

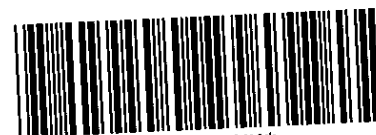
# AM10

## Notice of administrator's progress report



Companies House

MONDAY



QIQ \*Q85VPKXK\* #8  
20/05/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 0 6 3 0 4 7 3

Company name in full Caparo Industries plc

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

### 2 Administrator's name

Full forename(s) David Matthew

Surname Hammond

### 3 Administrator's address

Building name/number Cornwall Court

Street 19 Cornwall Street

Post town Birmingham

County/Region West Midlands

Postcode B 3 2 D T

Country UK

### 4 Administrator's name ①

Full forename(s) Ian David

Surname Green

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

### 5 Administrator's address ②

Building name/number 7 More London

Street Riverside

Post town London

County/Region

Postcode S E 1 2 R T

Country UK

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 1 9	m 0 4	y 2 0 1 8
To date	d 1 8	m 0 4	y 2 0 1 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 1 4	m 0 5	y 2 0 1 9
-------	-------	-----------

# Continuation page

## Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ02, LIQ03, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) Toby Scott

Surname Underwood

### 3 Insolvency practitioner's address

Building name/number 8th Floor Central Square

Street 29 Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 4 D L

Country UK

# 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 Ruth Turner

Company name PwC

Address 8th Floor Central Square

29 Central Square

Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode L S 1 4 D L

Country UK

DX

Telephone 01143 289 4326



### 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)

---

Joint administrators' progress report  
from 19 April 2018 to 18 April 2019

***Caparo Industries Plc***  
(in administration)

High Court of Justice, Chancery Division, Birmingham  
District Registry

14 May 2019

Case no. 8398 of 2015

# ***Contents***

---

Abbreviations and definitions	ii
Key messages	iv
Progress of the administration	vi
Appendix A: Receipts and payments	x
Appendix B: Expenses	xii
Appendix C: Remuneration update	xiii
Appendix D: Other information	iv

---

# Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Company	Caparo Industries Plc
Administrators	David Matthew Hammond, Toby Scott Underwood and Ian David Green
Firm	PricewaterhouseCoopers LLP
Group	Caparo Industries Plc, Caparo Engineering Ltd, BACo Realisations Ltd (formerly Bridge Aluminium Ltd), Material Measurements Ltd, GW 957 Ltd, Caparo Steel Products Ltd, Caparo Precision Strip Ltd, Caparo Precision Tubes Ltd, Caparo Vehicle Products Ltd, Caparo Vehicle Technologies Ltd, Caparo Modular Systems Ltd, Caparo Atlas Fastenings Ltd, Caparo Tube Components Ltd, Caparo Tube Components 2 Ltd, Caparo Accles & Pollock Ltd and Caparo Advanced Composites Ltd
IR16	Insolvency (England and Wales) Rules 2016
IA86	Insolvency Act 1986
Sch.B1 IA86	Schedule B1 to the Insolvency Act 1986
HMRC	HM Revenue & Customs
Prescribed Part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Secured Creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
Secured Lenders	Barclays Bank Plc and Royal Bank of Scotland Plc
Pension Scheme	Caparo 1988 Pension Scheme
Preferential Creditors	Generally, creditors with claims for: <ol style="list-style-type: none"> <li>1. unpaid wages for the whole or any part of the four months before 19 October 2015 up to £800;</li> <li>2. accrued holiday pay for any period before 19 October 2015; and</li> <li>3. unpaid pension contributions in certain circumstances.</li> </ol>
DBEIS	Department for Business, Energy & Industrial Strategy
RPS	Redundancy Payments Service, an executive agency sponsored by the Department for Business, Energy & Industrial Strategy, which

---

authorises and pays the statutory claims of employees of insolvent companies under the Employment Rights Act 1996

---

**SIP** Statement of Insolvency Practice (issued by regulatory authorities, setting out principles and key compliance standards with which insolvency practitioners are required to comply)

---

**Unsecured Creditors** Creditors who are neither secured nor preferential

---

**ROT** Retention of title over goods supplied to the Company but not paid for before the Administrators' appointment

---

**IDF** Invoice discounting facility

---

**ARMS** Atlantic Risk Management Services

---



# Key messages

## Why we've sent you this report

I'm writing to update you on the progress of the administration of Caparo Industries Plc in the 12 months since our last report dated 11 May 2018.

