

# AM10

## Notice of administrator's progress report



Companies House

THURSDAY



A16

\*A93KPC94\*  
23/04/2020  
COMPANIES HOUSE

#82

### 1 Company details

Company number 0 0 3 0 0 7 9 2

Company name in full Branta Group Limited

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

### 2 Administrator's name

Full forename(s) Claire Elizabeth

Surname Dowson

### 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) Kris Anthony

Surname Wigfield

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.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 6	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 1	<sup>d</sup> 5	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0

### 7 Progress report

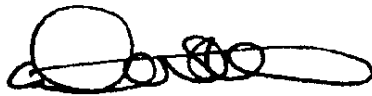
☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 4	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
----------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

AM10

Notice of administrator's progress report



**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 **Kerry Norton**

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

Address  
**3rd Floor, Westfield House**  
**60 Charter Row**

Post town **Sheffield**

County/Region

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)

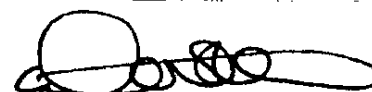
**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**

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

Statement of Affairs £		From 16/10/2019 To 15/04/2020 £	From 16/10/2019 To 15/04/2020 £
	<b>SECURED ASSETS</b>		
9,300.00	Goodwill/Records/IP	9,300.00	9,300.00
		9,300.00	9,300.00
	<b>SECURED CREDITORS</b>		
(130,151.99)	ABN AMRO Commercial Finance	NIL	NIL
180,442.01	Book Debts	NIL	NIL
		NIL	NIL
	<b>HIRE PURCHASE</b>		
(434.00)	Hyundai Finance	NIL	NIL
4,000.00	Aislemaster Forklift Truck	NIL	NIL
(3,261.65)	Aldermore	NIL	NIL
(433.44)	Aldermore	NIL	NIL
2,500.00	Anytron Printer	NIL	NIL
6,700.00	Hyundai i40	(6,700.00)	(6,700.00)
(11,734.06)	Investec	NIL	NIL
1,500.00	Sontex Pallet Wrapper	NIL	NIL
		6,700.00	6,700.00
	<b>ASSET REALISATIONS</b>		
	Bank Interest Gross	10.22	10.22
	Book Debt Surplus - ABN AMRO	35,840.48	35,840.48
26,787.91	Cash at Bank	26,782.41	26,782.41
1,000.00	Office Furniture & Equipment	1,000.00	1,000.00
15,000.00	Plant & Machinery	15,000.00	15,000.00
25,000.00	Stock	25,000.00	25,000.00
		103,633.11	103,633.11
	<b>COST OF REALISATIONS</b>		
	Administrators' Fees		
	Pre Appointment Fees	17,672.50	17,672.50
	Post Appointment Fees	31,949.50	31,949.50
	Agents/Valuers Fees		
	Pre Appointment Fees	7,817.00	7,817.00
	Bank Charges	5.20	5.20
	Disbursements		
	Postage	186.02	186.02
	Legal Fees		
	Pre Appointment Fees	11,750.00	11,750.00
	Pre Appointment Disbursements	130.60	130.60
	Pension Advice	550.00	550.00
	Specific Bond	210.00	210.00
	Statutory Advertising		
	Advertising	75.00	75.00
		(70,345.82)	(70,345.82)
	<b>PREFERENTIAL CREDITORS</b>		
(362.66)	Employees re Arrears/Hol Pay	NIL	NIL
Uncertain	Pension Contributions	NIL	NIL
(5,837.63)	RPO re Arrears/Holiday Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(1,633.55)	B & C E The Peoples Pension	NIL	NIL
(50,000.00)	Directors Loan Account (DMWB)	NIL	NIL
(250,000.00)	Directors Loan Account (KMB)	NIL	NIL
(1,265.72)	Employees	NIL	NIL

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

Statement of Affairs £		From 16/10/2019 To 15/04/2020 £	From 16/10/2019 To 15/04/2020 £
Uncertain	H M Revenue & Customs (CT)	NIL	NIL
(4,155.56)	H M Revenue & Customs (PAYE)	NIL	NIL
(164,699.31)	H M Revenue & Customs (VAT)	NIL	NIL
(60,483.61)	Redundancy Payments Office	NIL	NIL
(404,356.30)	Trade Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(75,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(891,579.56)</b>		<b>49,287.29</b>	<b>49,287.29</b>
	<b>REPRESENTED BY</b>		
	Bank 1 Current		46,639.16
	Fixed Charge VAT Payable		(3,200.00)
	Vat Payable		(8,200.00)
	Vat Receivable		14,048.13
			<b>49,287.29</b>



Claire Elizabeth Dowson  
Joint Administrator

Claire Elizabeth Dowson and Kris Anthony Wigfield were appointed joint administrators on 16 October 2019

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.

