

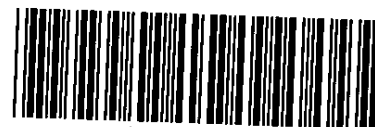
# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



A15

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04/05/2019

#12

COMPANIES HOUSE

### 1 Company details

Company number 0 0 4 1 5 5 9 2

Company name in full Owen Pugh & Company Limited

→ Filling in this form

Please complete in typescript or in  
bold black capitals

### 2 Administrator's name

Full forename(s) Christopher J

Surname Petts

### 3 Administrator's address

Building name/number Rotterdam House

Street 116 Quayside

Post town Newcastle-Upon-Tyne

County/Region

Postcode N E 1 3 D Y

Country

### 4 Administrator's name ①

Full forename(s)

Surname

① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

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 | d | 0 | d | 9 | m | 1 | m | 0 | y | 2 | y | 0 | y | 1 | y | 8 |
| To date   | d | 0 | d | 8 | m | 0 | m | 4 | y | 2 | y | 0 | y | 1 | y | 9 |

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X



X

Signature date

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| d | 0 | d | 3 | m | 0 | m | 5 | y | 2 | y | 0 | y | 1 | y | 9 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|

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  | Suzanne Blakey                  |
| Company name  | Grant Thornton UK LLP           |
| Address       | Rotterdam House<br>116 Quayside |
| Post town     | Newcastle-Upon-Tyne             |
| County/Region |                                 |
| Postcode      | N E 1 3 D Y                     |
| Country       |                                 |
| DX            |                                 |
| Telephone     | Tel/Fax                         |



**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)**



Grant Thornton

# **Owen Pugh & Company Limited - in Administration (the Company)**

Recovery and Reorganisation  
Grant Thornton UK LLP  
*Rotterdam House*  
116 Quayside  
Newcastle-Upon-Tyne  
NE1 3DY

Administrator's progress report for the  
period 9 October 2018 to 8 April 2019

Prepared by: Christopher J Petts, Administrator

Contact details: Should you wish to discuss any matters in  
this report, please do not hesitate to  
contact Suzanne Blakey on  
0191 203 7789

# Definitions

The following definitions are used either within the body of this report, the appendices to it, or both

|     |  |                                          |
|-----|--|------------------------------------------|
| ET  |  | Employment Tribunal                      |
| PA  |  | Protective Award                         |
| DLA |  | DLA Piper UK LLP                         |
| VAT |  | Value added tax                          |
| JLT |  | Jardine Lloyd Thompson Specialty Limited |

# 1 Executive summary

- This progress report for the Company's Administration covers the period from 9 October 2018 to 8 April 2019.
- My proposals were approved on 14 December 2017 by deemed consent.
- The key work done in the period has been reporting to the secured creditors, including payment of a final distribution, distribution of a preferential dividend and complying with statutory matters.
- There will be a prescribed part distribution to the unsecured creditors which is estimated at £35,250 (Section 3 – Dividend prospects).
- The Administration is currently due to end on 9 October 2019. It is anticipated that this matter will take a further 5 months to be completed and for a dividend to unsecured creditors be paid Following which it is intended to exit the Administration and move to dissolution.



Christopher J Petts  
Administrator

3 May 2019

Please be aware fraudsters have been known to masquerade as legitimate administrators. Fraudsters will contact creditors asking for an upfront fee or tax. The Administrator would never ask for such a payment nor instruct a third party to make such a request.

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## 2 Progress to date

### 2.1 Strategy and progress since my statement of proposals

As detailed in the Administrator's proposals dated 30 November 2017, the Administrator will pursue the objective of realising assets for the benefit of preferential and secured creditors.

The main work carried out in the period since my previous report has been:

- Reporting to the secured creditors
- Payment of a 100p in the £ distribution to preferential creditors, including a circular to employees regarding non-preferential claims
- Complying with statutory matters

all of which is reflected in the SIP9 information (Appendix B).

I can advise that David J Dunckley has been removed from office as Administrator, by Court Order, dated 25 February 2019. This was done as Mr Dunckley's role has changed within Grant Thornton UK LLP and he no longer holds any insolvency appointments.

### 2.2 Realisation of assets

As advised in the previous progress report all assets have now been realised.

# 3 Creditors

## 3.1 Secured creditors

HSBC Bank plc was granted a fixed and floating charge debenture over the Company's assets on 6 October 2005. HSBC Bank plc was also granted a fixed charge chattels mortgage over the Company's assets on 6 July 2015. At the date of Administration, the total balance due, secured by the debenture and chattels mortgage, was £5,569,245.

HSBC Equipment Finance (UK) Limited and HSBC Asset Finance (UK) Ltd were granted a fixed charge over the Company's assets on 21 May 2015. HSBC Equipment Finance (UK) Ltd was also granted a charge on 28 July 2017. At the date of Administration, the balance due secured by this debenture was £645,782 spread across a number of other Owen Pugh Group companies.

Merino Industries Ltd (as Security Agent) was granted a fixed and floating charge debenture over the Company's assets on 28 July 2017. At the date of Administration, the balance due secured by this charge was £1,000,000

DLA was engaged to provide legal advice to the Administrator on the validity of the security. No issues were identified.

