

The Insolvency Act 1986

Administrator's progress report

Name of Company W. EADEN LILLEY & CO. LIMITED	Company number 00030736
In the HIGH COURT – Chancery Division	Court case number 10352 of 2009

(a) Insert full name(s) and address(es) of administrator(s)

I (a) **IAN DONALD WILLIAMS AND LAURENCE PAGDEN**
62 Wilson Street
London
EC2A 2BU

joint administrators of the above company attach a progress report for the period

from

to

(b) **28 JULY 2009**(b) **27 JANUARY 2010**

(b) Insert dates

Signed

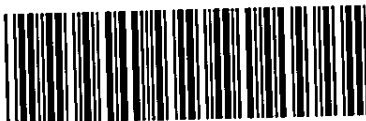
[Signature]
Ian Donald Williams
Joint Administrator

Dated **22 February 2010****Contact Details:**

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

Mr Ian D Williams	
Benedict Mackenzie LLP	
62 Wilson Street, London EC2A 2BU	Tel 020 7247 1174
DX Number	DX Exchange

Companies House receipt date barcode



PL6B1HS1

PC4

24/02/2010

424

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

WEDNESDAY

BenedictMackenzie

Business rescue and insolvency

Ian Williams FCA
Anthony Benedict FCA
Laurence Pagden FCA
Simon Underwood FIPA
Rupert Mullins TD FIPA
Kevin Weir MIPA
Graham Petersen FIPA
Julie Vahey FIPA
Valerie Neave ACA

62 Wilson Street
London EC2A 2BU

Telephone
020 7247 1174

Fax
020 7247 3494

Email
info@benemack.com

Website
www.benemack.com

STRICTLY PRIVATE & CONFIDENTIAL

NOT FOR PUBLICATION

TO ALL KNOWN MEMBERS AND CREDITORS

22 February 2010

Our Ref IDW/jcm

Dear Sir

W EADEN LILLEY & CO LIMITED (IN ADMINISTRATION) - "Eaden Lilley"
High Court of Justice No 10352 of 2009

1 Introduction

1 01 In accordance with Rule 2 47 of The Insolvency Rules 1986 (as amended), we now report on the progress made in the Administration during the six months ended 27 January 2010

2 Statutory information

2 01	Court	High Court of Justice 10352 of 2009
2 02	Company name	W Eaden Lilley & Co Limited
2 03	Registered office	62 Wilson Street, London EC2A 2BU
2 04	Registered number	30736
2 05	Joint Administrators	Ian Donald Williams and Laurence Pagden Benedict Mackenzie LLP, 62 Wilson Street, London EC2A 2BU
2 06	Date of Administrators' appointment	28 January 2009
2 07	Name and address of Appointor	William Eaden Lilley 22 Shepreth Road, Barnington, Cambridge CB2 5SB
2 08	Functions of Joint Administrators	Carried out by both Joint Administrators, joint and severally
2 09	Extensions to period of appointment	One to 27 July 2010 with consent of creditors

Other offices at Banstead Bristol
Cheltenham Crawley Portsmouth
Southampton, Tunbridge Wells

Benedict Mackenzie is the trading
name of Benedict Mackenzie LLP
registered in England and Wales
number OC302846. Registered office
62 Wilson Street, London EC2A 2BU

Ian Williams, Anthony Benedict,
Laurence Pagden and
Simon Underwood are licensed by
The Insolvency Practitioners
Association

3 *Receipts and payments*

- 3 01 An account of the Joint Administrators' receipts and payments to 25 December 2009 is attached

4 *Conduct of the Administration and unrealised assets*

- 4 01 In our report of 17 August 2009 and 29 December 2009 we set out the steps being taken to realise the company's assets. What follows deals with asset realisations in the same order

Long leasehold property

- 4 02 As explained in our report of 29 December 2009, we have been unable to overcome the objections of Cambridge City Council to the proposed change of use to a place of worship. We are therefore remarketing the property
- 4 03 There are rent reviews due on both the long lease itself and also, as previously reported, involving the sitting tenant. This tenant, namely Simperts Limited, has applied to Court to set a fair rent, as we have been unable to reach agreement
- 4 04 Simperts Limited has paid the rent outstanding up to and including that for the December 2009 quarter
- 4 05 The receipts of rent and payments of rent and rates, together with the costs of maintenance and security, are set out in Appendix I as movements on the fixed charge account

Fixtures, furniture and equipment

- 4 06 All the company's fixtures and fittings have been sold, as previously reported

Stocks

- 4 07 All the company's stocks have been realised, as previously reported

Motor vehicle

- 4 08 The company owned a motor vehicle which was sold to Mr Lilley on the recommendation of our agents, for £1,400

Book debts

- 4 09 We will continue to press for the collection of book debts and a further sum of £1,215.62 has been recovered