---

## **Branta Group Limited (In Administration)**

---

Progress report of the joint administrators

Period: 16 October 2019 to 15 April 2020

### **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
- ☐ Pre-administration costs
- ☐ 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"	Branta Group Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 16 October 2019
"the administrators" "we" "our" and "us"	Claire Elizabeth Dowson of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Kris Anthony Wigfield of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
"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	Branta Group Limited
Trading name(s):	Branta Group Limited
Date of Incorporation:	16 May 1935
Company registered number:	00300792
Company registered office:	3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ

# 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators:	Claire Elizabeth Dowson, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
------------------------------	--



	and Kris Anthony Wigfield, a Licensed Insolvency Practitioner of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
Date of administrators' appointment:	16 October 2019 – Claire Elizabeth Dowson 16 October 2019 – Kris Anthony Wigfield
Date of administrators' resignation:	N/A
Court:	High Court of Justice Business & Property Courts In Manchester Insolvency & Companies List (Ch D)
Court Case Number:	001029 of 2019
Person(s) making appointment / application:	Mr Dominic Miles William Barnes and Keith Miles Barnes the directors of the Company c/o Unit 3a, Skelmanthorpe Technology Park, Huddersfield, West Yorkshire HD8 9GA.
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	There have been no previous extensions to the administration period.

## 4. PROGRESS DURING THE PERIOD

### Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 16 October 2019 to 15 April 2020. Detailed below is an explanation of the transactions which have occurred during the period covered by this report.

### Receipts

#### **Goodwill, Records, Intellectual Property, Motor Vehicle, Plant & Machinery, Office Furniture & Equipment and Stock**

As detailed within the joint administrators SIP16 Disclosure Notice circulated within the Proposals previously to the Company's creditors, the Company's business and assets were sold to two separate companies, Biobax Limited ("Biobax") and Cleansafe Limited ("Cleansafe"). Biobax is a connected party to the Company by way of a common director and shareholder. Full details regarding the connected parties are provided in our Proposals.

Biobax and Cleansafe purchased certain assets for the sums of £22,000.00 plus VAT and £35,000.00 plus VAT respectively, with both sales completing upon the joint administrators appointment on 16 October 2019 and the sales consideration being received in full, on the same date. A full breakdown of the assets involved were circulated previously as detailed above. As the consideration has been received in full, no further funds are due from this source.

### **Book Debt Surplus**

Upon the joint administrators appointment, the Company had an outstanding book debt ledger which was being pursued by the factoring company, ABN AMRO Commercial Finance Plc ("ABN AMRO") in-house. Subsequently, ABN AMRO advised that they had been repaid their indebtedness in full and were in a position to reassign the ledger back to the Company together with the surplus funds which they were holding.

This resulted in a reassigned ledger totalling £59,667.10 being received from ABN AMRO for the joint administrators to commence pursuing, together with surplus funds totalling £35,840.48 being received into the administration estate.

### **Cash at Bank**

Upon the appointment of the joint administrators, the Company's bank account was in credit to the sum of £26,782.41 which was subsequently transferred to the estate bank account by HSBC Bank plc ("HSBC").

### **Bank Interest Gross**

Funds totalling £10.22 have been received and relate to the interest which has accrued on the funds held within the joint administrators bank account.

### **Payments**

#### **Specific Bond**

The joint administrators have obtained a statutory bond to cover all realisations into the estate. The sum of £210.00 has been discharged in this regard.

#### **Administrators Fees – Pre Appointment**

The joint administrators have drawn their pre appointment remuneration totalling £17,672.50 as detailed within their proposals, which was agreed by the Company's secured and preferential creditors on 5 November 2019.