You can still view our earlier reports on our website at [www.pwc.co.uk/caparo-cip](http://www.pwc.co.uk/caparo-cip). Please get in touch with Ruth Turner on 0113 289 4326 or at [ruth.e.turner@pwc.com](mailto:ruth.e.turner@pwc.com) if you need any of the passwords to access the reports.

## How much creditors may receive

The following table summarises the possible outcome for creditors\*, based on what we currently know.

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured Creditors:		
- Secured Lenders	100p/£	100p/£
- Pension Scheme	100p/£	100p/£
- Caparo Group Limited	Uncertain	Uncertain
Preferential creditors	100p/£	100p/£
Unsecured creditors	0p/£	0p/£

*\*Please note this guidance on dividends is only an indication and should not be used as the main basis of any bad debt provision or debt trading.*

The Secured Lenders and the Pension Scheme have security across the Group's assets. The other Secured Creditor is Caparo Group Ltd, which has security relating to the Company's shares in Caparo India Ltd. Prior to the administration, the Group entered into an IDF with the Secured Lenders. The relevant debts were being collected by the Secured Lenders' agent, ARMS, (as opposed to the Administrators) and subsequently by the respective purchasers and then by the Administrators (detailed below). The net funds received have reduced the amount the Group owes the Secured Lenders.

As previously reported, following a successful period of trading and various sales of the businesses and assets across the Group, the Secured Lenders and the Pension Scheme's reducible (secured) amount were repaid in full.

The level of Preferential Creditors significantly reduced as a result of the going concern sale of the business and the payment of arrears of wages and salaries as part of the trading costs. Preferential Creditor claims totalling £18,116 were paid in full in October 2017.

The position for Unsecured Creditors remains the same as previously reported in that, based on the current estimates of realisations and costs in the Company and across the Group, we expect that there will be no distribution to Unsecured Creditors. Our investigations are ongoing, however, and the outcome of that could improve the outlook for the Company's creditors. To allow the investigation work to continue, we sought the Court's agreement to extend the administration for up to 24 months to allow this and other work to be completed. The Court approved our application and the administration was extended until 18 October 2019.

Due to the complex nature of the investigation work, it is unlikely that the work will be concluded by the current extension period. If this is the case, then a further extension to the period of the administration will be sought from the court. Details of any such extension will be given in our next report to creditors.

In accordance with an order of the High Court dated 5 September 2017, the Administrators are reporting to the creditors on an annual basis. Our next report to creditors will therefore be in approximately 12 months' time, or at the end of the administration if earlier.

### *What you need to do*

This report is for your information and you don't need to do anything. However, should you wish to submit a claim, a claim form can be downloaded from our website at [www.pwc.co.uk/caparo-cip](http://www.pwc.co.uk/caparo-cip) or you can get one by telephoning Ruth Turner on 0113 289 4326.

---

# *Progress of the administration*

## *Background*

Creditors will recall that the Group was a diversified industrial group with headquarters in the Midlands and London. If you wish to review further information on the background of the Group and the Company, please see our earlier reports and proposals, available on our website.

The administrations of 15 of the 16 companies in the Group have ended. Five of those companies went into Creditors' Voluntary Liquidation (Caparo Steel Products on 25 April 2017; Caparo Atlas Fastenings Limited and Material Measurements Limited on 26 April 2017; Caparo Precision Tubes Limited on 28 April 2017, and Caparo Engineering Limited on 26 October 2018). Four of the other companies dissolved in July 2017 (Caparo Advanced Composites Limited, Caparo Tube Components 2 Limited, Caparo Vehicle Products Limited and GW 957 Limited). One company dissolved in January 2018 (BACo Realisations Limited), and four companies dissolved in January 2019 (Caparo Accles & Pollock Limited, Caparo Vehicle Technologies Limited, Caparo Tube Components Limited and Caparo Presicion Strip Limited). The final closed administration (Caparo Modular Systems Limited) is yet to be dissolved.