To date, a distribution of £259,509 has been paid to HSBC Bank plc under its security. There is, therefore, a shortfall to the secured creditor.

A distribution of £611,781.60 has been paid to HSBC Equipment Finance (UK) Limited under its security. The secured creditor has been repaid in full.

There will be no funds to enable a distribution to Merino Industries Ltd, whose security ranks behind that of HSBC Bank plc and HSBC Equipment Finance (UK) Limited.

## 3.2 Preferential creditors

Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. A significant element of these claims will be subrogated to the Secretary of State, following payment of claims by the Redundancy Payments Service

There were 113 employees at the date of appointment all of whom were made redundant.

The preferential claim figure is £62,984.35

A preferential dividend of £62,984.35 was paid on 1 February 2019 equating to 100p in the £

## 3.3 Prescribed part – unsecured creditors

In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company. The prescribed part calculation is applied to the net property available and is calculated at 50% of the first £10,000 of net realisations and 20% of all further amounts, up to a maximum prescribed part of £600,000.

We calculate the prescribed part at £35,250, which would represent a 3p in the £ dividend to the unsecured creditors, based on the information provided by the directors at the time of appointment.

The statement of affairs prepared by the directors details 147 unsecured creditors totaling £991,869.

The above figure does not include employee claims

# 4 Investigations into the affairs of the company

## 4.1 Statutory investigations

As advised in my report dated 4 May 2018, based on the outcome of my investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors. However, I would be pleased to receive from any creditor any useful information concerning the Company, its dealing or conduct which may assist me.

# 5 Fees and costs

## 5.1 SIP9 disclosures

For information regarding payments, remuneration and expenses to me or my associates, please refer to the respective 'Statement of Insolvency Practice 9 disclosure' at Appendix B to this report, which covers'

- fee basis
- work done by me and my team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

# 6 Future strategy

## 6.1 Future conduct of the Administration

I will continue to manage the affairs, business and property of the Company in order to achieve the purpose of the Administration. This will include but not be limited to.

- payment of Administration expenses, including my firm's remuneration
- agreeing the claims of the unsecured creditors and payment of a dividend
- finalisation of the Company's tax affairs, including completion of corporation tax and VAT returns and settlement of any liabilities, and
- complying with statutory and compliance obligations.

It is estimated that the Administration will take approximately 5 months to be concluded due to:

- finalisation of the RPS's non-preferential claim following the ET's Judgment in respect of PA
- Payment of a prescribed part distribution.

## 6.2 Exit from Administration

Once all matters have been concluded, the Administrator will progress the case to closure. As per the Administrator's proposals, it is proposed that the Administration will end by the Administrator filing a notice to dissolve the Company

## 6.3 Discharge from liability

As there are insufficient funds to make a distribution to creditors other than by virtue of the prescribed part, I will seek a resolution from the secured and preferential creditors in order to obtain my discharge from liability.

## 6.4 Data Protection

Any personal information held by the company will continue to be processed for the purposes of the administration of the company and in accordance with the requirements of data protection.

## 6.5 Future reporting

The date of my next, and final, report to creditors is anticipated to be no later than 9 October 2019.