#### **Administrators Fees – Post Appointment**

In addition to the above, the joint administrators have also drawn their post appointment remuneration in the sum of £31,949.50 which falls in line with the previously agreed fee estimate on the date detailed above.

#### **Pension Advice**

The joint administrators instructed UKELC & Co Limited ("UKELC") to provide assistance with regard to the submission of the RP15/RP15A Form in respect of the pension reclaim. As a result, the sum of £550.00 has been discharged.

#### **Disbursements**

The sum of £186.02 has been discharged in respect of disbursements incurred to date. A full breakdown of which is detailed in Section 7 of this report.

#### **Agents Fees – Pre Appointment**

Sanderson Weatherall ("Sandersons") were instructed to provide assistance with valuing the Company's assets, marketing the business for sale as a going concern and negotiating with interested parties in relation to the sale of the Company's assets to both Biobax and Cleansafe. Such work resulted in funds totalling £7,817.00 being discharged to Sandersons.

## **Legal Fees & Disbursements – Pre Appointment**

Freeths LLP ("Freeths") were instructed to draft the appointment paperwork on behalf of the joint administrators and to arrange for such documentation to be filed at Court. In addition, they drafted the two sale and purchase agreements in respect of the sale of the Company's business and assets to both Biobax and Cleansafe. As a result, funds totalling £11,880.60 have been discharged to Freeths.

## **Statutory Advertising**

The joint administrators have arranged for their appointment to be advertised within the London Gazette in line with their statutory duties, which has resulted in the sum of £75.00 being incurred and discharged in this regard.

## **Bank Charges**

The sum of £5.20 has been incurred and discharged to Santander and relates to charges incurred in operating the administration bank account by way of receiving and sending funds.

## **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 administrators' have arranged for the Company's statutory information that is within their possession to be reviewed and updated onto their systems to enable the relevant statutory documentation to be issued. In addition, the statutory checklists have been completed to ensure that the necessary paperwork following the joint administrators' appointment has been issued where relevant.

A case specific diary template has been added to the joint administrators' system, which assists the joint administrators in keeping all statutory matters up to date. This has been updated periodically to ensure that all statutory matters have been completed on the statutory due dates.

Also, correspondence has been issued to the directors for information which remains outstanding to enable the joint administrators to comply with their statutory duties.

Time has been spent updating internal systems to ensure that all information required to allow the joint administrators to effectively manage the administration of the case has been obtained and held.

We have formulated an appropriate strategy and monitored and reviewed that strategy to ensure that the case is administered and progressed efficiently.

Whilst such works have not necessarily benefitted creditors financially, they were necessary to ensure the efficient and compliant progression of the administration, which ensures that the joint administrators and their staff carry out their work to high professional standards.

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

Upon appointment, the joint administrators issued statutory notices of their appointment to the Company's creditors, members, H M Revenue & Customs ("HMRC") and to the Registrar of Companies. In addition, they requested an advert confirming their appointment be placed in the London Gazette.

A statutory bond has been requested to cover the realisations received into the case for the benefit of the Company's creditors. Periodic bond reviews have been carried out to ensure that the case remains adequately bonded for throughout the administration process.

An estate bank account has been opened and monthly bank reconciliations have been carried out to ensure that all receipts and payments have been posted to the system correctly and are accounted for.

Creditors have been provided with the joint administrators Proposals and SIP16 Disclosure Notice together with this report providing an update on the progress of the administration. Requests for the approval to various resolutions have also been issued to the Company's secured creditors, HSBC and ABN AMRO.

The joint administrators have requested that the Company's registered office be changed to that of the practice.

This work does not benefit creditors financially but is necessary in accordance with the Insolvency Act, Rules and best practice.

#### Investigations

The joint administrators have reviewed the Company's records which are available to them, carried out a review of the transactions which have occurred within the Company's bank account and reviewed the Company's filed accounts during their investigation procedure required to enable them to submit their confidential report on the directors' conduct to the Insolvency Service, online.

The above work has not provided any financial benefit to the Company's creditors however, such work is a statutory requirement which the joint administrators must adhere to.

#### Realisation of assets

As stated in the joint administrators Proposals and in the SIP16 Disclosure Notice, the assets of the business were sold on the date of the joint administrators' appointment. Time has therefore been spent finalising this sale with the assistance from our solicitors, Freeths.