## *Asset realisations*

### Book debts

The Group's pre-administration book debts were charged to the Secured Lenders via the IDF, which at the time of the last report had been repaid in full. A number of reconciliations of the Group's numerous bank accounts and ledgers was carried out to correctly allocate book debt recoveries between: pre appointment sales, post appointment sales and those relating to sales made by the purchasers of Group businesses. This was also completed at the time of the last report.

In addition we calculated and agreed commissions (success based collection fee for the purchaser) on book debts which were agreed as part of the sale of business process.

No further funds are expected from this asset source.

### Other assets

In the period covered by this report, we have collected £72,117 in respect of a refund of overpaid international bank charges from Barclays Bank, £19,027 in respect of the pre appointment healthcare plan refund, £2,832 in respect of interest held on a client account in the name of the Company, and £301 in respect of an overpayment of VAT.

### Interest

During the period, we have realised £26,141 in respect of gross interest on funds held.

### Utilities

We also collected a reimbursement of overpaid post appointment mobile phone charges amounting to £74.

## *Trading*

Our trading outcome to 18 April 2019 is set out in the receipts and payments account in Appendix A. The majority of trading costs are now finalised with the exception of ongoing insurance and storage costs which will continue until we close the administration. It was imperative that the Head Office function was maintained in order to operate the Group's systems, payroll and other central functions. This was critical to optimising the

outcome for creditors of the Company and of the other companies in the Group for a variety of reasons, including:

- It secured going concern premiums a for other asset classes, particularly book debts, plant and machinery and property; and
- Through the payment of arrears of wages, as part of our trading costs, and the achievement of a going concern sale, we have significantly reduced preferential creditor claims.

As you are aware, the key trading activities completed during the administration were generally managed on a Group wide basis due to the way the Group operated. In the main, these involved liaising with multiple suppliers to agree the final trading positions in relation to motor vehicles, mobile phones, utilities, non-domestic rates and general trading suppliers and recharging costs where appropriate across the Group. This exercise is now complete.

The other change to the trading position relates to a circa £1.5m VAT adjustment, further details are below.

## *Tax and VAT*

During the period of this report, our specialist tax and VAT teams have continued to prepare and submit returns to HMRC under their statutory duties for this Company.

We have also completed a large and complex reconciliation of the VAT position across the Group to ensure that each company has accounted to HMRC, and been reimbursed for, the correct amount of VAT. We have now concluded the necessary intercompany payments to correct the errors made when recharging historic trading costs and VAT liabilities across the Group. As the Company is head of the VAT group, it was holding the majority of the VAT received throughout the administration. Following the reconciliation, this has resulted in a circa £1.5m adjustment to the VAT accounts for this Company, the majority of which relates to refunds due to other Group companies.

## *What remains to be done*

There remain a number of matters which we continue to work on. These include:

- VAT compliance: Completing the relevant returns and deregistering this Company prior to closure of the administration;
- Investigations: Ongoing enquiries and consideration of next steps following the review of activities prior to our appointment;
- Statutory and compliance: Dealing with other compliance matters such as progress reports, a possible extension from court, final account and correspondence with creditors; and
- Distributions: If it becomes apparent that a dividend will be available to Unsecured Creditors, agreeing and paying an unsecured distribution.

Further information in relation to the outstanding matters to be dealt with in the administration is set out in Appendix C.

## *Statutory*

Further to circulating our previous progress reports (for the periods up to 18 April 2016, 18 October 2016, 18 April 2017 and 18 April 2018) we also sought consent from the Court to a 24 month extension to the period of the Administration to 18 October 2019, which was duly approved. The Court also ordered that progress reports to creditors could be submitted on an annual basis hence there was no progress report for the period ending 18 October 2018 and this report period is for 12 months.

## *Investigations and actions*

In line with our statutory duties, we have undertaken investigations on activities of the Group prior to our appointment. Due to the confidential nature of this work, further detail has not been discussed in this report.

## *Changes of administrator*

Anthony Barrell, one of the previous Joint Administrators, has left the firm since we last reported to creditors. To make sure that outstanding issues in the administration continue to be pursued, an application was made to the Court to remove him and to appoint Toby Underwood as Administrator. Toby Underwood is licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales.

