

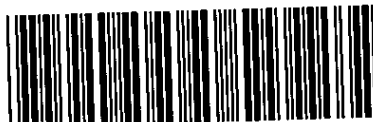
# LIQ03

## Notice of progress report in voluntary winding up



Companies House

SATURDAY



A21 \*A6F3301S\* #217  
16/09/2017  
COMPANIES HOUSE

For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 0 3 0 8 8 0 0 3

Company name in full SWC Scarborough Limited

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

### 2 Liquidator's name

Full forename(s) Julian

Surname Pitts

### 3 Liquidator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds

Postcode L S 1 2 H J

Country

### 4 Liquidator's name

Full forename(s) Lee

Surname Lockwood

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

### 5 Liquidator's address

Building name/number Fourth Floor

Street Toronto Square

Post town Toronto Street

County/Region Leeds


Postcode L S 1 2 H J

Country

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

# LIQ03

## Notice of progress report in voluntary winding up

<b>6</b>	<b>Period of progress report</b>															
From date	d	1	d	0	m	0	m	8	y	2	y	0	y	1	y	6
To date	d	0	d	9	m	0	m	8	y	2	y	0	y	1	y	7
<b>7</b>	<b>Progress report</b>															
<input checked="" type="checkbox"/> The progress report is attached																
<b>8</b>	<b>Sign and date</b>															
Liquidator's signature	Signature 															
Signature date	d	1	d	5	m	0	m	9	y	2	y	0	y	1	y	7

LIQ03

## Notice of progress report in voluntary winding up

**Presenter information**

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

Contact name	Amelia Blythe
Company name	Begbies Traynor (Central) LLP
Address	Fourth Floor
	Toronto Square
Post town	Toronto Street
County/Region	Leeds
Postcode	L S 1 2 H J
Country	
DX	
Telephone	0113 244 0044

**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)

**SWC Scarborough Limited**  
**(In Liquidation)**  
**Joint Liquidators' Summary of Receipts & Payments**

Statement of Affairs £		From 10/08/2016 To 09/08/2017 £	From 10/08/2016 To 09/08/2017 £
(371.16)	<b>SECURED CREDITORS</b>		
	DLA Paul Richings	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
NIL	Book Debts	NIL	NIL
4,872.89	Corporation Tax Refund	NIL	NIL
17,531.88	VAT Refund	NIL	NIL
1,210.23	Cash at Bank	1,734.48	1,734.48
NIL	Investment in Subsidiary Co	NIL	NIL
	Bank Interest Gross	0.58	0.58
360.00	Refund on fuel cards	NIL	NIL
		1,735.06	1,735.06
	<b>COST OF REALISATIONS</b>		
	Statutory Advertising	253.80	253.80
		(253.80)	(253.80)
	<b>UNSECURED CREDITORS</b>		
(60.00)	Trade Creditors	NIL	NIL
(608,523.58)	HMRC (non VAT) (contingent)	NIL	NIL
(526.06)	Inter company debt	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(2.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(585,507.80)</b>		<b>1,481.26</b>	<b>1,481.26</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		50.76
	Bank 1 Current		1,430.50
			<b>1,481.26</b>

  
Julian Pitts  
Joint Liquidator

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## **SWC Scarborough Limited (In Creditors' Voluntary Liquidation)**

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Progress report

Period: 10 August 2016 to 9 August 2017

### **Important Notice**

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

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## **Contents**

- ☐ Interpretation
- ☐ Company information
- ☐ Details of appointment of liquidators
- ☐ Progress during the period
- ☐ Estimated outcome for creditors
- ☐ Remuneration and disbursements
- ☐ Liquidators' expenses
- ☐ Assets that remain to be realised and work that remains to be done
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- ☐ Creditors' rights
- ☐ Conclusion
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  - 1. Liquidators' account of receipts and payments
  - 2. Liquidators' time costs and disbursements
  - 3. Statement of Liquidators' expenses

# 1. INTERPRETATION

<b><u>Expression</u></b>	<b><u>Meaning</u></b>
"the Company"	SWC Scarborough Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 10 August 2016.
"the liquidators", "we", "our" and "us"	Julian Pitts of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ and Lee Lockwood of Begbies Traynor (Central) LLP, Fourth Floor, Toronto Square, Toronto Street, Leeds, LS1 2HJ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency (England and Wales) Rules 2016
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act); and  (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

## 2. COMPANY INFORMATION

Trading names:	SCW Trade Frames Limited
Company registered number:	03088003
Company registered office:	Toronto Square, Toronto Street, Leeds, LS1 2HJ
Former trading address:	Unit 1, The Gateway, Dunslow Road, YO11 3UT

## 3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	10 August 2016
Date of liquidators' appointment:	10 August 2016
Changes in liquidator (if any):	None

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 10 August 2016 to 9 August 2017. My comments on the items appearing are as follows:

### RECEIPTS

#### Cash at Bank

The sum of £1,734 was held in the Company's bank account on the date of appointment. This amount was subsequently transferred to the account operated by the Joint Liquidators.

