. The offer was therefore rejected.

As a sale of the unit as a whole could not be achieved at a fair price, in conjunction with Charterfields, we arranged for the sale of the companies' remaining plant and machinery assets via auction. Creditors will note that Charterfields originally anticipated that realisations at auction would be in the region of £250,000 and £300,000. The final level of realisations significantly exceeded this estimate and funds totalling £374,309 (including VAT) were received.

We worked with Charterfields and Gregory Priestley & Stewart ("GPS") to determine which group company is entitled to the funds realised in respect of the plant and machinery. Creditors will recall that the companies' asset schedules were out of date and, in the absence of definitive information to determine which company had acquired which assets, the funds have been divided as follows:

The hydroforming press and ancillary equipment was acquired using funding provided by Finance Birmingham to TRS. We have therefore attributed the funds realised from the sale of this equipment to TRS.

The funds realised from the sale of the residual plant and machinery assets have been divided between TRS and Elderworth in proportion to the book values contained within the companies' most recent accounts.

Ultimately, Finance Birmingham will be the beneficiary of the monies received in respect of the plant & machinery assets by both TRS and Elderworth and, because of the interconnected nature of the companies, we are confident that dividing the funds in this manner will not negatively impact on any class of creditor and, in the circumstances, is the most sensible option available.

Finance Birmingham have been consulted at all stages regarding the sale of the assets and the division of the funds between TRS and Elderworth and have provided their approval to the Joint Administrators' strategy.

Once the assets were removed from site and, all residual items have been disposed of, remedial works to the units were completed and they were offered for sale. Charterfields initially anticipated that realisations in respect of Unit 2 & 3 would be in the region of £225,000 and Units 7 & 8 would realise approximately £100,000 to £115,000 each. A significant level of interest was received and a sale of all four units for the combined price of £595,000 (plus associated VAT where applicable) was subsequently received.

The sale of the properties has recently completed resulting in realisation of £140,000 more than Charterfields had originally anticipated. As the sales completed outside of the statutory period covered by this report the proceeds of sale are not contained within the Receipts & Payments accounts.

Throughout the Administration period, we have continued to liaise with Charterfields, Finance Birmingham and the companies' director in relation to the sale of the goodwill and intellectual property. Whilst an offer was received from a potential third party purchaser, a sale could not be completed due to the lack of documentation available to support the intellectual property.

As the intellectual property is intrinsically linked to the companies' director, we have offered him the opportunity to acquire the companies' right to this should he wish to do so. This offer remains open should the companies' director wish to proceed.

## **Receipts and Payments**

Attached at Appendix 1 is our abstract of receipts and payments for the period from 5 December 2018 to 4 June 2019.

### **Receipts**

As stated above, there have been no receipts during the period of this report. However the sale of the Company's property has recently completed and therefore funds have been received in this respect outside of the statutory period covered by this report.

### **Payments**

#### Finance Birmingham

Finance Birmingham have received an interim floating charge distribution of £69,000.00.

#### Accountants Fee

Gregory Priestley Stewart have been paid £3,523.33 for their work on the Administration.

#### Administrator's Fee

The Joint Administrators have drawn £30,000.00 in remuneration in accordance with the resolutions gained.

#### Bank Charges

A total of £32.75 has been charged to the Joint Administrators' bank account.

#### Disbursements

Disbursements totalling £1.20 has been drawn in relation to postage.

#### Specific Bond

A total of £213.34 has been paid to Willis in relation to the statutory bond which has been placed to cover realisations into the case.

#### Statutory Advertising

A total of £72.00 has been paid to EPE Reynell in relation to advertising in the London Gazette.

#### Electricity

Expenses of £1,068.90 have been paid in relation to maintenance costs in respect of the Company's trading premises whilst we auctioned the assets of the Company.

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

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

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

#### General case administration and planning

The joint administrators have completed works required to maintain the administration including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the administration.

