

The Insolvency Act 1986

Administrator's progress report**2.24B**

Name of Company
Robinson Willey Limited

Company number
00245145

In the
High Court of Justice, Manchester
[full name of court]

Court case number
1804 of 2010

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

✓ We (a) G N Lee and P Stanley of Begbies Traynor, 340 Deansgate, Manchester, M3 4LY

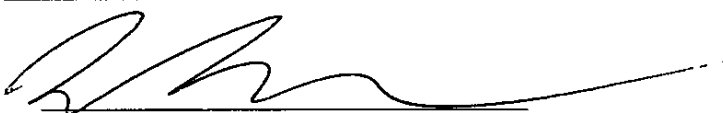
Administrator(s) of the above company attach a progress report for the period

from / to

(b) Insert dates

(b) 26 January 2011 to 25 July 2011

Signed


G N Lee
Joint Administrator

Dated

2/8/11

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.

Begbies Traynor

340 Deansgate, Manchester, M3 4LY

Tel Number 0161 837 1700

Fax Number 0161 837 1701

DX Number

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

FRIDAY



A11

05/08/2011
COMPANIES HOUSE

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Gary N Lee and Paul Stanley were appointed joint administrators on 26 July 2010

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

Robinson Willey Limited (In Administration)

Progress report of the joint administrators pursuant to Rules 2.47 and 2.112 of The Insolvency Rules 1986

Period: 26 January 2011 to 25 July 2011

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

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Robinson Willey Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 26 July 2010
"the administrators"	Gary N Lee and Paul Stanley of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (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	Robinson Willey Limited
Trading name(s)	None
Date of Incorporation	16 January 1930
Company registered number	00245145
Company registered office	340 Deansgate, Manchester, M3 4LY

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators	Gary N Lee and Paul Stanley, Licensed Insolvency Practitioners of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY
Date of administrators' appointment	26 July 2010
Court	Manchester County Court
Court Case Number	1804 of 2010
Person(s) making appointment / application	Mr C Pemberton on behalf of the Directors
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.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) 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

Attached at Appendix 1 is our abstract of receipts and payments for the period from 26 January 2010 to 25 July 2011, and for the period 26 July 2010 to 25 July 2011

As advised in our previous reports we concluded a sale of the Company's assets to GDC Group Limited ("GDC") on 6 August 2010

Of the total consideration of £400,000, £245,000 was allocated to the tangible assets (Plant & Machinery and Stock) and £155,000 was allocated to intangible assets (Goodwill/Intellectual Property Rights). The tangible assets are classed as floating charge realisations whereas intangible assets are classed as fixed charge realisations. Accordingly, the professional costs attributable to the sale have been split between fixed and floating charge using the same basis of allocation as the realisations (i.e. Fixed = 38.75%, Floating = 61.25%).

In order to make a distribution under the fixed charge, it has been necessary to obtain and review all security information from the two charge holders in this matter, Lloyds TSB Commercial Finance Limited ("LTSBCF") and Carver Plc and obtain legal advice as to who has priority for a distribution. Since my previous report we have now received final confirmation that Carver Plc has priority for the fixed charge distribution.

Before we could make the distribution to Carver Plc, it was necessary to consider any Corporation Tax issues as the realisations for the Goodwill may have given rise to a Corporation Tax liability in respect of a chargeable gain. In these circumstances, we formally engaged tax advisers from BTG Tax, which is part of the Begbies Traynor Group, to review all accounting records and determine whether any liability was due.

We worked closely with BTG Tax to provide all necessary information to HM Revenue & Customs ("HMRC") and we have now obtained written confirmation from HMRC that no liability is due.

In light of the above issues, additional costs have been incurred under the fixed charge for the time spent by the Administrators in resolving the deed of priority and Corporation Tax issues and we will now be making a distribution to Carver Plc in the near future.

5. ESTIMATED OUTCOME FOR CREDITORS

Secured creditors

As mentioned above, the two secured creditors in this matter are Carver Plc and LTSBCF.

The deed of priorities entered into between Carver Plc, LTSBCF and the Company states that realisations of assets of the Company are to be distributed first to Carver Plc and second to LTSBCF.

In these circumstances we will shortly be issuing a distribution to Carver Plc under their fixed charge.

Preferential creditors

We have now agreed the preferential claims of the Redundancy Payments office and the employees for arrears of wages, salary and holiday pay. The agreed preferential claims total £96,313.39 and a dividend will be paid to this class of creditor in due course.

Unsecured creditors

Based upon realisations to date there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors.