#### Bank Interest

Bank interest has accrued on funds held by the Joint Liquidators.

### PAYMENTS

#### Statutory Advertising

The sum of £254 has been paid to Courts Advertising Limited in respect of our statutory advertising requirements in the liquidation.

**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.

#### General case administration and planning

The Joint Liquidators are required to maintain records that demonstrate how the case has been administered and to document any reasons for decisions that have been made. Regular reviews are undertaken of the case to ensure that the case is being carried out efficiently and for the benefit of creditors.

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

The Insolvency Act and Rules require that the Joint Liquidators produce interim progress reports on an annual basis to provide an update to the creditors on the progress made during the liquidation.

The time spent preparing notices following the appointment of the Joint Liquidators has been recorded during this period. Appointment notices and other statutory documentation must be filed with the Registrar of Companies under the Act.

The Liquidators have also periodically monitored realisations and compared this to the bond level to ensure that sufficient cover is in place at all times, in order to protect the interest of the Company's creditors.

#### Investigations

Creditors may be aware that the Company incentivised its employees by way of a tax planning scheme. This scheme was subject to enquiry by HMRC who had issued determinations for tax due. The Company therefore has liabilities which the Company is unable to pay as and when they fall due. Consequently, the Company would be deemed insolvent if the liability to HMRC is valid. The determinations issued are disputed by the directors and the scheme providers, and are therefore being appealed against.

Due to the complex nature of the case, time has been spent investigating the affairs of the Company. The Joint Liquidators have also considered the conduct of the Company's directors and have made an appropriate submission to the Department for Business, Energy and Industrial Strategy.

We are reviewing the avoidance schemes, business transfer and director loan accounts of the Company and have enlisted the help of our solicitors, Squire Patton Boggs, and our forensics team to assist with our investigations. These investigations are ongoing.

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

Following appointment, the Joint Liquidators received queries from HMRC who required further information as to the liquidation and the Company prior to our appointment. Claims have been received in addition to the liabilities shown in the Statement of Affairs, as HMRC have issued determinations for tax which they believe to be due. Time under this heading has therefore been spent corresponding with creditors.

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

During the period, time has been spent corresponding with the principal creditor, HMRC, and with the Company's Directors and former accountants. Time under this heading largely refers to responding to queries from HMRC in respect of their own investigations and in relation to VAT matters. The Joint Liquidators have also been in correspondence with the providers of the tax schemes.

## 5. ESTIMATED OUTCOME FOR CREDITORS

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

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**

Paul Richings and Susan Richings hold fixed and floating charges over the property of the Company. This charge remains unsatisfied.

As stated in the Statement of Affairs, the directors are owed £371 by way of loans made to the Company. We are seeking to establish the validity of both the security and the debt due.

### **Preferential creditors**

There are no known preferential claims.

### **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**

The outcome for creditors is dependent upon any recovery obtained as a result of our investigations.

## **6. REMUNERATION & DISBURSEMENTS**

#### **Remuneration**

Our remuneration has been fixed by a resolution of creditors by correspondence 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 winding up as set out in the fees estimate dated 11 August 2016 in the sum of £30,115 and we are 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, which is attached at Appendix 2 of this report.

Our time costs for the period from 10 August 2016 to 9 August 2017 amount to £16,849 which represents 71 hours at an average rate of £239 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2:

- ☐ Time Costs Analysis for the period 10 August 2016 to 9 August 2017
- ☐ Begbies Traynor (Central) LLP's charging policy

To 9 August 2017, we have not drawn any amount on account of our remuneration, against total time costs of £16,849 incurred since the date of our appointment.

#### **Time Costs Analysis**

The Time Costs Analysis for the period of this report attached at Appendix 2 shows the time spent by each grade of staff on the different types of work involved in the case, and gives the total costs and average hourly rate charged for each work type.

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

As can be seen from the information above, and the Time Costs Analysis, our fees 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.

