

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1

Company details

Company number 00595517
Company name in full S.A. Davies and Sons Limited

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

2

Liquidator's name

Full forename(s) Kris Anthony
Surname Wigfield

3

Liquidator's address

Building name/number 3rd Floor, Westfield House
Street 60 Charter Row
Post town Sheffield
County/Region
Postcode S13FZ
Country

4

Liquidator's name

Full forename(s) Joanne Louise
Surname Hammond

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

5

Liquidator's address

Building name/number 3rd Floor, Westfield House
Street 60 Charter Row
Post town Sheffield
County/Region
Postcode S13FZ
Country

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

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6 Period of progress report

From date	^d 2	^d 4	^m 0	^m 3	^y 2	^y 0	^y 2	^y 2
To date	^d 2	^d 3	^m 0	^m 3	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X 

X

Signature date

^d 2	^d 3	^m 0	^m 5	^y 2	^y 0	^y 2	^y 3
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LIQ03

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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 **Marie Harrison**

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		
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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 or email 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

S.A. Davies and Sons Limited
(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 24/03/2022 To 23/03/2023 £	From 24/03/2020 To 23/03/2023 £
ASSET REALISATIONS		
	NIL	1.37
23,406.10 Bank Interest Gross	NIL	37,296.82
15,228.90 Book Debts	NIL	17,989.17
420.00 Cash at Bank	NIL	736.00
736.00 Furniture & IT Equipment	NIL	2,020.00
7,080.00 Misc Tools and Equipment	NIL	12,600.00
	NIL	341.53
20,757.97 Pension Refund	NIL	23,873.74
	NIL	60.35
	NIL	476.66
	NIL	95,395.64
COST OF REALISATIONS		
	NIL	3,750.00
	NIL	15,148.98
	1.80	21.15
	NIL	46.35
	2.27	88.56
	11.34	86.94
	60.00	60.00
	NIL	500.00
	700.50	47,374.00
	NIL	120.00
	NIL	5,000.00
	NIL	162.00
	(775.91)	(72,357.98)
PREFERENTIAL CREDITORS		
(275.06) Employees re Arrears/Hol Pay	NIL	NIL
	NIL	23.00
(681.96) PAYE/NIC deductions from pref divide	NIL	NIL
(1,730.48) People's Pension	NIL	960.96
	NIL	(983.96)
UNSECURED CREDITORS		
(12,500.00) Director (J. Coller)	NIL	NIL
(47,896.40) Director (J. Davies)	NIL	NIL
(12,400.06) Director (T. Davies)	NIL	NIL
(54.98) Employees	NIL	NIL
(15,106.68) HMRC (PAYE & NIC)	NIL	NIL
(24,048.68) HMRC (VAT)	NIL	NIL
(65,590.19) RPO	NIL	NIL
(5,184.91) Trade Creditors (12)	NIL	NIL
	NIL	NIL
DISTRIBUTIONS		
(44,419.00) Ordinary Shareholders	NIL	NIL
	NIL	NIL
(162,259.43)	(775.91)	22,053.70
REPRESENTED BY		
		23,878.40
		(2,591.77)

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(In Liquidation)
Joint Liquidators' Summary of Receipts & Payments

Statement of Affairs £	From 24/03/2022 To 23/03/2023 £	From 24/03/2020 To 23/03/2023 £
REPRESENTED BY CONTINUED		
Vat Receivable		767.07
		<u>22,053.70</u>

S.A. Davies and Sons Limited (In Creditors' Voluntary Liquidation)

Progress report

Period: 24 March 2022 to 23 March 2023

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.

Contents

- ❑ Interpretation
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- ❑ Details of appointment of liquidators
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- ❑ Assets that remain to be realised and work that remains to be done
- ❑ Other relevant information
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 - 2. Liquidators' time costs and expenses
 - 3. Statement of Liquidators' expenses

1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	S.A. Davies and Sons Limited (In Creditors' Voluntary Liquidation)
"the liquidation"	The appointment of liquidators on 24 March 2020.
"the liquidators", "we", "our" and "us"	Kris Anthony Wigfield of Begbies Traynor (SY) LLP, 3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ and Joanne Louise Hammond 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
"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 name(s):	N/A
Company registered number:	00595517
Company registered office:	3rd Floor, Westfield House, 60 Charter Row, Sheffield, S1 3FZ
Former trading address:	77 Westdale Lane, Carlton, Nottingham, NG4 3JU

3. DETAILS OF APPOINTMENT OF LIQUIDATORS

Date winding up commenced:	24 March 2020
Date of liquidators' appointment:	24 March 2020
Changes in liquidator (if any):	N/A

4. PROGRESS DURING THE PERIOD

Receipts and Payments

Attached at Appendix 1 is our abstract of receipts and payments for the period from 24 March 2022 to 23 March 2023.