6. THE ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

The administrators' remuneration is based on hourly costs at scale rates calculated on the time properly spent in the course of the administration and has been approved by the secured and preferential creditors in this matter

Remuneration totaling £135,000 has been drawn to date in accordance with this approval. Total post appointment time spent to date on this assignment amounts to 736.20 hours at an average composite rate of £201.77 per hour resulting in total time costs to date of £148,546.50

The following further information as regards time costs and expenses is set out at Appendix 2

- ☐ Begbies Traynor policy for re-charging expenses
- ☐ Begbies Traynor charge-out rates
- ☐ Narrative summary of time costs incurred and summary by staff grade and work activity

Prior to our appointment as Joint Administrators in this matter, we incurred time costs totalling £8,376 in liaising with the Directors, the secured creditors, interested parties and in preparing the necessary documentation to place the Company into Administration

This was disclosed to creditors in the Administrators Proposals which were deemed approved on 20 September 2010. Accordingly, the Administrators have now drawn this remuneration

7. ASSETS THAT REMAIN TO BE REALISED

There is an ongoing legal claim regarding a defence case against a claim made against the Company by a former employee. We have continued to liaise with the Solicitors acting on behalf of the Company and we are advised that a decision to award the Company costs has been appealed and, therefore, we are currently unable to enforce the terms of the previous Court Order awarding an interim payment on account of costs to the Company

This is considered the only remaining asset to be realised in this matter and we are hopeful that the Company will receive a payment in line with the costs originally awarded

8. OTHER RELEVANT INFORMATION

Report on Directors conduct

As detailed in the administrators' statement of proposals, the administrators have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. The administrators have complied with their duties in this respect

Proposed exit route from administration

The Administrators revised proposals were approved by creditors on 1 April 2011

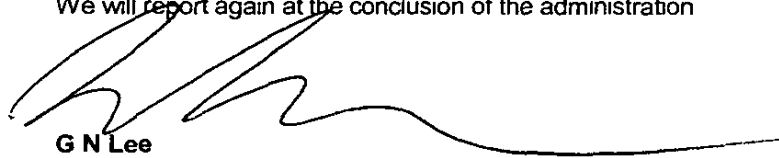
Accordingly, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we will implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved

Administrators' term of office

In order to ensure that the objective of the administration is achieved and that we have fully discharged our duties as administrators, it was necessary to extend the period of the administration. The Administrators term of office was extended with the consent of the secured and preferential creditors for the maximum period of six months and is now due to come to an end on 25 January 2012.

9. CONCLUSION

We will report again at the conclusion of the administration.



G N Lee
Joint Administrator

APPENDIX 1

ADMINISTRATORS' ACCOUNT OF RECEIPTS AND PAYMENTS

Period: 26 January 2011 to 25 July 2011

	Estimated to realise per Statement of affairs	Period From 26/01/2011 To 25/07/2011	Total From 26/07/2010 To 25/07/2011
	£	£	£
RECEIPTS			
Lloyds contribution to costs		0 00	1,000 00
Goodwill/Intellectual Property Rights	155,000 00	0 00	155,000 00
Plant & Machinery, Stock & WIP	245,000 00	0 00	245,000 00
Non financed Book Debts		0 00	398 53
Insurance Refund		0 00	2,572 73
Cash at Bank		0 00	0 81
Misc refunds		809 67	809 67
Bank Interest Gross		573 85	901 63
Bank Interest Net of Tax		0 00	23 02
Utility refund		2,004 24	2,004 24
	<u>400,000 00</u>	<u>3,387 76</u>	<u>405,710 63</u>

PAYMENTS

Pre-appointment Fees	8,376 00	8,376 00
Administrators Fees	30,000 00	135,000 00
Office Holders Expenses	797 54	797 54
Copying	250 00	604 95
Agents/Valuers Fees	0 00	10,500 00
Legal Fees	5,000 00	12,540 00
Legal disbursements	0 00	26 00
Debt Collection Costs	0 00	1,000 00
Statutory Advertising	0 00	75 60
Insurance of Assets	0 00	458 74
Bank Charges	0 00	23 32
	<u>44,423 54</u>	<u>169,402 15</u>

BALANCE - 25 July 2011

238,308.48

NOTE After distributions to the fixed charge holder and to the preferential creditors of the Company, there is no prospect of a dividend to the unsecured creditors in this matter

ADMINISTRATORS' TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- b Begbies Traynor (Central) LLP's charge-out rates
- c Narrative summary of time costs incurred
- d Table of time spent and charge-out value

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 guidance¹ 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. Best practice guidance² requires 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 usually 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 incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

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

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 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.

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

² Ibid 1

(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 Manchester office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME	ROBINSON WILLEY LIMITED
CASE TYPE	ADMINISTRATION
OFFICE HOLDERS	GARY NORTON LEE AND PAUL STANLEY
DATE OF APPOINTMENT	26 JULY 2010

1 CASE OVERVIEW

- 1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

Please refer to the Administrators Proposals and the Progress reports for details of the case and its complexity

1.3 Exceptional responsibilities

None

1.4 The office holders' effectiveness

The Administrators realised £400,000 for the sale of the Company's assets

1.5 Nature and value of property dealt with by the office holders'

The Company traded from leasehold premises in Bootle Liverpool. In addition to the assets sold to GDC Group Ltd, the major asset of the Company was its debtor ledger which is subject to an invoice finance agreement with Lloyds TSB Commercial Finance Ltd ("LTSBCF"). LTSBCF decided to take the collection exercise in-house and subsequently instructed P&A Receivables to undertake the collection exercise on their behalf.