#### **Work undertaken prior to appointment**

In addition to the post appointment time costs detailed in the Time Costs Analysis, the costs relating to work undertaken prior to our appointment in summoning, advertising and holding the creditors' meeting and assisting the directors in preparing the statement of affairs were approved by the creditors on 10 August 2016, at the Section 98 meeting.

#### **Disbursements**

To 9 August 2017 we have not drawn any disbursements.

## Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements have been charged to the case since the date of our appointment:

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage	40.50
TOTAL	40.50

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](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. LIQUIDATORS' EXPENSES

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

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

Creditors will recall that we estimated that the expenses of the liquidation would total £5,826. That estimate has been exceeded due to enlisting the services of our solicitors, Squire Patton Boggs, in assisting in the investigations detailed in Section 4 of this report. Squire Patton Boggs have incurred costs of £2,512 to date.

## 8. ASSETS THAT REMAIN TO BE REALISED AND WORK THAT REMAINS TO BE DONE

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

### General case administration and planning

The Joint Liquidators will continue to act in the best interest of creditors by completing regular case reviews and noting decisions that materially affect the case. The case strategy will be amended as the case progresses, and crucially after the judicial review. Costs are therefore likely to remain similar to those incurred during this period.

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

The Joint Liquidators will continue to produce annual reports for creditors by way of update that will be sent to the Registrar of Companies.

A final report will be produced and also sent to the Registrar of Companies once it is considered that the liquidation can be brought to an end.

### Investigations

The Company has been subject to investigations by HMRC in relation to an avoidance scheme. Determinations have been raised by HMRC which are under appeal. These appeals are ongoing and it is expected that we will have to spend time in dealing with the HMRC claim and ongoing appeals. We continue to progress our investigation and hope to seek a settlement with regard to claims that have been identified.

### Realisation of assets

Subject to the outcome of our investigations we anticipate that we will seek a settlement of claims identified. If this is not possible, additional steps may need to be considered.

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

Creditor queries generally increase following an annual report. Further time under this heading is dependent on realisations, as time will be incurred in agreeing creditor's claims and distributing funds to creditors.

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

As detailed above, the Company has been subject to investigations by HMRC in relation to an avoidance scheme. Determinations have been raised by HMRC which have been appealed previously. In addition, the Company will need to file a tax return following the anniversary of the Liquidation.

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

The cost of further work depends largely on the outcome of the judicial review and our continuing investigations, and whether or not our investigations enable a dividend to creditors. We estimate that our further costs may exceed our fee estimate dated 11 August 2017 and we will write to creditors at the appropriate time should this be necessary.

### **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 11 August 2016, which included all of the expenses that we anticipate that we will incur throughout the liquidation.

## **9. 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 Energy and Industrial Strategy. We can confirm that we have discharged our duties in these respects.

### **Connected party transactions**

We are also undertaking a review of the sale of the Company's business which took place in the year prior to our appointment. Details of the sale are as follows:

Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
31 March 2016	Trade, Business , Trading Name & Business Assets including Stock	Consideration of £5,011,155.00 was settled by way of inter-company deferred debt. This debt was subsequently assigned to the directors of the Company, in lieu of sums due to them.	SWC Trade Frames Limited (09949380)	Shared directors and trading name

## 10. CREDITORS' RIGHTS

### Right to request further information

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

### Right to make an application to court

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

## 11. CONCLUSION

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



**Julian N R Pitts**  
Joint Liquidator

Dated: 15 September 2017

# ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 10 August 2016 to 9 August 2017

S of A £		£	£
	SECURED CREDITORS		
(371.16)	DLA Paul Richings	<u>NIL</u>	NIL
	ASSET REALISATIONS		
NIL	Book Debts	NIL	
4,872.89	Corporation Tax Refund	NIL	
17,531.88	VAT Refund	NIL	
1,210.23	Cash at Bank	1,734.48	
NIL	Investment in Subsidiary Co	NIL	
	Bank Interest Gross	0.58	
360.00	Refund on fuel cards	<u>NIL</u>	1,735.06
	COST OF REALISATIONS		
	Statutory Advertising	<u>253.80</u>	(253.80)
	UNSECURED CREDITORS		
(60.00)	Trade Creditors	NIL	
(608,523.58)	HMRC (non VAT) (contingent)	NIL	
(526.06)	Inter company debt	<u>NIL</u>	NIL
	DISTRIBUTIONS		
(2.00)	Ordinary Shareholders	<u>NIL</u>	NIL
<u>(585,507.80)</u>			<u><u>1,481.26</u></u>
	REPRESENTED BY		
	Vat Receivable		50.76
	Bank 1 Current		1,430.50
			<u><u>1,481.26</u></u>

## TIME COSTS AND DISBURSEMENTS

- a. Begbies Traynor (Central) LLP's charging policy; and
- b. Time Costs Analysis for the period from 10 August 2016 to 9 August 2017.