Receipts

There have been no receipts received into the estate account during this reporting period.

Payments

Bank Charges

Bank Charges incurred on the estate bank account held with Santander Corporate Banking ("Santander") in the sum of £1.80 have been paid.

Disbursements - Postage

A sum of £2.27 has been paid to Postworks with regards postage costs incurred.

Disbursements - Storage

The sum of £11.34 has been paid from the estate bank account to Restore Document Management for the safe storage of the books and records of the Company.

Disbursements - Courier Fees

The Joint Liquidators paid £60.00 for the collection of the Books and Records of the Company.

Liquidators' Fees

The Joint Liquidators have drawn £700.50 plus VAT during this reporting period in relation to the time costs incurred in dealing with the formalities of the liquidation to date, in accordance with the decisions regarding remuneration approved by the creditors of the Company.

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

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

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

The details below relate to the work undertaken in the period of this report only. Our previous reports contain details of the work undertaken since our appointment.

General case administration and planning

The joint liquidators have completed works required to maintain the liquidation, including banking duties, and utilising the electronic filing system in relation to internal and external documents to ensure all items are dealt with efficiently.

The joint liquidators have regularly updated the electronic diary, which is specific to the case, and this has been utilised to ensure that all statutory matters have been completed as required and that statutory due dates have been adhered to. This has enabled the joint liquidators to add additional entries to ensure that matters have been progressed throughout the liquidation process. It has also ensured that the joint liquidators have completed statutory documentation in a timely manner, prior to any statutory due dates falling due.

Effective case management and planning benefits the Company's creditors as it ensures that the liquidation is progressed in a strategic manner. Extracting and maintaining relevant information enables us to perform our duties correctly and efficient planning will ensure all assets are realised for the benefit of the creditors, albeit not a financial benefit.

Compliance with the Insolvency Act, Rules and best practice

The estate bank account has been regularly monitored and reconciled against our internal system to ensure that all receipts and payments have been accounted for.

Statutory bonds have been reviewed every six months to ensure that this remains at an adequate level.

Periodic case reviews have been completed to ensure the case was progressing as deemed necessary, and to ensure any outstanding tasks were raised and completed in a timely manner. These reviews have been carried out at six-month intervals.

The above works have not resulted in a financial benefit to the Company's creditors; however the Joint Liquidators have a duty to undertake this work as required by the Insolvency Act 1986 and therefore costs cannot be avoided.

Investigations

No time has been spent in this regard during the reporting period.

Realisation of assets

No time has been spent in this regard during the reporting period.

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

During this reporting period, time has been spent dealing with claims from HM Revenue & Customs and updating the Redundancy Payments Service's proof claim on the Insolvency Practitioner's System.

The above works have not provided a financial benefit to creditors, however it is deemed necessary in order to ensure creditor claims were saved onto our systems correctly for any potential future distributions.

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

Time has been spent relating to the Terminal Loss Relief claim of the Company and reviewing the Company's position with regards to the TLR claim and trying to progress this matter with HMRC.

This may financially benefit creditors in due course if a resolution is achieved and repayment made to the estate.

5. ESTIMATED OUTCOME FOR CREDITORS

Details of the sums owed to each class of the Company's creditors were provided in our progress report for the period 24 March 2020 to 23 March 2021.

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

There are no known secured creditors to consider in this matter.

Preferential creditors

A dividend of 100 pence in the £1 has been paid to the preferential creditors.

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 progress report for the period 24 March 2021 to 23 March 2022.

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

We consider that there are likely to be sufficient funds for a dividend to be paid to unsecured creditors. However the timing and quantum of this is dependent on the TLR claim made to HMRC as described above.