In addition, time has been spent liaising with ABN AMRO with regard to the reassignment of the debtor ledger and surplus funds. This has involved a full reconciliation of the funds received which has included liaising with the purchasers of the Company's business with regard to receipts received etc.

The above may ultimately result in increased realisations for the benefit of the estate, however it is not currently possible to quantify the same until such time as letters have been issued to the outstanding debtors.

#### Trading

As the joint administrators did not trade the Company's business, no time has been spent on this particular matter.

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

We have corresponded with HSBC and ABN AMRO to confirm our appointment and the completion of the sale agreements.

We have also issued notices of our appointment to creditors as required. Communications have also been entered into with the Company's creditors by way of verbal and written communications in respect of their claims and queries received.

Steps have also been taken to arrange for the employees claims to be entered onto the joint administrators system and the RP14 and RP14A submitted to The Redundancy Payments Office.

This work will not result in a direct financial benefit to creditors but dealing with their queries is necessary.

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

During the course of administering the case, decisions have been sought from creditors on various resolutions, including the basis of the joint administrators' remuneration and whether a creditors committee be formed. Such resolutions were obtained and no creditors committee was formed.

The joint administrators have issued form VAT 769 to HMRC in order to provide the Crown with formal notification of the insolvency proceedings.

VAT and Tax returns have also been submitted as and when these have fallen due. As detailed above, we are also duty bound to provide notifications and further assistance to pensions departments where applicable. Steps have therefore been taken to liaise with the pension provider in respect of the submission of the RP15/RP15A form.

There may not be any obvious financial benefit to creditors, but all work carried out would likely be considered necessary for the administration and progression of the case. Creditors will be notified of all of our actions in the progress and/or final reports issued.

## 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 creditors**

As advised within our Proposals, whilst HSBC had a debenture dated 29 October 2003 registered against the Company at Companies House, HSBC confirmed that no funds remained outstanding to them from the Company as at the date of our appointment.

ABN AMRO has a fixed and floating charge dated 1 May 2013 registered against the Company at Companies House. ABN AMRO have now been repaid in full under the provisions of their fixed charge security through the collection of outstanding book debts. Therefore, no further monies remain due to ABN AMRO in this regard.

### **Preferential creditors**

We consider that there are likely to be sufficient funds for a dividend to be paid to preferential creditors. This is however entirely dependent upon the level of realisations received from the reassigned debtor ledger.

We continue to await information to enable the pension reclaim to be finalised. Until such time as this is received, we are unable to confirm whether any element will be of a preferential nature.

### **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.

Despite ABN AMRO's charge being dated after 15 September 2003, as ABN AMRO have been paid in full under their fixed charge security, through the collection of outstanding book debts, and not under their floating charge security, the prescribed part will not apply.

### **Unsecured creditors**

Based upon realisations to date and estimated future realisations it is anticipated that there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors, following the payment of administration costs.

### **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. PRE-ADMINISTRATION COSTS**

On 5 November 2019 the following amounts in respect of unpaid pre-administration costs were approved by the secured and preferential creditors:

<b>Description</b>	<b>Name of recipient</b>	<b>Net amount £</b>	<b>VAT £</b>	<b>Gross amount £</b>
Our fees in relation to the Work	Begbies Traynor (SY) LLP	17,672.50	3,534.50	21,207.00
Legal costs and disbursements	Freeths	11,861.70	2,352.34	14,214.04
Agents costs and disbursements	Sandersons	7,817.00	1,563.40	9,380.40
<b>TOTAL PRE-ADMINISTRATION COSTS</b>		<b>37,351.20</b>	<b>7,450.24</b>	<b>44,801.44</b>

## **7. REMUNERATION & DISBURSEMENTS**

Our remuneration has been fixed by the secured and preferential creditors on 5 November 2019 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 dated 23 October 2019 in the sum of £89,554.00.

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 16 October 2019 to 15 April 2020 amount to £41,257.00 which represents 153.4 hours at an average rate of £268.95 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 15 April 2020, we have drawn the total sum of £31,949.50 on account of our remuneration, against total time costs of £41,257.00 incurred since the date of our appointment.