## **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):

- 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 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;

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

<sup>2</sup> Ibid 1

*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 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 Commercial Limited to provide valuation advice in relation to the Company's plant and machinery and to provide assistance in the disposal of part of the Company's business. Their charges will be calculated on a time costs basis at the prevailing hourly rates for their various grades of staff which are currently as follows:

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

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 set out above:

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 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.

(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

**Additional payments received by Eddisons Commercial Limited from purchasers where assets are disposed of by way of auction**

In addition to the charges of Eddisons Commercial Limited detailed above for providing the services to the office holder, where any machinery and business assets (other than freehold/leasehold property) are disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's premium, equivalent to 15% of the successful bid. Where any freehold/leasehold property is disposed of by way of auction, Eddisons Commercial Limited will also receive a payment from the purchaser, known as a buyer's administration fee, in the sum of £600. It is standard auction industry practice for a buyer's premium and buyer's administration fee to be charged. The buyer's premium and buyer's administration fee is paid by the purchaser of the assets and is not paid by the office holder from the assets of the estate.

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

Grade of staff	Charge-out rate (£ per hour)
	1 May 2011 – until further notice
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

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.

SIP9 SWC Scarborough Limited - Creditors Voluntary Liquidation - 80SW045.CVL : Time Costs Analysis From 10/08/2016 To 09/08/2017

Staff Grade	Consultant/Partner	Director	Snr Mgr	Mgr	Asst Mgr	Snr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning	4.0	0.7					2.4		7.1	2,065.50	289.73
	Administration		5.1					12.0	0.7	17.8	3,156.50	177.33
	Total for General Case Administration and Planning:	4.0	5.8					14.4	8.7	24.9	5,245.00	210.52
	Appointment	0.5						7.2	0.2	7.9	1,011.50	128.04
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding						0.7	0.2	0.3	1.2	149.50	124.58
	Case Closure											0.00
	Statutory reporting and statements of affairs		0.4					0.4		0.8	182.00	227.50
	Total for Compliance with the Insolvency Act, Rules and best practice:	0.5	0.4				0.7	7.8	0.5	9.9	1,343.00	135.66
Investigations	GDPA and investigations	7.4	5.7	4.0			1.5	2.7		21.3	5,365.50	251.57
	Total for investigations:	7.4	5.7	4.0			1.5	2.7		21.3	5,365.50	251.57
Realisation of assets	Debt collection											0.00
	Property, business and asset sales											0.00
	Retention of Third/Party assets											0.00
	Total for Realisation of assets:											0.00
Trading	Trading											0.00
	Total for Trading:											0.00
Dealing with all creditors claims (including employees), correspondence and distributions	Secured											0.00
	Others	1.8	1.2							3.0	1,125.00	375.00
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions:	1.8	1.2							3.0	1,125.00	375.00
Other matters which includes meetings, tax, litigation, pensions and travel	Seeking decisions of creditors including meetings	1.5								1.5	592.50	395.00
	Other											0.00
	Tax	1.5	7.1				0.1	1.2		9.9	3,167.50	321.87
	Litigation											0.00
	Total for Other matters:	3.0	7.1				0.1	1.2		11.4	3,785.00	331.58
	Total hours by staff grade:	16.7	20.2	4.0			2.3	26.1	1.2	70.5		
	Total time cost by staff grade:	6,051.00	6,969.00	535.00			310.50	2,871.00	132.00		16,848.00	
	Average hourly rate £:	361.14	345.00	133.75	0.00	0.00	135.00	110.00	110.00			238.89
	Total fees drawn to date £:										0.00	

# 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 <b>not</b> within the Begbies Traynor Group				
Advertising	Courts Advertising Limited	253.80	253.80	-
Bond	Marsh Limited	20.00	-	20.00
Legal costs	Squire Patton Boggs	2,511.50	-	2,511.50
Expenses incurred with entities within the Begbies Traynor Group ( <i>for further details see Begbies Traynor Charging Policy</i> )				
Mileage	Begbies Traynor (Central) LLP	40.50	-	40.50