1.6 Anticipated return to creditors

We will shortly be issuing distributions to Carver Plc under their fixed charge and the preferential creditors. There will not be a distribution to the floating charge holders in this matter and there is no prospect of a dividend to the unsecured creditors.

1.7 Time costs analysis

An analysis of time costs incurred in this matter, prepared in accordance with Statement of Insolvency Practice 9, is attached to our proposals and shows the number of hours spent by each grade of staff on the different types of work involved in the case.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

1.8 The views of the creditors

Details of time costs and work performed have been provided within the attached progress report to creditors.

1 9 Approval of fees

The administrators' remuneration is based on hourly costs at scale rates calculated on the time properly spent in the course of the administration and has been approved by the secured and preferential creditors in this matter

1 10 Other professionals employed & their costs

Eversheds Solicitors were involved in the preparation and agreement of the sale and purchase agreement entered into with GDC Group Ltd and have also assisted the administrators in dealing with the leasehold premises and establishing the deed of priority for the fixed charge distribution

Landwood Group provided valuations of the assets and recommended the sale of the same

BTG Tax was engaged to provide tax advice in relation to the sale of the Company's goodwill

**ROBINSON WILLEY LIMITED – IN ADMINISTRATION
ANALYSIS OF ADMINISTRATORS' TIME COSTS**

1 Administration & Accountancy

- Setting up and organising filing system
- The preparation and filing of standard letters
- Preparing Estimated Outcome Statements

2. Planning & Control

- Arranging insurance
- Filing
- 3 and 6 monthly compliance case reviews

3. Fixed Charge Assets

- Instructing BTG Tax re gain on sale of Goodwill

4. Claims, proofs & distributions

- Letters to creditors.
- Dealing with claims received
- Telephone conversations, emails, facsimiles

5 Banking

- Allocating cash received
- Making payments

6. Secured Creditors

- Updates to secured creditors
- Obtaining security information
- Liaising with secured creditors re deed of priority
- Instructing Solicitors

7 Employees

- Obtaining employee records
- Letters to employees enclosing redundancy forms
- Finalising forms P45/P60
- Liaising with RPO regarding employee claims
- Telephone conversations with employees
- Claim for Pension deductions

8 Sale of business/assets

- Liaising with agents re asset valuations
- Liaising with interested parties
- Attending site for viewings with interested parties
- Liaising with Solicitors regarding sale and purchase agreement
- Finalising sale

9 Third Party Assets

- Dealing with finance/leasing companies re transfer/return of assets

10. Debt Collection

- Implementing control spreadsheets
- Posting of cash received
- Liaising with accounts staff regarding collections and promised payments
- Looking into disputed accounts/rebates
- Updating LTSBCF and arranging handover

11. Appointment activity

- Attending site to collect records
- Notifying parties of our appointment
- Pre-appointment returns (VAT, PAYE, CT)

12. CDDA and follow up

- Report on the directors conduct

13. Statutory Reports & Returns

- Proposals to creditors
- Progress reports to creditors

14. VAT & Tax

- Notifying HMRC and submitting returns

15. Retention of Title

- Sending questionnaires to claimants
- Identifying goods subject to ROT
- Attending site to meet with suppliers

16. Pensions

- Filing S120 notice

17. Receipts & Payments and Statement &

- Requesting, reviewing and filing Statement of Affairs

18 Bonding

- Joint Administrators specific bond insurance
-

**Robinson Willey Limited - In Administration
Administrators Time Costs @ 2 August 2011**

Staff analysis

Grade Analysis	Average Charge out rate £	Hours	Amount £
Partner	395 00	90 40	35,708 00
Manager	250 73	218 00	54,659 00
Assistant Manager	195 07	74 30	14,493 50
Senior Administrator	160 00	1 00	160 00
Administrator	130 63	266 90	34,864 00
Junior	100 92	72 50	7,317 00
Cashier	102 67	13 10	1,345 00
Total		736 20	148,546 50

Category of work	Hours	Amount £
Administration & Accountancy	121 70	17,277 00
Appointment Activity	46 60	8,288 50
Banking	14 70	1,565 00
Bonding	0 60	117 00
CDDA reporting and follow up	7 90	1,387 00
Claims, proofs and distributions	119 60	17,050 00
Closing	1 40	182 00
Debt collection	45 30	11,072 50
Employees	102 10	19,626 50
Fixed Charge Assets	8 60	2,483 50
Investigations	6 50	877 50
Pensions	1 30	169 00
Planning & Control	44 20	11,742 50
Receipts and Payments and statement of affairs	1 80	234 00
Retention of title	24 60	3,198 00
Sale of Business/Assets	103 50	30,645 00
Secured Creditors	27 30	7,914 00
Statutory Returns and Reports	38 40	8,701 00
Third party assets	8 60	3,397 00
VAT and Tax	11 50	2,619 50
Total	736 20	148,546 50