# A Abstract of the Administrator's receipts and payments

|                                               | Statement<br>of Affairs<br>£ | From<br>09/10/2017<br>to 08/10/2018<br>£ | From<br>09/10/2018<br>to 08/04/2019<br>£ | Total<br>£          |
|-----------------------------------------------|------------------------------|------------------------------------------|------------------------------------------|---------------------|
| <b>Receipts</b>                               |                              |                                          |                                          |                     |
| <b>Fixed Charge</b>                           |                              |                                          |                                          |                     |
| Plant & Machinery                             | 1 308,102 00                 | 898,550 00                               | -                                        | 898,550 00          |
| Goodwill                                      |                              | 1 00                                     | -                                        | 1 00                |
| Fixed Charge VAT on Sales                     |                              | 156,450 00                               | -                                        | 156 450 00          |
| <b>Floating Charge</b>                        |                              |                                          |                                          |                     |
| Plant & Machinery                             |                              | 235,745 40                               | -                                        | 235 745 40          |
| Motor Vehicles                                | 8,500 00                     | -                                        | -                                        | -                   |
| Environmental Permit                          |                              | 1 00                                     | -                                        | 1 00                |
| Book Debts                                    | 114,000 00                   | 184 404 04                               | -                                        | 184,404 04          |
| Misc Float Receipts                           |                              | 1 442 33                                 | 475 00                                   | 1,917 33            |
| Vehicle Licence Refunds                       |                              | 37 675 92                                | -                                        | 37,675 92           |
| Misc Refunds                                  |                              | 74 25                                    | 3,662 22                                 | 3,736 47            |
| VAT on Sales                                  |                              | 41,778 30                                | -                                        | 41,778 30           |
|                                               |                              | <u>1 556,122 24</u>                      | <u>4,137 22</u>                          | <u>1,560,259 46</u> |
| <b>Payments</b>                               |                              |                                          |                                          |                     |
| <b>Fixed Charge</b>                           |                              |                                          |                                          |                     |
| Administrators Fees                           |                              | 89,885 00                                | -                                        | 89,885 00           |
| Administrators Expenses                       |                              | 3,310 40                                 | -                                        | 3,310 40            |
| Agents/Valuers Fees                           |                              | 10,287 05                                | -                                        | 10,287 05           |
| Insurance                                     |                              | 280 00                                   | (280 00)                                 | -                   |
| Bank Charges                                  |                              | 130 26                                   | 61 14                                    | 191 40              |
| Fixed Charge VAT on Purchases                 |                              | 20,696 49                                | -                                        | 20,696 49           |
| HMRC - Fx d VAT received/paid                 |                              | 154,392 59                               | (18,639 08)                              | 135,753 51          |
| <b>Distribution to Secured Creditors</b>      |                              |                                          |                                          |                     |
| HSBC Equipment Finance (UK) Ltd               |                              | 611,781 60                               | -                                        | 611,781 60          |
| HSBC Bank plc                                 |                              | 125,000 00                               | 134 509 00                               | 259,509 00          |
| <b>Distribution to Preferential Creditors</b> |                              |                                          |                                          |                     |
| 100p in the £                                 |                              | -                                        | 62,984 35                                | 62,984 35           |
| <b>Floating Charge</b>                        |                              |                                          |                                          |                     |
| Rents                                         |                              | 1,335 00                                 | -                                        | 1 335 00            |
| Rates                                         |                              | 1 009 71                                 | -                                        | 1,009 71            |
| Heat & Light                                  |                              | 5,099 73                                 | -                                        | 5 099 73            |
| Telephone                                     |                              | 788 26                                   | -                                        | 788 26              |
| Professional Fees                             |                              | 5,732 00                                 | (498 78)                                 | 5,233 22            |
| Lease/HP Payments                             |                              | 281 86                                   | -                                        | 281 86              |
| Repairs & Maintenance                         |                              | 238 40                                   | -                                        | 238 40              |
| Property Expenses                             |                              | 32 540 78                                | (2,598 00)                               | 29,942 78           |
| Other Property Expenses                       |                              | 1 300 00                                 | (1,300 00)                               | -                   |
| Vehicle Running Costs                         |                              | 69 30                                    | -                                        | 69 30               |
| PAYE/NI                                       |                              | 31,740 17                                | 291 85                                   | 32 032 02           |

|                                          | From<br>09/10/2017<br>to 08/10/2018 | From<br>09/10/2018<br>to 08/04/2019 | Total               |
|------------------------------------------|-------------------------------------|-------------------------------------|---------------------|
| Statement<br>of Affairs                  | £                                   | £                                   | £                   |
| <b>Payments (cont)</b>                   |                                     |                                     |                     |
| Net Wages                                | 44,022 64                           | -                                   | 44,022 64           |
| Other Payroll Deductions                 | 4,890 92                            | -                                   | 4,890 92            |
| ROT                                      | 4 800 00                            | -                                   | 4,800 00            |
| Agents/Valuers Fees                      | 3,051 53                            | -                                   | 3,051 53            |
| Insurance of Assets                      | 13,338 58                           | -                                   | 13,338 58           |
| Bank Charges                             | 202 04                              | 63 66                               | 265 70              |
| Misc Float Payments                      | 703 20                              | -                                   | 703 20              |
| Legal Fees                               | 18,944 76                           | -                                   | 18,944 76           |
| Mail re-direction - Owen Pugh Holdings   | 490 00                              | (490 00)                            | -                   |
| Mail re-direction - Owen Pugh Properties | 490 00                              | -                                   | 490 00              |
| Re-Direction of Mail                     | 1 960 00                            | -                                   | 1,960 00            |
| Telephone Telex, Fax, IT                 | 19 96                               | -                                   | 19 96               |
| Statutory Advertising                    | 68 70                               | -                                   | 68 70               |
| VAT on Purchases                         | 15,485 24                           | -                                   | 15,485 24           |
| HMRC - VAT received/paid                 | 30,638 42                           | (4,345 36)                          | 26,293 06           |
|                                          | <u>1,235,004 59</u>                 | <u>169,758 78</u>                   | <u>1,404 763 37</u> |
| <b>Net Receipts/(Payments)</b>           | <u>321,117.65</u>                   | <u>(165,621.56)</u>                 | <u>155,496.09</u>   |
| <b>Made up as follows</b>                |                                     |                                     |                     |
| Fixed Current Account NIB                |                                     |                                     | 11 00               |
| Floating Current Account NIB             |                                     |                                     | 155 485 09          |
|                                          |                                     |                                     | <u>155,496.09</u>   |

# B Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the Administrator or his associates

## Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England and Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- fee basis
- work done by the Administrator and his team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

## Post-appointment costs

### Fee basis of the Administrator

I can advise that the following resolutions:

- The Joint Administrators' remuneration be calculated according to the time properly given by the Administrators and their staff
- The Joint Administrators will charge out of pocket expenses at cost and are authorised to charge mileage at 45p per mile. VAT to be added to disbursement charges as necessary

were approved as follows:

- On 22 June 2018 by HSBC Bank plc and HSBC Equipment finance (UK) Ltd and HSBC Asset Finance (UK) Ltd, the secured creditors
- On 28 June 2018 by the preferential creditors
- On 2 July 2018 by Merino Industries Ltd (as Security Agent)

The time costs estimate provided to the creditors (secured, preferential and unsecured) was £254,265.95 with an estimated fee to be drawn of £190,000.