The application has been granted by court and so Toby Underwood replaced Anthony Barrell as joint administrator with effect from 10 May 2019. Anthony Barrell will be released from all liability in respect of his conduct as administrator with effect from 28 days after publication of the advert notifying of the release which was published on 14 May 2019. Creditors have 28 days after publication of this advert to apply to court to vary or discharge the order.

## *Our receipts and payments account*

We set out in Appendix A an account of our receipts and payments from 19 April 2018 to 18 April 2019.

Receipts in the period include:

- Other asset realisations of £94,283 made up of various refunds owed to the Company, the largest of which was a refund from Barclays Bank Plc of overpaid international bank charges in the amount of circa £72k;
- Third party funds of £2,768,680 relating to secured distributions from other Group companies (please see note 1 to the receipts and payments account at page xi for further information);
- Interest collected on both fixed and floating charged realisations totalling £26,141;
- Third party funds of £4,532, relating to an unknown receipt in one of the closed Group companies paid over to the Company upon its closure;

Payments in the period include:

- Professional and legal fees of £54,194;
- Insurance costs of £5,642, relating to aviation cover paid on behalf of closed group entities;
- Trading costs of £1,679 which relate to document storage costs;
- Utilities and rates of (£74), which relates to a refund of overpaid mobile phone charges;
- An intercompany reimbursement from the Company of VAT of £1,478,670 which relates to the recharge of historic returns and correction of historic group recharges, following the group wide VAT reconciliation undertaken in the period.

## *Our expenses*

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an Administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

## *Our fees*

We set out in Appendix C an update on our remuneration which covers our fees and other related matters.

## *Creditors' rights*

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf>

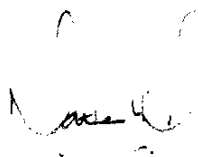
You can also get a copy free of charge by telephoning Ruth Turner on 0113 289 4326.

## *Next steps*

We continue to investigate whether there are further recoveries to be made or actions to be brought. We think it is likely that a further extension to the current extension period of 18 October 2019 will be required in order to complete the investigation work and bring matters to a conclusion.

We'll provide an update on this in our next report. If you've got any questions, please get in touch by contacting Ruth Turner on 0113 289 4326.

Yours faithfully  
For and on behalf of the Company



David Matthew Hammond  
Joint Administrator

*David Matthew Hammond, Toby Scott Underwood and Ian David Green have been appointed as Joint Administrators of Caparo Industries plc to manage its affairs, business and property as its agents and without personal liability. David Matthew Hammond, Toby Scott Underwood and Ian David Green are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.*

*The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>*

*The Joint Administrators may act as controllers of personal data as defined by UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.*

# Appendix A: Receipts and payments

Receipts and Payments Account as at 18 April 2019

As per  
Directors'

Statement of

Affairs	Assets subject to a fixed charge	Notes	19/10/2015 to 18/04/2018	19/04/2018 to 18/04/2019	Total to 18/04/2019
£	Receipts		£	£	£
3,000,000	Land and property		1,679,589	-	1,679,589
300,000	Shares		2,400,000	-	2,400,000
	Third party funds	1	-	2,768,680	2,768,680
	Motor vehicles		19,836	-	19,836
	Interest		8,035	18,299	26,334
	<b>Total receipts</b>		<b>4,107,460</b>	<b>2,786,979</b>	<b>6,894,439</b>
	<b>Payments</b>				
	Professional and legal fees		(27,055)	-	(27,055)
	Bank charges		(55,384)	-	(55,384)
	<b>Total payments</b>		<b>(82,439)</b>	<b>-</b>	<b>(82,439)</b>
	<b>Distributions</b>				
	Secured creditor		(708,885)	-	(708,885)
	<b>Total payments</b>		<b>(708,885)</b>	<b>-</b>	<b>(708,885)</b>
	<b>Cash in hand</b>		<b>3,316,136</b>	<b>2,786,979</b>	<b>6,103,115</b>