There will be no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be avoided.

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

The joint administrators have prepared and submitted to all relevant parties the statutory progress report pursuant to The Insolvency Act 1986 and have dealt with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

A statutory bond has been obtained by the joint administrators to cover any realisations into the case which may be available to the Company's creditors as a whole. Periodic reviews have been conducted to ensure that the administration is adequately bonded. Time has also been spent performing regular banking duties including posting, coding and reconciling.

Again, there will be no financial benefit to the creditors from the work carried out in this area. However, we have a duty to undertake this work and therefore, these costs cannot be avoided.

#### Investigations

There has been no time recorded in this category during the period of the report.

#### Realisation of assets

The Joint Liquidators have spent time liaising with Chartfields in relation to the sale of the Company's trading premises.

The work detailed has resulted in maximising the realisations achieved for the benefit of the Administration estate and the Company's creditors and was therefore paramount in achieving such an outcome. This will provide increased funds to be distributed to Finance Birmingham and also form the basis of a higher prescribed part element available to the unsecured creditors.

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

The joint administrators have spent time dealing with creditor queries as and when received.

Again, there has been no financial benefit but the work is required to ensure the Company's creditors are dealt with appropriately and in a timely manner.

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

Time has been spent writing to HMRC in relation to the option to tax on the properties mentioned above and submitting the relevant VAT returns required.

Again, there has been no direct financial benefit to the Administration estate from this work but it has been essential in ensuring that progress is made with various aspects of the Administration to date.

## 5. ESTIMATED OUTCOME FOR CREDITORS

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

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 creditor**

It remains unlikely that Finance Birmingham will be repaid in full via realisations specifically within TRS.

Creditors should note that Elderworth and Elderworth Properties have provided cross guarantees in respect of the outstanding sums due to Finance Birmingham and we anticipate that they will be called upon. In the event that any monies are advanced to Finance Birmingham from asset realisations within Elderworth and Elderworth Properties, these entities will take subrogated rights to Finance Birmingham's security should any additional realisations be achieved.

### **Preferential creditors**

As advised previously, there are no known preferential creditors and on this basis, we not anticipate receiving any preferential claims in this particular matter.

### **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 our statement of proposals.

As Finance Birmingham have received a distribution via the floating charge then the provisions of the Prescribed Part will apply. The total funds for the prescribed part is entirely dependant on the inter company claims and capital gains tax liability. An update will be provided very shortly when the property sale proceeds have been reconciled.

### **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 (other than via the prescribed part).

### **Effect of administration on limitation periods under the Limitation Act 1980**

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

## 6. REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by the secured creditors on 1 August 2018, by reference to the time properly given by us and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (SY) LLP in attending to matters as set out in the fees estimate. We are also authorised to draw disbursements for services provided by our firm and/or entities within the Begbies Traynor group, in accordance

with our firm's policy, details of which accompanied the Statement of proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 5 December 2018 to 4 June 2019 amount to £ 9,320.00 which represents 32.0 hours at an average rate of £ 291.25 per hour. Further information in relation to our time costs is set out at Appendix 2 and provides details of the work undertaken by us and our staff following our appointment only.

To 4 June 2019, we have drawn the total sum of £30,000.00 on account of our remuneration, against total time costs of £ 42,143.50 incurred since the date of our appointment.

### **Time Costs Analysis**

In addition to the time costs information disclosed at Appendix 2 for the period of this report, a cumulative Time Costs Analysis for the period from 5 June 2018 to 4 June 2019 is also attached at Appendix 2.

As can be seen from the information above, our previously approved estimate has not been exceeded. We are pleased to report that we do not anticipate that it is likely to be exceeded if matters progress to conclusion as envisaged.

### **Disbursements**

To 4 June 2019, we have also drawn disbursements in the sum of £1.20

### **Why have subcontractors been used?**

The choice of advisers and agents was based on our knowledge of the professional advisers experience and known ability to perform the type of work to be undertaken and also taking into account the complexity and nature of the assignment and the basis of their fee arrangements.