6. REMUNERATION & EXPENSES

Remuneration

Our remuneration has been fixed by a decision of the creditors on 29 April 2020 obtained via a Decision Procedure by way of 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 (SY) LLP in attending to matters arising in the winding up as set out in the fees estimate dated 7 April 2020 in the sum of £27,789.50

We are also authorised to draw expenses 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.

The original level of remuneration approved by creditors was increased by £19,584.50 by further approval of the same body on 15 April 2021. This makes the total amount of our approved remuneration in the sum of £47,374.

Our time costs for the period from 24 March 2022 to 23 March 2023 amount to £7,782.00 which represents 27.2 hours at an average rate of £267.72 per hour.

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

- ❑ Time Costs Analysis for the period 24 March 2022 to 23 March 2023
- ❑ Begbies Traynor (SY) LLP's charging policy

To 23 March 2023, we have drawn the total sum of £47,374.00 on account of our remuneration, against total time costs of £60,015.50 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. An additional analysis is also attached which details the time costs for the entire period for which we have administered the liquidation.

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

As can be seen from the information above, we have exceeded the limit of our increased, approved remuneration. For the avoidance of any doubt, we have not drawn any remuneration in excess of the level approved. The reasons why the approved level of remuneration has been exceeded are as follows:

- Contacting HMRC in regards to the TLR claim;
- Additional time spent carrying out general case administration and compliance matters as a result of the extended amount of time the liquidation has remained open as a result of the above.

In light of the above, we are obliged to provide creditors with details of the additional work that has been undertaken along with details of the estimated costs of that additional work. This information appears at Appendix 2. We anticipate that we will need to seek approval of a further increase to our remuneration due to the amount of additional work carried out to obtain further realisations of the estate.

We are therefore seeking creditors' approval to increase our remuneration by way of a Decision Procedure via correspondence and a Notice providing further information about the decisions being sought by correspondence together with a Voting Form have been provided separately.

Expenses

To 23 March 2023, we have also drawn expenses in the sum of £75.41.

Why have subcontractors been used?

Shorts Chartered Accountants have been instructed to assist with a potential Terminal Loss Relief claim given their experience in such matters.

Category 2 Expenses

No category 2 expenses have been incurred during this reporting period.

A copy of 'A Creditors' Guide to Liquidators Fees (E&W) 2021' which provides guidance on creditors' rights on how to approve and monitor a Liquidator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

7. LIQUIDATORS' EXPENSES

A statement of the expenses incurred during the period of this progress report is attached at Appendix 3. A cumulative statement showing the total expenses incurred since the date of our appointment also appears at Appendix 3 together with a table of future expenses to be incurred.

Expenses actually incurred compared to those that were anticipated

Creditors will recall that we estimated that the expenses of the liquidation would total £7,990.50, plus 15% of debts collected plus VAT and disbursements in relation to debt collections. 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:

- The fees for John Pye, who have assisted the joint liquidators with selling the Company's assets, have exceeded the original estimate due to the additional assets sold.
- Accountant fees were not included in the initial estimate of expenses as a TLR claim was not anticipated.
- UKELC have assisted the joint liquidators with the Company's employee claims.

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 complete the works required to maintain the liquidation including periodically reviewing the case to ensure all statutory requirements have been completed during the course of the liquidation and to ascertain what works remain outstanding.

The case specific diary will also be monitored and updated to reflect the same, and periodic case reviews will continue to be carried out.

There will be no direct financial benefit to the Company's creditors from the above works, however effective case management will enable the case to be progressed to closure when appropriate.

Compliance with the Insolvency Act, Rules and best practice

When necessary, the joint liquidators will prepare a final closure review to ensure that all works have been completed before case closure. A final report will then be prepared and issued to the Company's creditors and a receipts and payments account will be filed at Companies House pursuant to the Insolvency Act and Rules.

The level of the joint liquidators' bond will continue to be periodically reviewed to ensure there is adequate cover for the monies realised in the liquidation.

The estate bank account will continue to be monitored and reconciled against our internal system to ensure that all receipts and payments are being accounted for.

Whilst there will be no financial benefit to the creditors from the above works, the joint liquidators have a statutory duty to undertake the same and therefore such costs cannot be avoided.

Investigations

It is not anticipated that any further investigations will be undertaken by the joint liquidators during the remainder of the liquidation.

Realisation of assets

The joint liquidators will continue to contact HMRC in order to obtain the TLR refund due to the Company.