During the period from 9 October 2018 to 8 April 2019 (the Period) time costs were incurred totalling £24,380.75 represented by 92.20hrs at an average of £264.43hr (as shown in the 'Work done' section below. Description of the work done is provided in the respective section below.

As at Period end, as shown in the 'Work done' section below, recorded time costs have exceeded the time costs in the fees estimate and expenses have exceeded the expense estimate, both of which were provided to the creditors prior to the determination of my firm's fee basis.

The reasons for the excess in respect of time costs are as follows:

- Discussions and finalisation of matters with the secured creditors

The reasons for the increase in expenses was noted in the previous report, however expenses have increase further due to:

- Payment of Employer Class 1A NIC liability for the year ended 5 April 2018 in respect of staff retained for a short period after appointment
- Postage
- Bank charges

Under r18.30 of the Rules, I am not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £254,265 85, without approval At present I do not expect to seek approval to draw remuneration in excess of my fees estimate, however I reserve my right to do so in the future

Work done by the Administrator and his team during the Period

| Area of work                                    | Work done                                                                                                                                                                                                                                                                                                                         | Why the work was necessary                                                                                                                                                          | Financial benefit to creditors                                                                                                                                                                                                                                      |                                                                                             | Fees incurred    |                               |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------|-------------------------------|
|                                                 |                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                     |                                                                                                                                                                                                                                                                     |                                                                                             | 5.25 hrs         | £1,330.25 £/hr £253.38        |
| <b>Assets</b>                                   |                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                     |                                                                                                                                                                                                                                                                     |                                                                                             |                  |                               |
| <b>Property</b>                                 | <ul style="list-style-type: none"> <li>Liaising with professional firm regarding business rates review</li> <li>Communication with Council regarding business rates</li> </ul>                                                                                                                                                    | <ul style="list-style-type: none"> <li>To try and identify any potential assets</li> <li>To ensure the Company in Administration is not liable for any unnecessary costs</li> </ul> | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it might not add financial value to the estate it adds value to the insolvency process</li> </ul> |                                                                                             |                  |                               |
| <b>Plant, Machinery, Fixtures &amp; Vehicle</b> | <ul style="list-style-type: none"> <li>Dealing with all issues regarding a Road Traffic Offence and subsequent Court Summons regarding a vehicle leased by the Company</li> </ul>                                                                                                                                                 | <ul style="list-style-type: none"> <li>To ensure the Company in Administration is not liable for any unnecessary costs</li> </ul>                                                   | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>   |                                                                                             |                  |                               |
| <b>Insurance</b>                                | <ul style="list-style-type: none"> <li>Forwarding all claims received post-appointment (but relating to pre-appointment incidents/claims) to JLT</li> </ul>                                                                                                                                                                       | <ul style="list-style-type: none"> <li>To ensure claims are dealt with appropriately</li> </ul>                                                                                     | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>   |                                                                                             |                  |                               |
| <b>Creditors</b>                                |                                                                                                                                                                                                                                                                                                                                   |                                                                                                                                                                                     |                                                                                                                                                                                                                                                                     |                                                                                             | <b>25.51 hrs</b> | <b>£6,263.70 £/hr £245.54</b> |
| <b>Secured</b>                                  | <ul style="list-style-type: none"> <li>Updates, reports and meeting with the secured creditor(s)</li> </ul>                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>To update the secured creditors of progress with the Administration</li> </ul>                                                               | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to creditors</li> </ul>                                                                          | <ul style="list-style-type: none"> <li>Rail Travel £4.80</li> <li>Postage £78.42</li> </ul> |                  |                               |
| <b>Employees &amp; pensions</b>                 | <ul style="list-style-type: none"> <li>Correspondence to relevant employees advising of admitted preferential claim and enclosing questionnaire regarding contractual entitlements and dealing with subsequent employee queries</li> <li>Correspondence to all employees enclosing questionnaire regarding contractual</li> </ul> | <ul style="list-style-type: none"> <li>Necessary work to enable payment of both a preferential dividend and non-preferential dividend</li> </ul>                                    | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul>   |                                                                                             |                  |                               |