### **Category 2 Disbursements**

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 as follows:

<b>Other amounts paid or payable to the office holder's firm</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Bank Charges	2.00
<b>TOTAL</b>	<b>2.00</b>

'A Creditors Guide to Administrators' Fees (E&W) 2017' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at [www.begbies-traynor.com/creditorsguides](http://www.begbies-traynor.com/creditorsguides) Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

## **7. ADMINISTRATORS' EXPENSES**

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



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

Creditors will recall that we estimated that the expenses of the administration would total in excess of £10,000. 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**

In order to conclude the Administration, the following outstanding matters need to be finalised:

- Calculate any Capital Gains Tax applicable on the sale of the freehold properties in conjunction with GPS;
- Agree and discharge the outstanding property sale costs;
- Calculate a final distribution to Finance Birmingham;
- Discharge any intercompany liabilities arising as a result of Elderworth and Elderworth Properties discharging debts due to Finance Birmingham under the cross guarantees;
- Calculate and distribute a prescribed part settlement in respect of the floating charge distributions paid within TRS and Elderworth; and
- Determine whether or not the director intends to proceed with an acquisition of the intellectual property rights.

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

### General case administration and planning

The joint administrators will continue to complete works required to maintain the administration including periodically reviewing the case to ascertain which works remain outstanding and progressing the case to ensure all statutory requirements have been completed during the course of the administration and, in readiness for closure as and when we are able to do so.

There will be no financial benefit to creditors from our work in this area. However, we have a duty to undertake this work and therefore these costs cannot be avoided.

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

The joint administrators will prepare and submit to all relevant parties the statutory administrators' final progress report and receipts and payments account pursuant to The Insolvency Act 1986 and deal with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

A full review of the case will be conducted to ensure that all matters have been concluded in order that the case can proceed to closure as and when required.

Bond reviews will be regularly undertaken to ensure the level of bond remains at an appropriate amount.

Again, there will be no financial benefit to the creditors from the work carried out in this area. However, we have a duty to undertake this work and therefore, these costs cannot be avoided.

### Investigations

As a result of all investigations being concluded, we do not anticipate that any further time will be spent on this matter.

### Realisation of assets

As mentioned above, the sale of the Company's property's have recently completed. The joint administrators will incur time reconciling this and dealing with the matters raised above.

Such work will result in further enhancing the dividend prospects of the secured creditor as well as potentially providing an increased prescribed part allocation for the benefit of the unsecured creditors.

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

The joint administrators will assist with any creditor claims or queries going forward as and when required.

There is no financial benefit to such work but we are required to assist creditors where necessary.

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

The joint administrators will complete tax returns as required until the closure of the Administration.

There is no financial benefit to the creditors but the filing of these returns is a statutory requirement placed upon the joint administrators when accepting the appointment.

### **How much will this further work cost?**

Details of the anticipated costs have already been provided with previous reports and there is no current reason to anticipate that such costs will be exceeded in this particular case.

### **Expenses**

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as set out in the estimate of anticipated expenses sent to creditors on 30 July 2018 which included all of the expenses that we anticipate that we will incur throughout the Administration.

## **9. OTHER RELEVANT INFORMATION**

### **Report on Directors conduct**

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Energy and Industrial Strategy on the conduct of the director. We have complied with our duties in this respect.

### **Investigations completed**

As explained in our statement of proposals, we have undertaken an initial assessment of the manner in which the business was conducted prior to the Administration of the Company and potential recoveries for the estate in this respect. No further recoveries were identified and all investigations have been concluded.

### **Connected party transactions**

In our proposals we informed creditors of purported transfer of assets to the director of the Company in consideration of an injection of funds into the business. Finance Birmingham have confirmed that such actions were done without their consent and that any such assets remain caught under the security provided by the fixed and floating charge granted to them.