As this is our first progress report since the basis of our remuneration was fixed, we are obliged to provide creditors with details of the costs incurred in the period since appointment and a description of the work undertaken for the period since our appointment. Full details are included in Section 4 of this report.

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 15 April 2020, we have also drawn disbursements in the sum of £396.02.

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

Sandersons were instructed to formally value the Company's business and assets by the proposed joint administrators. Sandersons subsequently dealt with the marketing of the business for sale as a going concern. Sandersons were instructed based on their knowledge of insolvency procedures and experience of dealing with such matters.

Freeths were instructed to deal with the formalities of applying to Court for a Notice of Intention to Appoint Administrators ("NOI") on behalf of the directors. It was necessary for a second NOI to be drafted and filed in Court, a matter which Freeths also dealt with. In addition, Freeths also arranged for both Sale & Purchase Agreements to be drafted in respect of the sale of the Company's assets which took place upon the joint administrators appointment. Freeths were instructed based on their knowledge of insolvency procedures.

UKELC were instructed to provide advice and assistance in connection with the Company's pension scheme and submission of the RP15/RP15A form in order that outstanding pension contributions could be dealt with appropriately. UKELC were chosen based on their known ability to deal with matters of the same nature.

### **Category 2 Disbursements**

Details of the Category 2 disbursements that have been drawn during the period of this report in accordance with the approval obtained in the total sum of £396.02 are as follows:

<b>Other amounts paid or payable to the office holder's firm</b>	
<b>Type and purpose</b>	<b>Amount £</b>
Specific bond	210.00
Postage	186.02
<b>TOTAL</b>	<b>396.02</b>

The above contains funds in relation to specific bond payments, whilst such funds have been paid to a third party, such funds were first paid by Begbies Traynor and subsequently recovered.

#### Disbursements treated as Category 2 disbursements

Other amounts paid or payable to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	Amount £
BTG Advisory LLP, which is a member of the Begbies Traynor group, has provided debt collection assistance in respect of the reassigned debtor ledger. The purpose of obtaining such services was to reconcile the outstanding debtor ledger in readiness for pursuing further.	10% of realisations achieved.
TOTAL	10% of realisations achieved.

Please note that whilst BTG Advisory LLP have not yet commenced pursuing the ledger at present, their above fees will be applied upon receipt of future book debt realisations.

A copy of '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.

## 8. ADMINISTRATORS' 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 administration would total £820.00. Unfortunately, the expenses that we have incurred so far have exceeded that estimate and there will be further expenses to pay before the case concludes. The reasons why the estimate has been exceeded are as follows:

- Following the reassignment of the Company's outstanding debtor ledger, it was necessary for Freeths to review the paperwork that the joint administrators were to execute to enable the assignment to be effected therefore, further legal fees were incurred in this regard.
- Steps were taken to instruct UKELC to assist with the Company's pension reclaim. This was not included within the original estimate of expenses as the Company's pension scheme had not been identified at that point in time.
- Postage charges incurred have exceed the original estimate therefore, these have been increased accordingly.



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

The following assets remain to be realised within the administration proceedings:

### **Book Debts**

As detailed in Section 4 within this report, the remaining outstanding book debt ledger has been reassigned back to the Company to enable the joint administrators to pursue the balances which remain due. Due to the complexity of the ledger and as a result of the Company's business being sold to two separate companies, a full reconciliation of the remaining ledger and surplus funds has been required. This has been a timely exercise which has involved identifying what receipts the surplus funds include and also liaising with Cleansafe with regard to receipts received.

We have written to Cleansafe and requested clarification on a number of points in respect of funds received from the debtors. Once such information has been received, steps will be taken to issue letters to the debtors which remain outstanding. BTG Advisory LLP will be overseeing the collection of the remaining ledger. BTG Advisory LLP is part of the Begbies Traynor Group and is therefore connected to Begbies Traynor (SY) LLP.

**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 required.

In addition, all statutory documentation which is required to be issued to the relevant parties during the course of the administration will be compiled and issued on the statutory due dates. Also time will be spent updating the electronic diary facility and our paper records.

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 report pursuant to The Insolvency Act 1986 and will deal with all statutory requirements pursuant to The Insolvency Act and Rules, including reporting to shareholders and creditors.

Periodic case reviews will be carried out at six monthly intervals to ensure that all statutory documentation has been completed and issued in the relevant timescales and that any outstanding matters within the administration have been concluded as necessary.