|                                                           |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   |           |                                                                                                     |              |
|-----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------------------------------------------------------------------------------------------------|--------------|
| entitlements and dealing with subsequent employee queries |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   |           |                                                                                                     |              |
|                                                           | <ul style="list-style-type: none"> <li>Updating relevant employee records regarding Protective Award figures</li> <li>Updating all employee records following deadline for return of contractual entitlements questionnaire</li> <li>Raising queries with RPS as to why some relevant employees had not received statutory PA payment</li> </ul> |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   |           |                                                                                                     |              |
| Unsecured                                                 | <ul style="list-style-type: none"> <li>Dealing with calls, emails, correspondence and queries raised by creditor</li> <li>Preparing circular to creditors regarding Notice of Intention of Dividend</li> </ul>                                                                                                                                   | <ul style="list-style-type: none"> <li>All necessary work to ensure creditors are kept informed of the Administration and the impending Prescribed Part distribution</li> </ul>                                                                                         | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul> |           |                                                                                                     |              |
|                                                           |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   | 61.44 hrs | £16,786.80                                                                                          | £/hr £273.22 |
| Administration                                            |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   |           |                                                                                                     |              |
| Case management                                           | <ul style="list-style-type: none"> <li>File reviews</li> <li>Maintenance of records</li> </ul>                                                                                                                                                                                                                                                   | <ul style="list-style-type: none"> <li>All necessary work to ensure the Administrators and their staff can carry out their duties</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to creditors</li> </ul>                                                                        |           | <ul style="list-style-type: none"> <li>PAYE/NI : £291.85</li> <li>Bank Charges : £124.80</li> </ul> |              |
|                                                           | <ul style="list-style-type: none"> <li>Administrator's progress report</li> <li>Letters to creditors regarding Administrator's progress report</li> <li>Letter and Forms to Registrar of Companies</li> </ul>                                                                                                                                    | <ul style="list-style-type: none"> <li>All necessary work to ensure the Administrators and their staff can carry out their duties</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to creditors</li> </ul>                                                                        |           |                                                                                                     |              |
| Reports, circulars notices & decisions                    | <ul style="list-style-type: none"> <li>Administrator's progress report</li> <li>Letters to creditors regarding Administrator's progress report</li> <li>Letter and Forms to Registrar of Companies</li> </ul>                                                                                                                                    | <ul style="list-style-type: none"> <li>All necessary work to ensure the Administrators and their staff can carry out their duties</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to creditors</li> </ul>                                                                        |           |                                                                                                     |              |
|                                                           | <ul style="list-style-type: none"> <li>Inputting receipts</li> <li>BACS payments, cheques &amp; Fastpay</li> <li>Bank reconciliations</li> <li>Communication with Bank regarding accounts</li> </ul>                                                                                                                                             | <ul style="list-style-type: none"> <li>To manage day to day banking requirements, transactions and to ensure sufficient funding available to support essential Administration costs and to ensure the Administrator and his staff can carry out their duties</li> </ul> | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to creditors</li> </ul>                                                                        |           |                                                                                                     |              |
| Treasury, billing & funding                               |                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                   |           |                                                                                                     |              |
| Tax                                                       | <ul style="list-style-type: none"> <li>Preparation and submission of VAT return (Group company registration)</li> <li>Detailed work carried out in respect of statutory returns, including calls with HMRC</li> <li>RTI submission following preferential distribution, including liaising with HMRC to</li> </ul>                               | <ul style="list-style-type: none"> <li>All necessary work to ensure the Administrator complies with legal and reporting requirements</li> </ul>                                                                                                                         | <ul style="list-style-type: none"> <li>This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process</li> </ul> |           |                                                                                                     |              |

obtain required references

|                                   |                                   |                                                                                                 |                                                                                                                                                                                                                   |           |            |         |
|-----------------------------------|-----------------------------------|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|------------|---------|
| Pensions                          | • Review of pension contributions | • All necessary work to ensure the Administrator complies with legal and reporting requirements | • This work was necessary to discharge the office holders' duties. As explained under 'Why the work was necessary', although it did not add financial value to the estate it adds value to the insolvency process |           |            |         |
|                                   |                                   |                                                                                                 |                                                                                                                                                                                                                   |           |            |         |
|                                   |                                   |                                                                                                 |                                                                                                                                                                                                                   |           |            |         |
| Total fees incurred in the Period |                                   |                                                                                                 |                                                                                                                                                                                                                   | 92.20 hrs | £24,380.75 | £/hr    |
|                                   |                                   |                                                                                                 |                                                                                                                                                                                                                   |           |            | £264.43 |

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end  
Period from 09/10/2018 to 08/04/2019