### **Extension of administration**

The administration has been extended for a period of 12 months with the consent of the secured creditor.

### **Proposed exit route from administration**

Creditors will recall that the joint administrators were of the opinion that the Company would have insufficient property to enable a distribution to be made to unsecured creditors (other than via the prescribed part). Consequently, it was envisaged that, once they were satisfied that all of their duties had been fully discharged and that the purpose of the Administration had been fully achieved, the joint administrators would deliver a notice of moving from Administration to dissolution to the Registrar of Companies. The joint administrators still consider that this is the most appropriate exit route from Administration for the Company.

### **Use of personal information**

Please note that in the course of discharging our statutory duties as Joint Administrators, 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 (other than pre-administration costs) which have been incurred during the period of this progress report.

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

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

## 11. CONCLUSION

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

A handwritten signature in black ink, consisting of a stylized 'J' followed by a long, horizontal, slightly wavy line.

**Joanne Louise Hammond**  
Joint Administrator

Dated: 2 July 2019

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 5 December 2018 to 4 June 2019

**Elderworth Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 05/12/2018 To 04/06/2019 £	From 05/06/2018 To 04/06/2019 £
	<b>SECURED ASSETS</b>		
(800,000.00)	Finance Birmingham	69,000.00	69,000.00
100,000.00	Freehold Land & Property	<u>NIL</u>	<u>NIL</u>
		(69,000.00)	(69,000.00)
	<b>ASSET REALISATIONS</b>		
Uncertain	Intercompany Loans	NIL	NIL
NIL	Motor Vehicles	NIL	NIL
300,000.00	Plant & Machinery	NIL	177,075.76
NIL	Shares - Elderworth Properties Limited	<u>NIL</u>	<u>NIL</u>
		NIL	177,075.76
	<b>COST OF REALISATIONS</b>		
	Accountants Fee	3,523.33	3,523.33
	Administrators' Fees		
	Pre-Appointment Fees	NIL	14,158.00
	Post Appointment Fees	30,000.00	30,000.00
	Agents/Valuers Fees (2)	NIL	20,632.95
	Bank Charges	32.75	31.75
	Disbursements		
	Postage	1.20	1.20
	Specific Bond	213.34	213.34
	Statutory Advertising		
	Advertising	<u>72.00</u>	<u>72.00</u>
		(33,842.62)	(68,632.57)
	<b>COSTS OF REALISATIONS</b>		
	Electricity	<u>1,068.90</u>	<u>1,068.90</u>
		(1,068.90)	(1,068.90)
	<b>UNSECURED CREDITORS</b>		
(4,358.00)	T Osborne	NIL	NIL
(1,492.00)	Trade Creditors	NIL	NIL
(412,169.00)	TRS Engineering Services Limited	NIL	NIL
(21,146.64)	Wesley John Osborne	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(2.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<b>(839,167.64)</b>		<b>(103,911.52)</b>	<b>38,374.29</b>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		38,374.29
			<b>38,374.29</b>

---

## TIME COSTS INFORMATION

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 5 December 2018 to 4 June 2019 and
- c. Cumulative Time Costs Analysis for the period from 5 June 2018 to 4 June 2019.

## **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. It also applies where payments are to be made to parties other than the firm, but in relation to which the office holder, the firm or any associate has an interest. Best practice guidance<sup>2</sup> 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.

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

- Car mileage is charged at the rate of 45 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

*Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the two categories referred to above, best practice guidance indicates that where

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

<sup>2</sup> Ibid 1



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.

***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 Insurance Services Limited ("EIS") to provide insurance broking services and specifically open cover insurance for the insurable risks relating to the case. The cost of open cover insurance will vary during the course of the case depending upon the value of the assets and liability risks. The costs of insurance cover for subsequent quarter periods will be dependent upon prevailing insurance market conditions and the ongoing insurable risks on the case.