There may be a direct financial benefit to the Company's creditors for the above works, however the timing and quantum of this depends upon the successful resolution of the HMRC issue.

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

The joint liquidators will continue to deal with creditors' queries as and when received.

Works included within preparing a dividend distribution to unsecured creditors may be necessary, depending on the TLR funds received from HMRC.

Such works may result in a better financial return to creditors and will ensure that creditors are kept updated.

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

The joint liquidators will prepare and submit any appropriate tax returns as required until the closure of the liquidation.

There will be no financial benefit to the Company's creditors in undertaking the above works, but it is a statutory requirement placed on the joint liquidators following their appointment and the associated costs of the same cannot be avoided.

How much will this further work cost?

As can be seen above, there are additional elements of work which were not envisaged at the onset of my appointment, and which need to be carried out in order to complete my duties. The cost of the additional work is estimated to be £15,000 which is in addition to the original remuneration approval we have received. As previously advised, we will need to seek creditor approval for the fair and reasonable increase in our remuneration. We do not anticipate that we will need to approach creditors for a further increase following this request, unless circumstances greatly change again.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are provided in Appendix 3.

What is the anticipated payment for administering the case in full?

We estimated that the cost of administering the case would be in the region of £47,374, and subsequently you have provided approval for us to draw our remuneration up to that level. However, as you are aware, due to the fact that there are limited assets, the remuneration that we can draw is limited to the amount that is realised for the assets, (less any costs incurred in realising those assets). At this stage in the liquidation, I can estimate that total remuneration drawn will be in the region of £62,374.00.

However, please note that should there be realisations from HMRC in regards to the Terminal Loss Relief of the Company, we will look to draw our remuneration from those too, capped at the level that the creditors approve.

9. OTHER RELEVANT INFORMATION

Connected party transactions

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

Use of personal information

Please note that in the course of discharging our statutory duties as liquidators, we may need to access and use personal data, being information from which a living person can be identified. Where this is necessary, we are required to comply with data protection legislation. If you are an individual and you would like further information about your rights in relation to our use of your personal data, you can access the same at <https://www.begbies-traynorgroup.com/privacy-notice>. If you require a hard copy of the information, please do not hesitate to contact us.

10. CREDITORS' RIGHTS

Right to request further information

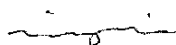
Pursuant to Rule 18.9 of the Rules, within 21 days of the receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors,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



Kris Anthony Wigfield
Joint Liquidator

Dated: 23 May 2023

ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 24 March 2022 to 23 March 2023

S.A. Davies and Sons Limited
(In Liquidation)
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15,228.90	Cash at Bank	NIL 17,989.17
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20,757.97	Retentions	NIL 23,873.74
	Utilities Refund	NIL 60.35
	Vehicle Licence Refunds	NIL 476.66
		<u>NIL 95,395.64</u>
COST OF REALISATIONS		
	Accountants Fees	NIL 3,750.00
	Agents/Valuers Fees (2)	NIL 15,148.98
	Bank Charges	1.80 21.15
	Disbursements	
	Mileage	NIL 46.35
	Postage	2.27 88.56
	Storage	11.34 86.94
	Courier Fees	60.00 60.00
	Employee Advice	NIL 500.00
	Liquidators' Fees	700.50 47,374.00
	Specific Bond	NIL 120.00
	Statement of Affairs Fee	NIL 5,000.00
	Statutory Advertising	
	Advertising	NIL 162.00
		<u>(775.91) (72,357.98)</u>
PREFERENTIAL CREDITORS		
(275.06)	Employees re Arrears/Hol Pay	NIL NIL
	PAYE/NIC deductions from pref divide	NIL 23.00
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(54.98)	Employees	NIL NIL
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(24,048.68)	HMRC (VAT)	NIL NIL
(65,590.19)	RPO	NIL NIL
(5,184.91)	Trade Creditors (12)	NIL NIL
		<u>NIL NIL</u>
DISTRIBUTIONS		
(44,419.00)	Ordinary Shareholders	NIL NIL
		<u>NIL NIL</u>
(162,259.43)	(775.91)	22,053.70
REPRESENTED BY		
	Bank 1 Current	23,878.40
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REPRESENTED BY CONTINUED		
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		22,053.70

COSTS AND EXPENSES

- a. Begbies Traynor (SY) LLP's charging policy;
- b. Time Costs Analysis for the period from 24 March 2022 to 23 March 2023 ;
- c. Cumulative Time Costs Analysis for the period from 24 March 2020 to 23 March 2023.
- d. Estimated increase to our approved fees estimate *below*

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This policy 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 creditors' decision being made for the office holder to be remunerated on a time cost basis. Best practice guidance* requires that such information should be disclosed to those who are responsible for approving the basis of an office holder's remuneration. Within our fee estimate creditors can see how we propose to be remunerated.