In addition, banking duties will be carried out by way of the posting of income and expenditure, and reconciling the bank account together with the processing of bank statements etc.

Also, periodic bond reviews will be carried out to ensure that the case remains adequately bonded and remains bonded throughout the administration process.

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 the joint administrators have concluded their investigations within the administration proceedings, it is not anticipated that any further time will be spent on this matter.

However, should any matters be brought to the joint administrators' attention which require further investigative work, such investigations will be carried out as and where this is necessary.

#### Realisation of assets

The joint administrators will continue to pursue the remaining outstanding book debt ledger once all information that has been requested has been received for their review. The joint administrators will then arrange for BTG Advisory LLP to issue letters to all debtors with outstanding balances in order that payment can be received into the correct account. Such work may also involve verbal communications with the debtors and also the purchasers of both parts of the Company's business.

The joint administrators anticipate that further funds will be received from this source however, the quantum of such funds is uncertain at present. Therefore, we are uncertain as to whether such work will result in a financial benefit to the Company's creditors.

#### Trading

As the joint administrators did not trade the Company during the administration proceedings, no time will be spent on this particular matter.

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

The joint administrators will continue to liaise with the Company's creditors by way of verbal and written communications with regard to any queries which may arise and will deal with their claims within the administration.

Such work will include liaising with The Redundancy Payments Service ("RPS") with regard to their claim and once received, a review of the employee and RPS claims will be carried out in readiness for any available dividend that maybe payable. Should there be sufficient funds available to enable a distribution to be made, the joint administrators will calculate the funds available and issue accordingly.

In addition, should future realisations enable a distribution to be made to the Company's unsecured creditors, steps will be taken to issue a dividend exclusion notice and review claims received prior to the expiry date of such notice. Steps will then be taken to arrange for any dividend to be issued accordingly.

The above work will not provide an increased financial benefit to the Company's creditors however, it will ensure that the creditors receive funds in connection with their claim. In addition, it will also enable the creditors to be kept up to date with the progress of the administration.

#### 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 continue to liaise with HMRC with regard to the submission of their VAT and Corporation Tax returns as and when these fall due.

Should any legal advice or assistance be required, the joint administrators will of course liaise with Freeths as and when required on such matters.

Steps will also be taken to ensure that the RP15/RP15A has been received from the pension provider for onwards transmission to the RPS for processing.

The above work is a statutory requirement of the joint administrators' and therefore, will not provide a financial benefit to the Company's creditors.

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

In light of the above, and due to the nature of the outstanding matters, it is currently difficult to estimate the level of our future time costs. As a result of the outstanding book debts still being pursued together with the statutory requirements that the joint administrators must adhere to during the course of the administration, we estimate that future costs will be in the region of £48,297.00. Please however note that this is subject to change and will depend entirely on the level of work required to conclude the matters detailed in Section 9 of this report.

#### **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 revised estimate of anticipated expenses attached at Appendix 3.

## **10. 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 directors. We have complied with our duties in this respect.

#### **Investigations completed**

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. We have concluded our investigations and no potential further recoveries have been identified in this matter.

#### **Connected party transactions**

Full details of the connection between the Company and Biobax were disclosed in the joint administrators proposals previously.

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

Once the remaining outstanding book debt collections have been exhausted and it has been concluded that no further realisations are achievable from that source, steps will be taken to review the Company's preferential and unsecured creditor claims to establish whether there will be sufficient realisations within the administration, after discharging outstanding costs of the administration, to enable a distribution to these classes of creditors.

If sufficient funds are available, steps will be taken to distribute the appropriate dividend after the necessary steps have been taken to enable the distributions to be made.

Steps will then be taken to carry out a full closure review of the case to ensure that all matters have been concluded and all statutory matters completed. The final report will then be drafted and circulated to the Company's creditors and the Registrar of Companies together with Form AM23 with the Company proceeding to dissolution shortly thereafter.

### **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.

## **11. CREDITORS' RIGHTS**

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

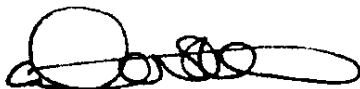
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor (or an unsecured creditor with less than 5% in value of the unsecured creditors, 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.