| Area of work                                    | Partner<br>Hrs | £        | Manager<br>Hrs | Executive<br>Hrs | £     | Administrator<br>Hrs | £        | Period total<br>Hrs | £         | £/hr   | Cumulative total as at period end<br>Hrs | £          | £/hr   | Fees estimate<br>Hrs | £          | Variance<br>£ | Hrs | £/hr   | £       | £/hr        |
|-------------------------------------------------|----------------|----------|----------------|------------------|-------|----------------------|----------|---------------------|-----------|--------|------------------------------------------|------------|--------|----------------------|------------|---------------|-----|--------|---------|-------------|
| Trading (general)                               | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 18.45                                    | 3,188.25   | 172.80 | 18.45                | 3,188.25   | -             | -   | -      | 172.80  | -           |
| General                                         | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 18.45                                    | 3,188.25   | 172.80 | -                    | -          | -             | -   | -      | -       | -           |
| Realisation of assets.                          | -              | -        | -              | -                | -     | -                    | -        | 5.25                | 1,330.25  | 253.38 | 278.42                                   | 96,078.65  | 345.09 | 293.89               | 103,004.65 | -             | -   | 15.47  | 350.49  | 6,926.00    |
| Sale of business                                | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 4.80                                     | 654.50     | 136.35 | -                    | -          | -             | -   | -      | -       | -           |
| Hive down                                       | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Property                                        | -              | -        | -              | -                | -     | -                    | -        | 0.90                | 250.75    | 278.61 | 26.90                                    | 7,098.25   | 263.88 | -                    | -          | -             | -   | -      | -       | -           |
| Books & other debts                             | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 29.87                                    | 12,235.15  | 412.37 | -                    | -          | -             | -   | -      | -       | -           |
| Plant, machinery, fixtures & vehicles           | -              | -        | -              | -                | -     | -                    | -        | 3.55                | 869.75    | 245.00 | 115.95                                   | 43,482.00  | 375.01 | -                    | -          | -             | -   | -      | -       | -           |
| Stock & work-in-progress                        | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Hire purchase, leasing agreements & third party | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 58.40                                    | 20,568.00  | 352.19 | -                    | -          | -             | -   | -      | -       | -           |
| Other assets                                    | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 19.30                                    | 5,339.00   | 276.63 | -                    | -          | -             | -   | -      | -       | -           |
| Insurance                                       | -              | -        | -              | -                | -     | -                    | -        | 0.80                | 209.75    | 262.19 | 19.20                                    | 4,712.75   | 245.46 | -                    | -          | -             | -   | -      | -       | -           |
| General                                         | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 4.20                                     | 1,989.00   | 473.57 | -                    | -          | -             | -   | -      | -       | -           |
| Investigations                                  | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 3.50                                     | 1,005.00   | 287.14 | 3.50                 | 1,005.00   | -             | -   | -      | 287.14  | -           |
| Other assets                                    | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Debtor / director / senior employees            | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| General                                         | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 3.25                                     | 943.75     | 290.38 | -                    | -          | -             | -   | -      | -       | -           |
|                                                 | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 0.25                                     | 61.25      | 245.00 | -                    | -          | -             | -   | -      | -       | -           |
| Debtor/director/senior employees                | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Creditors:                                      | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Secured                                         | -              | -        | -              | -                | -     | -                    | -        | 25.51               | 6,263.70  | 245.54 | 176.63                                   | 47,925.35  | 271.33 | 147.27               | 35,630.40  | -             | -   | 248.73 | (29.36) | (11,294.95) |
| Employees & pensions                            | -              | -        | -              | -                | -     | -                    | -        | 0.25                | 75.00     | 300.00 | 2.50                                     | 926.25     | 370.50 | -                    | -          | -             | -   | -      | -       | -           |
| Unsecured                                       | -              | -        | -              | -                | -     | -                    | -        | 20.09               | 4,922.05  | 245.00 | 88.11                                    | 22,660.45  | 257.18 | -                    | -          | -             | -   | -      | -       | -           |
| Retention of title                              | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Dividends                                       | -              | -        | -              | -                | -     | -                    | -        | 5.17                | 1,266.65  | 245.00 | 58.37                                    | 13,410.90  | 229.76 | -                    | -          | -             | -   | -      | -       | -           |
| General                                         | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | 27.65                                    | 10,927.75  | 395.22 | -                    | -          | -             | -   | -      | -       | -           |
| Administration:                                 | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Statement of affairs                            | -              | -        | -              | -                | -     | -                    | -        | 61.44               | 16,786.80 | 273.22 | 400.68                                   | 113,655.10 | 283.66 | 378.17               | 110,437.55 | -             | -   | 292.03 | (22.51) | (3,217.55)  |
| Treasury, billing & funding                     | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Tax                                             | -              | -        | -              | -                | -     | -                    | -        | 10.55               | 2,051.75  | 194.48 | 82.45                                    | 17,114.00  | 207.57 | -                    | -          | -             | -   | -      | -       | -           |
| Pensions                                        | -              | -        | -              | -                | -     | -                    | -        | 8.45                | 1,436.50  | 257.97 | 64.15                                    | 15,506.00  | 241.71 | -                    | -          | -             | -   | -      | -       | -           |
| General                                         | -              | -        | -              | -                | -     | -                    | -        | 0.20                | 36.00     | 312.50 | 22.40                                    | 10,808.00  | 482.50 | -                    | -          | -             | -   | -      | -       | -           |
| Other IPs & OR                                  | 6.50           | 3,152.50 | 2.75           | 1,197.50         | 20.89 | 5,126.80             | 231.75   | 31.49               | 9,708.55  | 308.31 | 231.68                                   | 70,227.10  | 303.12 | -                    | -          | -             | -   | -      | -       | -           |
| Shareholders                                    | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Reports to creditors, notices & decisions       | -              | -        | -              | -                | -     | -                    | -        | -                   | -         | -      | -                                        | -          | -      | -                    | -          | -             | -   | -      | -       | -           |
| Total                                           | 6.50           | 3,152.50 | 6.35           | 2,778.50         | 66.85 | 16,295.50            | 2,154.25 | 92.20               | 24,380.75 | 264.43 | 877.68                                   | 261,852.35 | 298.55 | 841.28               | 254,265.85 | -             | -   | 302.24 | (36.40) | (7,586.50)  |
|                                                 |                |          |                |                  |       |                      |          |                     |           |        |                                          |            |        |                      |            |               |     |        |         | 208.42      |

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SIP9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets
- Total time costs paid to date £89,885 (excludes VAT)

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied during the Period are as follows:

| Grade                 | From 9 October 2017 to current |                        |
|-----------------------|--------------------------------|------------------------|
|                       | Insolvency<br>£/hr             | Pensions & Tax<br>£/hr |
| Partner               | 510                            | 510                    |
| Director              | 485                            | 485                    |
| Associate<br>director | 445                            | 445                    |
| Manager               | 340                            | 340                    |
| Assistant<br>manager  | 300                            | 300                    |
| Executive             | 245 - 260                      | 260                    |
| Administrator         | 165 - 200                      | 165 - 200              |
| Treasury              | 180                            | n/a                    |
| Support               | 150                            | n/a                    |

The current charge out rates have applied since 1 October 2017. I reserve the right to amend my charge out rates in the future. Any amendments will be detailed within the next report following such an amendment.