In accordance with standard insurance industry practice, EIS will receive payment of commission for the services it provides from the insurer. The commission is calculated as a percentage of the insurance premiums payable and such percentage will depend upon the class or classes of assets being insured.

EIS will invoice the insolvent estate for the premium(s) due on the insurer's behalf and receive payment from the estate. EIS will in turn, account to the insurer for the premium(s) payable after deducting any commission payable by the insurer.

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

Grade of staff	Charge-out rate (£ per hour)
	1 December 2018 – until further notice
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Support	140

Prior to 1 December 2018, the following rates applied:

<b>Grade of staff</b>	<b>Charge-out rate (£ per hour)</b>
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Junior Administrator	110
Support	60 - 110

SIP9 Elderworth Limited - Administration - 91EL231.ADM : Time Costs Analysis From 05/12/2018 To 04/06/2019

Staff Grade	Consultant/Partner	Director	Snr Mngt	Mngt	Asst Mngt	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	0.4	3.5		0.1						4.0	1,790.00	447.50
Administration	0.1	0.4				0.9		1.6	0.9	4.1	808.00	197.07
<b>Total for General Case Administration and Planning:</b>	<b>0.5</b>	<b>3.9</b>		<b>0.1</b>		<b>0.9</b>		<b>1.6</b>	<b>0.9</b>	<b>8.1</b>	<b>2,498.00</b>	<b>307.74</b>
Compliance with the Insolvency Act, Rules and best practice												0.00
Appointment												
Banking and Bonding	0.1	0.2						0.9	6.4	7.6	1,160.50	152.70
Case Closure												0.00
Statutory reporting and statement of affairs		1.6				2.6		2.6	0.3	7.3	1,792.00	245.48
<b>Total for Compliance with the Insolvency Act, Rules and best practice:</b>	<b>0.1</b>	<b>2.0</b>				<b>2.6</b>		<b>3.5</b>	<b>6.7</b>	<b>14.9</b>	<b>2,952.50</b>	<b>198.15</b>
Investigations												0.00
CCDA and investigations												
<b>Total for Investigations:</b>												<b>0.00</b>
Realisation of assets												0.00
Debt collection												
Property, business and asset sales		7.7								7.7	3,426.50	445.00
Retention of Title/Third party assets												0.00
<b>Total for Realisation of assets:</b>		<b>7.7</b>								<b>7.7</b>	<b>3,426.50</b>	<b>445.00</b>
Trading												0.00
<b>Total for Trading:</b>												<b>0.00</b>
Dealing with all creditors claims (including employees), correspondence and distributions												0.00
Secured												
Others						0.1		0.2		0.3	50.50	169.33
Creditors committee												0.00
<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>						<b>0.1</b>		<b>0.2</b>		<b>0.3</b>	<b>50.50</b>	<b>169.33</b>
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel												0.00
Seeking decisions of creditors												
Meetings												0.00
Other												0.00
Tax		0.5							0.5	1.0	292.50	292.50
Litigation												0.00
<b>Total for Other matters:</b>		<b>0.5</b>							<b>0.5</b>	<b>1.0</b>	<b>292.50</b>	<b>292.50</b>
Total hours by staff grade:	0.6	14.1		0.1		3.6		5.5	8.1	32.0		
Total time cost by staff grade:	297.00	6,274.50		34.50		910.00		770.00	1,134.00	8,320.00		
Average hourly rate £:	495.00	445.00	0.00	345.00	0.00	225.00	0.00	140.00	140.00			261.25
Total fees drawn to date £:											0.00	

SIP9 Elderworth Limited - Administration - 91EL231.ADM : Time Costs Analysis From 05/06/2018 To 04/06/2019