Sundry refunds

- 4 10 We have nothing further to report under this heading

Company trading name

- 4 11 The previously reported sale of the company trading name to W. Eaden Lilley Holdings Limited has been shown as a fixed charge recovery

Gross bank interest

- 4 12 To date, £485 22 has been received as a result of the realisations of company assets, having been placed on a deposit account

5 **Creditors**

- 5 01 We will deal with these in the order of priority prescribed by legislation

Unsecured preferential creditors

- 5 02 Employee claims for pay arrears (up to £800) and holiday pay rank preferentially
The claims of certain former employees, up to statutory limits, have been paid by the Department of Business, Innovation and Skills. The current preferential claims are as follows

	£
Employees	2,772 87
Department of Business, Innovation and Skills	20,360 83
	<hr/>
	23,133 70
	<hr/>

Secured creditor

- 5 03 Barclays Bank Plc hold a legal charge over the Company's leasehold property at Mercers Row, Cambridge registered on 13 December 2003. In addition they hold a fixed and floating charge over all the company's assets, registered on 7 October 2003
- 5 04 Provided the property at Mercers Row can be sold at the valuation placed on it by our agents, the bank will be repaid in full and the surplus funds, subject to costs, will be available to unsecured non preferential creditors, after payment in full has been made to the unsecured preferential creditors

Unsecured non preferential creditors

- 5 05 The company's records disclosed unsecured claims of £1,197,921 which includes the pension scheme, directors' loans, rent, VAT, PAYE and ex-employees' claims. Claims received to date total £2,112,859, including a provisional claim of £1,800,000 from The Pension Protection Fund

Section 176A of the Insolvency Act 1986

- 5 06 The Joint Administrators are obliged to provide an estimate at the prescribed part of the company's net assets that is available to unsecured non preferential creditors pursuant to the provisions of Section 176A of the Insolvency Act 1986, which applies where a company has granted a floating charge to a creditor after 13 September 2003

- 5 07 In this case, although there is a qualifying floating charge, hopefully the bank will be repaid under its fixed charge which means there is no necessity to calculate the prescribed part. Should the situation change, a calculation will be undertaken at the appropriate time.

6 *Investigations*

- 6 01 The results of these were fully reported in our previous report.

7 *Joint Administrators' remuneration and disbursements*

- 7 01 At the meeting of creditors held on 11 March 2009 it was resolved that our remuneration be fixed by reference to the time properly given by us and our staff in attending to matters arising in the Administration, limited to £80,000, subject to review.
- 7 02 The majority of the work in this case has been undertaken by a manager handling the day to day running of the Administration, with the joint Administrators being involved only when required. Additional assistance has been provided by cashiers dealing with banking and statutory duties, and administrators offering various support duties is charged directly to the case.
- 7 03 Set out below are details of our timecosts from 28 January 2009 to 12 February 2010.

Time costs	Amount billed	Amount outstanding	Total hours	Average rate per hour
£	£	£		£
92,927	45,000	42,344	526.90	176.37

As at 27 January 2010 we had the sum of £45,000 on account of our fees pursuant to the resolution referred to in paragraph 7 01 above.

- 7 04 We attach at Appendix II a breakdown of our timecosts by work category.
- 7 05 In common with all professional firms, scale rates increase from time to time over the period of administration of each insolvency case. Full details of the chargeout rates currently charged are as follows:

	Rate per hour
	£
Partner	325
Manager	200
Administrator	100

Joint Administrators' disbursements

- 7 06 The disbursements incurred by our firm are shown separately on the receipts and payments account and are self explanatory. They only represent actual payments made on behalf of the case.

Professionals and sub-contractors

7 07 Where appropriate, as is customary, we have employed professionals to advise us in relation to certain matters outside our immediate expertise. In this particular case we engaged professional valuers, Layer Associates and Edward Symmons LLP, to advise us on the disposal and value of the company's physical assets. In addition, Solicitors Lawrence Graham and Mills & Reeve have been employed to assist with various legal aspects arising in the Administration.

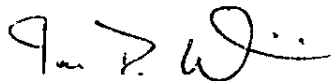
7 08 Layer Associates are contracted to be paid on a commission basis with Edward Symmons LLP and Mills & Reeve being paid on a timecost basis.

8 ***Concluding remarks***

8 01 The company's non-property assets have been realised. We shall continue to collect the remaining debts. Although claims continue to be received and agreed, at this stage it is impossible to estimate the likely return to unsecured non-preferential creditors as this will depend entirely on the surplus funds remaining after the sale of the property referred to above, payment to the secured creditors and the unsecured preferential creditors.

8 02 Should you require any further information, please do not hesitate to let us know.