Statement of expenses and disbursements incurred in the Period

This table provides details of expenses and disbursements incurred in the Period in connection with the work done by the Administrator, description of which is provided in the 'Work done' section above.

| Category                        | Incurred in the Period (£) | Cumulatively incurred as at Period end (£) | Of which paid by the estate as at Period end (£) |
|---------------------------------|----------------------------|--------------------------------------------|--------------------------------------------------|
| <b>Category 1 disbursements</b> |                            |                                            |                                                  |
| Joint Administrators' Bond      | 100.00                     | 100.00                                     | 100.00                                           |
| Subsistence                     | 258.17                     | 258.17                                     | 258.17                                           |
| Accommodation                   | 509.95                     | 509.95                                     | 509.95                                           |
| Parking                         | 2.80                       | 2.80                                       | 2.80                                             |
| Rail Travel                     | 4.80                       | 481.80                                     | 477.00                                           |
| Tolls                           |                            | 54.96                                      | 54.96                                            |
| Courier & Postage               | 78.42                      | 446.45                                     | 368.03                                           |
| <b>Category 2 disbursements</b> |                            |                                            |                                                  |
| Mileage @ 45p per mile          |                            | 1,539.49                                   | 1,539.49                                         |
| <b>Expenses</b>                 |                            |                                            |                                                  |
| Rent                            |                            | 1,335.00                                   | 1,335.00                                         |
| Rates                           |                            | 1,009.71                                   | 1,009.71                                         |
| Heat & Light                    |                            | 5,099.73                                   | 5,099.73                                         |
| Telephone                       |                            | 788.26                                     | 788.26                                           |
| <b>Professional Fees:</b>       |                            |                                            |                                                  |
| ERA Solutions Ltd               |                            | 2,830.00                                   | 2,830.00                                         |
| Secure IT Disposals Limited     | (498.78)                   | 2,403.22                                   | 2,403.22                                         |
| Lease/HP Payments               |                            | 281.86                                     | 281.86                                           |
| Repairs & Maintenance           |                            | 238.40                                     | 238.40                                           |
| Property Expenses               | (2,598.00)                 | 29,942.78                                  | 29,942.78                                        |
| Vehicle Running Costs           |                            | 69.30                                      | 69.30                                            |
| PAYE/NI                         | 291.85                     | 32,032.02                                  | 32,032.02                                        |
| Net Wages                       |                            | 44,022.64                                  | 44,022.64                                        |
| Other Payroll Deductions        |                            | 4,890.92                                   | 4,890.92                                         |
| Retention of Title              |                            | 4,800.00                                   | 4,800.00                                         |
| Administrators' Remuneration    | 24,380.75                  | 261,852.35 <sup>1</sup>                    | 89,885.00                                        |
| Agents/Valuers Fees : Hilco     |                            | 13,338.58                                  | 13,338.58                                        |
| Insurance                       | (280.00)                   | 13,338.58                                  | 13,338.58                                        |
| Bank Charges                    | 124.80                     | 457.10                                     | 457.10                                           |

<sup>1</sup> Whilst this figure may be greater than the time cost estimate, the Administrator will not be drawing remuneration in excess of the creditor approved time cost estimate.

|                                         |                  |                   |
|-----------------------------------------|------------------|-------------------|
| Misc Payments                           | 703.20           | 703.20            |
| Legal Fees : DLA Piper UK LLP           | 18,944.76        | 18,944.76         |
| Mail Redirection                        | (490.00)         | 2,450.00          |
| Telephone, Telex, Fax, IT               | 19.96            | 19.96             |
| Statutory Advertising                   | 68.70            | 68.70             |
| <b>Total expenses and disbursements</b> | <b>21,013.84</b> | <b>444,310.69</b> |
|                                         |                  | <b>272,260.12</b> |

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

#### Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs, which exclude mileage, are incurred by staff in attending trading premises or meetings, for example
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the administrator's receipts and payment account at Appendix A.

#### Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. Accordingly, the following resolution was made by the secured creditors on 22 June and 2 July 2018 respectively and by the preferential creditors on 28 June 2018:

- The Joint Administrators will charge out of pocket expenses at cost and are authorised to charge mileage at 45p per mile, VAT to be added to disbursement charges as necessary

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table above.

Sub-contracted out work

I confirm that, in the Period, I have not sub-contracted out any work that could otherwise have been carried out by me or my team.