This policy 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* indicates that such charges should be disclosed to those who are responsible for approving the basis of 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 their 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 in 6 minute units 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

Expenses are payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements, which are expenses that are initially paid by the office holder's own firm, but which are subsequently reimbursed from the estate when funds are available.

Best practice guidance classifies expenses into two broad categories:

- *Category 1 expenses (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 expenses (approval required)* - Items of expenditure that are directly related to the case and either:
 - (i) 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; or
 - (ii) are items of expenditure which are payable to an associate of the office holder and/or their firm.

Shared or allocated costs (pursuant to (i) above)

* Statement of Insolvency Practice 9, (SIP9) – Payments to Insolvency office holders and their associates from an estate

The following expenses include an element of shared or allocated cost and 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 which is charged at the rate of 45 pence per mile.

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 January 2022 until further notice
Partner	545
Director	490
Senior Manager	435
Manager	380
Assistant Manager	275
Senior Administrator	240
Administrator	195
Junior Administrator	155
Cashier	155
Secretarial	155

Prior to 31 December 2021, the following rates applied:

Grade of staff	Charge-out rate (£ per hour)
Partner	495
Director	445
Senior Manager	395
Manager	345
Assistant Manager	250
Senior Administrator	225
Administrator	175
Junior Administrator	140
Cashier	140
Secretarial	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.

As detailed above, time is recorded in 6 minute units.

SIP9 S.a.davies And Sons Limited - Creditors Voluntary Liquidation - 91SA441.CVL Time Costs Analysis From 24/03/2022 To 23/03/2023

[illegible]

SP9 S.a.davies And Sons Limited - Creditors Voluntary Liquidation - 91SA441 CVL - Time Costs Analysis From 24/03/2020 To 23/03/2023

Staff Grade	Consultant/Partner	Director	Senior Mgr	Mgr	Asst Mgr	Senr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												
Case planning	0.9	1.1	10.3			2.1	2.3	12.7		29.4	7,668.00	261.84
Administration	5.0	6.0	0.2	11.5	0.7	2.4	4.9	20.5	1.2	52.7	14,178.00	269.03
Total for General Case Administration and Planning:	5.9	7.4	10.5	11.5	0.7	4.5	7.2	33.2	1.2	82.1	21,876.00	266.46
Compliance with the Insolvency Act, Rules and best practice												
Appointment												0.00
Banking and Bonding	1.3	0.4		1.5		0.2	0.4	1.0	19.6	24.6	4,466.60	181.57
Case Closure								0.2		0.2	31.00	155.00
Statutory reporting and statement of affairs	0.4	1.2	2.1	2.1			6.2	15.6		27.6	5,756.50	206.35
Total for Compliance with the Insolvency Act, Rules and best practice:	1.7	1.6	2.1	3.6		0.2	6.6	16.8	19.8	52.4	10,248.00	195.57
Investigations												
GDRA and investigations		2.8	0.3			17.0		11.7		32.4	7,054.60	216.04
Total for Investigations:		2.8	0.3			17.0		11.7		32.4	7,054.60	216.04
Realisation of assets												
Debt collection	0.3	1.7	6.8	1.2		0.7		0.3		11.0	4,255.50	386.86
Property, business and asset sales		0.1	2.3	11.5				0.3		14.2	4,962.50	349.47
Retention of Third/Third party assets												0.00
Total for Realisation of assets:	0.3	1.8	9.1	12.7		0.7		0.6		25.2	9,218.00	365.79
Trading												0.00
Total for Trading:												0.00
Dealing with all creditors claims (including employees), correspondence and distributions												
Secured												0.00
Others	0.5	0.4	0.9	5.1		0.4	3.1	4.7		15.1	3,947.50	254.80
Creditors committees												0.00
Total for Dealing with all creditors claims (including employees), correspondence and distributions:	0.5	0.4	0.9	5.1		0.4	3.1	4.7		15.1	3,947.50	254.80
Other matters which includes meetings, fax, litigation, pensions and travel												
Spelling decisions of creditors			0.4					1.2		1.6	326.00	203.75
Meetings								0.2		0.2	28.00	140.00
Other				1.4		1.1	2.2	2.8		7.5	1,558.00	207.73
Tax	0.4	0.6		11.0		0.8	3.8	1.9	1.1	19.5	5,726.50	293.67
Litigation												0.00
Total for Other matters:	0.4	0.6	0.4	12.4		1.7	6.1	6.1	1.1	28.8	7,036.50	253.23
Total hours by staff grade:	8.8	14.6	23.9	45.3	0.7	24.5	23.0	73.1	22.1	234.0		
Total time cost by staff grade £:	4,428.00	6,095.00	9,440.50	16,920.50	187.50	8,912.50	4,348.00	10,294.00	3,161.50		59,892.50	
Average hourly rate £:	502.95	452.40	395.00	353.65	267.86	225.00	184.57	140.82	143.85			253.76
Total fees drawn to date £:											47,374.00	