Yours faithfully
for and on behalf of
W EADEN LILLEY & CO LIMITED



Ian D Williams
Joint Administrator

W EADEN LILLEY & CO LIMITED (IN ADMINISTRATION)

28 January 2009 to 27 January 2010

	28 01 09 to 27 07 09 £	28 07 09 to 27 01 10 £	28 01 09 to 27 01 10 £	Fixed charge 28 01 09 to 27 01 10 £	Floating charge 28 01 09 to 27 01 10 £
Receipts					
Cash at bank	29,465 21		29,465 21		29,465 21
Sale of stocks	107,383 00		107,383 00		107,383 00
Licence fees	21,434 95	13,321 39	34,756 34		34,756 34
Sale of trading name	10,250 00		10,250 00	10,250 00	
Sales of furniture & equipment	2,485 00		2,485 00		2,485 00
Sales of fixtures and fittings	256 53		256 53		256 53
Sale of motor vehicle	1,400 00		1,400 00		1,400 00
Book debts	14,036 27	1,215 62	15,251 89		15,251 89
Purchases returned	10,805 71		10,805 71		10,805 71
Rent received		35,000 00	35,000 00	35,000 00	
Sundry refunds	11,439 85	62 46	11,502 31	2,757 83	8,744 48
VAT Refund		4,583 40	4,583 40		4,583 40
Bank interest gross	475 79	13 69	489 48		489 48
VAT on Joint Administrators' receipts	17,246 57	1,669 26	18,915 83		18,915 83
	<u>226,678 88</u>	<u>55,865 82</u>	<u>282,544 70</u>	<u>48,007 83</u>	<u>234,536 87</u>
Payments					
Joint Administrators' remuneration	45,000 00		45,000 00		45,000 00
Solicitor's costs	39,477 43	10,872 65	50,350 08	4,813 74	45,536 34
Agent's charges	9,998 30		9,998 30		9,998 30
Statement of affairs fee	2,500 00		2,500 00		2,500 00
Rates	14,866 00		14,866 00		14,866 00
Heat & Light	8,073 57	505 56	8,579 13	2,181 87	6,397 26
Water charges	123 02	75 50	198 52	126 64	71 88
Energy performance certificate	525 00		525 00	525 00	-
Telephone, fax and computer	1,799 85	490 15	2,290 00		2,290 00
Bank charges	2,077 78	11 21	2,088 99		2,088 99
	<u>124,440 95</u>	<u>11,955 07</u>	<u>136,396 02</u>	<u>7,647 25</u>	<u>128,748 77</u>
Rent	9,075 00	9,075 00	18,150 00	18,150 00	-
Security of premises	480 00	276 00	756 00	577 00	179 00
Specific bond	628 00		628 00		628 00
Postage	12 03		12 03		12 03
Mail redirection	149 50	52 05	201 55		201 55
Mileage	274 40		274 40		274 40
Alarm system maintenance	906 83	796 95	1,703 78	1,419 83	283 95
Accountancy fees	2,631 41	117 50	2,748 91		2,748 91
VAT on Joint Administrators' payments	15,846 53	73 52	15,920 05		15,920 05
VAT paid	7,974 76		7,974 76		7,974 76
	<u>37,978 46</u>	<u>10,391 02</u>	<u>48,369 48</u>	<u>20,146 83</u>	<u>28,222 65</u>
Staff salaries and wages	7,942 07		7,942 07		7,942 07
Printer sold in error	261 50		261 50		261 50
VAT	39 23		39 23		39 23
	<u>170,662 21</u>	<u>22,346 09</u>	<u>193,008 30</u>	<u>27,794 08</u>	<u>165,214 22</u>
Balances					
Current account	635 07		46 40		46 40
Deposit account	55,381 60		89,490 00	20,213 75	69,276 25
	<u>56,016 67</u>		<u>89,536 40</u>	<u>20,213 75</u>	<u>69,322 65</u>

W Eaden Lilley & Co Limited (in administration)
 BENEDICT MACKENZIE LLP FEE SUMMARY
 SIP 9 SCHEDULE 1
 As at 12 February 2010

	Partner	Manager	Assistants and support staff	Total hours	Total Cost £	Average Hourly Rate £
	hours	hours	hours			
A Administration and planning	43 40	39 10	105 60	188 10	31,558 50	167 78
B Investigations	2 80	7 00	1 60	11 40	2,464 00	216 14
C Realisation of assets	44 70	43 10	49 10	136 90	27,076 00	197 78
D Trading	28 40	44 00	12 10	84 50	17,302 50	204 76
E Creditors	14 10	13 60	78 30	106 00	14,526 00	137.04
F Other	-	-	-	-	-	-
Total	<u>133 40</u>	<u>146 80</u>	<u>246 70</u>	<u>526 90</u>	<u>92,927 00</u>	<u>176 37</u>