Payments to associates

Where I have enlisted the services of others, I have sought to obtain the best value and service. In the interest of transparency, I disclose below services I have sought from within my firm or from a party with whom (to the best of my knowledge) my firm, or an individual within my firm, has a business or personal relationship:

| Service provider      | Services enlisted                                                                                                                                                                                                            | Cost of service                                                                                             |
|-----------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
| Grant Thornton UK LLP | <ul style="list-style-type: none"><li>Tax work/advice (narrative is included within the above narrative of work done)</li><li>Pensions work/advice (narrative is included within the above narrative of work done)</li></ul> | <ul style="list-style-type: none"><li>Costs are included within the above SIP9 time cost analysis</li></ul> |

Relationships requiring disclosure

I confirm that I am not aware of any business or personal relationships with any parties responsible for approving the Administrator's fee basis, or who provide services to me as Administrator, which may give rise to a potential conflict

## Information for creditors

Provided below is information to help creditors to understand their rights in insolvency and regarding officeholders' fees, and the roles and functions of committees

R3 is the trade association for the UK's insolvency, restructuring, advisory and turnaround professionals. Amongst other things, R3 has made available written guidance for stakeholders affected by insolvency, in particular creditors, for some of which the web links are provided below.

Where web links are provided for the information, we will supply this information by post, free of charge on request

'Office holder' means, for example, the appointed administrator(s), liquidator(s) or trustee(s) in bankruptcy.

## R3 creditor guides

- Rights of creditors during an insolvency process guides: <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>
- Background information regarding the fees of officeholders: <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- Liquidation/Creditors' committees and commissioners: <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

## Creditors' and members' rights to request information about remuneration or expenses under r18.9 of the Rules

(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14:

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by:

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if:

- (a) the time or cost of preparation of the information would be excessive; or

- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
  - (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
  - (d) the office-holder is subject to an obligation of confidentiality in relation to the information.
- (5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing
- (6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of:
- (a) the office-holder giving reasons for not providing all of the information requested; or
  - (b) the expiry of the 14 days within which an office-holder must respond to a request.
- (7) The court may make such order as it thinks just on an application under paragraph (6)

### **Creditors' and members' rights to challenge the office-holder's remuneration and expenses under r18.34 of the Rules**

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that:

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:

- (a) a secured creditor,
- (b) an unsecured creditor with either.
  - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
  - (ii) the permission of the court, or
- (c) in a members' voluntary winding up:
  - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
  - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

## C Statutory information

### Company Information

|                             |                                                                         |
|-----------------------------|-------------------------------------------------------------------------|
| Company name                | Owen Pugh & Company Limited                                             |
| Date of incorporation       | 22 July 1946                                                            |
| Company registration number | 00415592                                                                |
| Former trading address      | Cramlington Road<br>Dudley<br>Cramlington<br>Northumberland<br>NE23 7PR |
| Former registered office    | As above                                                                |
| Present registered office   | 4 Hardman Square<br>Spinningfields<br>Manchester<br>M3 3EB              |

### Administration information

|                                                          |                                                                                                                                                                                                           |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administration appointment                               | The administration appointment granted in the High Court of Justice, Business and Property Court, 895 of 2017                                                                                             |
| Appointor                                                | the directors                                                                                                                                                                                             |
| Date of appointment                                      | 9 October 2017                                                                                                                                                                                            |
| Administrator's name                                     | Christopher J Petts                                                                                                                                                                                       |
| Administrator's address                                  | Rotterdam House, 116 Quayside, Newcastle-Upon-Tyne, NE1 3DY                                                                                                                                               |
| Changes in office holder(s)                              | David J Dunckley removed as office holder on 25 February 2019                                                                                                                                             |
| Purpose of the administration                            | Realising property in order to make a distribution to one or more secured or preferential creditors                                                                                                       |
| Estimated values of the Net Property and Prescribed Part | The company's Net Property is estimated to be £152,434. The Prescribed Part is capped at the statutory maximum of £600,000                                                                                |
| Prescribed Part distribution                             | The Administrator does not intend to apply to Court to obtain an order that the Prescribed Part shall not apply<br>Therefore, the Administrator intends to make a distribution to the unsecured creditors |
| Functions                                                | In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them.                                             |
| Current administration expiry date                       | 9 October 2019                                                                                                                                                                                            |

## D Notice about this report

This report has been prepared by Christopher J Petts, the Administrator of Owen Pugh & Company Limited – in Administration, solely to comply with the Administrator's statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors

Any persons choosing to rely on this report for any purpose or in any context other than under the Insolvency (England and Wales) Rules 2016 do so at their own risk. To the fullest extent permitted by law, the Administrator does not assume any liability in respect of this report to any such person.

Christopher J Petts is authorised in the UK to act as an Insolvency Practitioner by the Insolvency Practitioners Association.

The Administrator is bound by the Insolvency Code of Ethics.

The Administrator acts as agent for the Company and contract without personal liability. The appointment of the Administrator is personal to him and to the fullest extent permitted by law, Grant Thornton UK LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the Administration.

Please note you should read this progress report in conjunction with the Administrator's previous progress reports and proposals issued to the Company's creditors, which can be found on the Grant Thornton portal. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT. For definitions of abbreviations please refer to the 'Definitions' table at the start of this progress report.