Staff Grade	Consultant/Partner	Director	Snr Mgr	Mgr	Asst Mgr	Snr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	6.6	3.5		0.7						10.8	4,398.00	407.22
Administration	2.5	15.5		1.3	1.0	2.8	2.9	9.6	1.7	37.3	9,153.00	245.39
<b>Total for General Case Administration and Planning:</b>	<b>9.1</b>	<b>19.0</b>		<b>2.0</b>	<b>1.0</b>	<b>2.8</b>	<b>2.9</b>	<b>9.6</b>	<b>1.7</b>	<b>48.1</b>	<b>13,551.00</b>	<b>281.73</b>
Compliance with the Insolvency Act, Rules and best practice	1.6					0.6	3.6			5.8	1,223.00	210.86
Appointment												
Banking and Bonding	0.1	3.3		0.4	0.5			1.6	10.5	16.4	2,998.50	182.84
Case Closure												0.00
Statutory reporting and statement of affairs		19.6	0.5		3.9	2.9		3.4	0.6	30.9	9,046.00	292.75
<b>Total for Compliance with the Insolvency Act, Rules and best practice:</b>	<b>1.7</b>	<b>22.9</b>	<b>0.5</b>	<b>0.4</b>	<b>4.4</b>	<b>3.5</b>	<b>3.6</b>	<b>5.0</b>	<b>11.1</b>	<b>63.1</b>	<b>13,267.50</b>	<b>248.96</b>
Investigations	0.7	2.8		2.4						5.9	1,878.50	316.39
GDCA and investigations												
<b>Total for Investigations:</b>	<b>0.7</b>	<b>2.8</b>		<b>2.4</b>						<b>5.9</b>	<b>1,878.50</b>	<b>316.39</b>
Realisation of assets												0.00
Debt collection												
Property, business and asset sales		29.6								29.6	10,982.00	371.01
Retention of Title/3rd party assets												0.00
<b>Total for Realisation of assets:</b>		<b>29.6</b>								<b>29.6</b>	<b>10,982.00</b>	<b>371.01</b>
Trading												0.00
Trading												
<b>Total for Trading:</b>												<b>0.00</b>
Dealing with all creditors claims (including employees), correspondence and distributions	1.0									1.0	395.00	395.00
Secured												
Others						0.1		0.3		0.4	61.50	153.75
Creditors committee												0.00
<b>Total for Dealing with all creditors claims (including employees), correspondence and distributions:</b>	<b>1.0</b>					<b>0.1</b>		<b>0.3</b>		<b>1.4</b>	<b>456.50</b>	<b>326.07</b>
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel												0.00
Seeking decisions of creditors												
Meetings	0.5									0.5	197.50	395.00
Other		4.4								4.4	1,518.00	345.00
Tax		0.5							0.5	1.0	292.50	292.50
Litigation												0.00
<b>Total for Other matters:</b>	<b>0.5</b>	<b>4.9</b>							<b>0.5</b>	<b>6.9</b>	<b>2,008.00</b>	<b>340.34</b>
Total hours by staff grade:	13.0	79.2	0.5	4.8	5.4	6.4	6.5	14.9	13.3	144.0		
Total time cost by staff grade:	5,195.00	28,754.00	155.00	1,280.00	1,107.00	1,300.00	877.50	1,804.00	1,871.00		42,143.50	
Average hourly rate £:	396.52	363.06	310.00	266.67	205.00	203.13	135.00	121.07	125.64			292.66
Total fees drawn to date £:											0.00	

## STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities <b>not</b> within the Begbies Traynor Group				
Accountants Fee	Gregory Priestly Stewart	3,523.33	3,523.33	-
Bank Charges	Svenska Handelsbanken	32.75	32.75	-
Specific Bond	Willis	213.34	213.34	-
Statutory Advertising	EPE Reynell	72.00	72.00	-

## CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Agents/Valuers Fees	Charterfields Ltd	20,632.95

As stated in the above report, Eddisons Insurance Services Limited have incurred insurance costs relating to open cover placed over the company's trading premises whilst the sale was completed. We are awaiting confirmation of the outstanding costs.