## **12. CONCLUSION**

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



**Claire Elizabeth Dowson**  
Joint Administrator

Dated: 22 April 2020

---

## ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 16 October 2019 to 15 April 2020

**Branta Group Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 15/04/2020**

S of A £		£	£
9,300.00	<b>SECURED ASSETS</b> Goodwill/Records/IP	9,300.00	9,300.00
180,442.01 (130,151.99)	<b>SECURED CREDITORS</b> Book Debts ABN AMRO Commercial Finance	NIL NIL	NIL
1,500.00 (3,261.65) 2,500.00 (433.44) 6,700.00 (434.00) 4,000.00 (11,734.06)	<b>HIRE PURCHASE</b> Sortex Pallet Wrapper Aldermore Anytron Printer Aldermore Hyundai i40 Hyundai Finance Aislemaster Forklift Truck Investec	NIL NIL NIL NIL 6,700.00 NIL NIL NIL	6,700.00
15,000.00 1,000.00 25,000.00  26,787.91	<b>ASSET REALISATIONS</b> Plant & Machinery Office Furniture & Equipment Stock Book Debt Surplus - ABN AMRO Cash at Bank Bank Interest Gross	15,000.00 1,000.00 25,000.00 35,840.48 26,782.41 10.22	103,633.11
	<b>COST OF REALISATIONS</b> Specific Bond Administrators' Fees Pre Appointment Fees Post Appointment Fees Pension Advice Disbursements Postage Agents/Valuers Fees Pre Appointment Fees Legal Fees Pre Appointment Fees Pre Appointment Disbursements Statutory Advertising Advertising Bank Charges	210.00  17,672.50 31,949.50 550.00  186.02 7,817.00  11,750.00 130.60  75.00 5.20	(70,345.82)
(5,837.63) (362.66) Uncertain	<b>PREFERENTIAL CREDITORS</b> RPO re Arrears/Holiday Pay Employees re Arrears/Hol Pay Pension Contributions	NIL NIL NIL	NIL

**Branta Group Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 15/04/2020**

<b>S of A £</b>		<b>£</b>	<b>£</b>
	<b>UNSECURED CREDITORS</b>		
(404,356.30)	Trade Creditors	NIL	
(1,265.72)	Employees	NIL	
(60,483.61)	Redundancy Payments Office	NIL	
(50,000.00)	Directors Loan Account (DMWB)	NIL	
(250,000.00)	Directors Loan Account (KMB)	NIL	
(4,155.56)	H M Revenue & Customs (PAYE)	NIL	
Uncertain	H M Revenue & Customs (CT)	NIL	
(164,699.31)	H M Revenue & Customs (VAT)	NIL	
(1,633.55)	B & C E The Peoples Pension	NIL	
			NIL
	<b>DISTRIBUTIONS</b>		
(75,000.00)	Ordinary Shareholders	NIL	
			NIL
<b>(891,579.56)</b>			<b>49,287.29</b>
	<b>REPRESENTED BY</b>		
	Vat Receivable		14,048.13
	Bank 1 Current		46,639.16
	Fixed Charge VAT Payable		(3,200.00)
	Vat Payable		(8,200.00)
			<b>49,287.29</b>

## **TIME COSTS INFORMATION**

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 16 October 2019 to 15 April 2020.



## **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 physical meetings of creditors is charged at the rate of £100 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.

*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

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

<sup>2</sup> Ibid 1

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 an 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 BTG Advisory to provide debt collection services should the ledger be re-assigned to the joint administrators by the secured creditor. Their charges will be equivalent to 10% of realisations.

(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

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.