THE LIQUIDATORS' ESTIMATE OF THE INCREASED FEES THAT THEY WILL INCUR

Further to the information set out in the report, the Liquidators anticipate that in addition to their further fees estimate dated 29 March 2021 in the sum of £47,374 the following further fees will be incurred to conclusion of the liquidation. Please note that blended hourly rates have been used which take account of the various levels of staff that are likely to undertake each area of work. These can be seen in the average hourly rate column. Details of the hourly rates that will be charged for each level of staff working on the case form part of this appendix.

Details of the work that the liquidators and their staff propose to undertake	Hours	Time cost £	Average hourly rate £
General case administration and planning	15.50	4,897.50	315.97
Compliance with the Insolvency Act, Rules and best practice	13.50	3,485.00	258.15
Investigations	0.00	0.00	
Realisation of assets	2.70	905.50	335.37
Trading	0.00	0.00	
Dealing with all creditors' claims (including employees), correspondence and distributions	7.90	2,573.50	325.76
Other matters which include seeking decisions from creditors (via Deemed Consent Procedure or via Decision Procedures), tax, litigation, pensions and travel	12.80	3,519.00	274.92
Total hours	52.40		
Total time costs		15,380.50	
Overall average hourly rate £			293.52

The Liquidators anticipate that the following specific work which was not envisaged at the outset of the liquidation (and which is included in the estimate above) will be undertaken:

- Correspondence with HMRC in regard to the TLR claim;
- Further distributions to creditors once in possession of the possible TLR claim from HMRC;
- As a result of the above, further documentation will have to be prepared resulting in increased costs incurred for general case administration and planning.

We have arrived at this increase by considering the nature and complexity of the work that is necessary to conclude the case, and we also believe that this increase is a fair and reasonable reflection of the same.

Dated: 23/05/2023

STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £	Amount discharged £	Balance (to be discharged) £
Expenses incurred with entities not within the Begbies Traynor Group				
Disbursements – Postage	Postworks	7.65	2.27	5.38
Disbursements - Storage	Restore	71.53	11.34	60.19
Disbursements – Couriers Fees	Couriers Fees	60.00	60.00	-
Bank Charges	Santander	1.80	1.80	-
Specific Bond	Aon UK Limited	90.00	0.00	90.00

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount incurred £
Specific Bond	Aon UK Limited	210.00
Accountants Fees	Shorts Chartered Accountants	3750.00
Agents Fees	John Pye & Sons Limited	4,473.40
Agents Fees	Leslie Keats	10,675.58
Statutory Advertising	EPE Reynell Advertising Limited	162.00
Bank Charges	Santander	21.15
Disbursements – Milage	Begbies Traynor (SY) LLP	46.35
Disbursements – Postage	Postworks	93.94
Disbursements – Storage	Restore	147.13
Disbursements – Courier Fees	Timothy Walsh	60.00
Employee Advice	UKELC & Co Limited	500.00

ADDITIONAL EXPENSES ANTICIPATED FOR FUTURE WORK

Expenses anticipated to be incurred prior to closure of the case	Name of party with whom expense anticipated to be incurred	Amount estimated to cost £
Storage	Restore	84.96
Postage	Postworks	63.00