Staff Grade	Case planning	Director	Sec Mgr	Mgr	Analyst - Forensic	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												
	1.4	4.7	5.9			2.1	1.4	2.4		10.4	3,190.00	307.83
	1.4	4.7	5.9			9.7	1.4	3.8	3.5	24.5	6,234.00	254.45
Compliance with the Insolvency Act, Rules and best practice	0.3					11.8		6.2	3.5	34.9	9,773.40	280.87
	0.3					12.0				12.3	2,848.50	231.59
	0.3	0.6		0.2		1.0			6.2	8.2	1,533.00	186.95
												0.00
	1.6	11.7	5.3			3.1			4.7	26.4	9,447.50	357.86
	2.2	12.2	5.3	0.2		14.1			19.9	46.8	13,326.00	284.68
Investigations												
		0.3	0.3			19.8				20.6	4,766.00	232.33
		0.3	0.8			19.8				20.6	4,766.00	232.33
		1.2	0.0			27.5				28.3	6,959.50	237.40
	0.3	0.2	1.2			0.6				2.3	848.50	366.04
						0.2				0.2	45.00	225.00
	0.3	1.4	1.8			28.3				31.8	7,866.00	246.46
Realisation of assets												0.00
												0.00
Trading												0.00
												0.00
Dealing with all creditors claims (including employees), correspondence and distributions		0.9	0.0			4.0	3.7	1.3	0.3	17.1	4,397.50	256.40
												0.00
		0.9	0.9			4.9	3.7	1.3	0.3	17.1	4,397.50	256.40
Other matters which includes seeking decisions of creditors, meetings, tax, litigation, pensions and travel						0.2				0.2	45.00	225.00
		0.1				1.3			0.2	1.6	365.00	228.13
		0.2				0.1				0.3	111.50	371.67
												0.00
		0.3				1.8			0.2	2.1	527.50	248.33
	3.9	19.8	20.4	0.2		81.6	5.1	7.5	14.9	153.4		
	1,530.50	8,811.00	8,658.00	96.00		18,390.00	882.50	1,050.00	2,008.00		41,257.00	
	485.00	445.00	595.00	345.00	0.00	225.00	175.00	140.00	140.00			246.95
											31,848.50	

## STATEMENT OF ADMINISTRATORS' EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
<b>Expenses incurred with entities not within the Begbies Traynor Group</b>				
Specific bond	AON Limited	210.00	210.00	-
Pension advice	UKELC	550.00	550.00	-
Postage	Royal Mail	186.02	186.02	-
Agents fees	Sandersons	7,817.00	7,817.00	-
Legal fees	Freeths	11,750.00	11,750.00	-
Legal disbursements	Freeths	130.60	130.60	-
Statutory advertising	EPE Reynell Advertising Limited	75.00	75.00	-
Bank charges	Santander	5.20	5.20	-
<b>Expenses incurred with entities within the Begbies Traynor Group (for further details see Begbies Traynor Charging Policy)</b>				
Book debt collection fees	BTG Advisory LLP	-	-	10% of realisations

**BRANTA GROUP LIMITED****DETAILS OF THE EXPENSES THAT THE ADMINISTRATORS CONSIDER WILL BE, OR ARE LIKELY TO BE INCURRED DURING THE COURSE OF THE ADMINISTRATION**

<b>No.</b>	<b>Type of expense</b>	<b>Description</b>	<b>Estimate</b>
1.	Advertisements	Of appointment, requisitioned meetings, dividends etc.	£225.00 plus VAT
2.	Bond	An Insolvency Practitioner is required to have a bond in place to protect the estate from misappropriation of funds.	£210.00 plus VAT
3.	Insurance	An Insolvency Practitioner is required to ensure that there is sufficient insurance cover over the assets of the insolvent entity.	£100.00 plus IPT
4.	Storage costs	An Insolvency Practitioner is required to retain relevant books and records of the insolvent entity in order to carry out his/her duties as office holder. In addition, following case closure the Insolvency Practitioner will retain his/her working papers to allow any queries or issues raised to be dealt with.	£100.00 plus VAT
5.	Bank charges	An Insolvency Practitioner is required to operate a separate bank account in relation to the insolvent entity's estate.	£25.00
6.	Postage charges	Postage charges incurred in circulating statutory documents and correspondence to other interested parties.	£310.00 plus VAT
7.	Debt Collection	If the book debt ledger is re-assigned it is proposed the Insolvency Practitioner will instruct BTG Advisory to collect debts	10% of realisations
8.	Pension Advice	Advice and assistance obtained in connection with the Company's pension reclaim.	£550.00 plus VAT
9.	Legal Fees	Advice and assistance obtained in connection with matters which arise during the administration proceedings	£881.00 plus VAT

For the avoidance of any doubt, the above estimate relates to the period of Administration only, it does not relate to any expenses that will or may be incurred in any insolvency procedure following the Administration.