£	Assets subject to a floating charge		19/10/2015 to 18/04/2018	19/04/2018 to 18/04/2019	Total to 18/04/2019
	Receipts		£	£	£
73,000	Other asset realisations		25,450	94,283	119,733
	Third party funds		248,229	4,532	252,761
	Group Company funding	2	1,999,086	-	1,999,086
	Interest		3,444	7,842	11,286
	<b>Total receipts</b>		<b>2,276,209</b>	<b>106,657</b>	<b>2,382,866</b>
	<b>Payments</b>				
	Professional and legal fees		(514,641)	(54,194)	(568,835)
	Statutory advertising		(3)	-	(3)
	Pre-appointee fees & expenses		(27,088)	-	(27,088)
	Office holders' fees and expenses	3	(1,709,752)	-	(1,709,752)
	Bank charges		(23,736)	-	(23,736)
	Preferential distributions 100p in the £ paid October 2017		(18,116)	-	(18,116)
	Net trading position		264,814	(7,247)	257,567
	<b>Total payments</b>		<b>(2,028,524)</b>	<b>(61,441)</b>	<b>(2,089,965)</b>
	<b>Cash in hand</b>		<b>247,685</b>	<b>45,216</b>	<b>292,901</b>

	Trading Receipts and Payments Account		19/10/2015 to 18/04/2018	19/04/2018 to 18/04/2019	Total to 18/04/2019
	Receipts		£	£	£
	Other receipts		253,263	-	253,263
	Book Debts		519	-	519
	<b>Total receipts</b>		<b>253,782</b>	<b>-</b>	<b>253,782</b>
	<b>Payments</b>				
	Wages and salaries		(11,061)	-	(11,061)
	PAYE / NI and other employee costs		(61,803)	-	(61,803)
	Utilities and Rates		5,137	74	5,211
	Insurance		5,132	(5,642)	(510)
	Trading costs		22,997	(1,679)	21,318
	Rent		50,629	-	50,629
	<b>Total payments</b>		<b>11,031</b>	<b>(7,247)</b>	<b>3,784</b>
	<b>Net trading position</b>	4	<b>264,814</b>	<b>(7,247)</b>	<b>257,567</b>
	<b>VAT control account</b>	5	<b>1,529,126</b>	<b>(1,478,670)</b>	<b>50,456</b>
	<b>Bank balance*</b>		<b>5,092,947</b>	<b>1,353,524</b>	<b>6,446,472</b>

## **Notes to the Receipts and Payments account**

- 1) Secured distributions were previously paid from only a number of Group companies. Owing to the cross guarantee in favour of the Secured Lenders and Pension Scheme, a marshalling exercise to correctly allocate these distributions across all Group companies has been carried out. This has been completed for a number of Group companies, to enable closure of these insolvent estates. Further marshalling is still to be carried out, at which point we expect these funds to be redistributed to other Group companies and therefore these funds currently sit in third party funds.
- 2) The Company has received funding for making payments on behalf of certain Group companies which is reflected in the receipts and payments account, but not on the expenses statement. These costs will be reimbursed in due course.
- 3) An exercise to apportion our fees between fixed and floating charges is yet to be finalised. The fees taken in the Company in isolation are subject to change.
- 4) Trading was primarily financed through a Group overdraft facility put in place immediately following our appointment. The Company has made a net trading income to date.
- 5) The brought forward balance on the VAT line has been adjusted by £75,543 which relates to pre appointment bad debt relief received by the Company that was paid to other Group companies. The payment has been adjusted in third party funds.



# Appendix B: Expenses

## What is an expense?

The following table provides details of our expenses. Expenses are amounts properly payable by us as Administrators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

	Expenses incurred to 18 April 2018 (£)	Expenses incurred in the period (£)	Total expenses incurred (£)	Estimated future expenses (£)	Total estimated expenses (£)	Initial estimate (£)	Variance (£)
<b>Trading expenses</b>							
Wages & salaries	11,061	-	11,061	-	11,061	547,450	536,389
PAYE/NIC and other employee costs	61,803	-	61,803	-	61,803	465,962	404,159
Trading costs	(22,855)	1,536	(21,319)	-	(21,319)	937,803	959,122
Utilities & rates	(5,137)	(74)	(5,211)	-	(5,211)	101,905	107,116
Insurance	(5,132)	5642	510	-	510	128,421	127,911
Rent	(50,629)	-	(50,629)	-	(50,629)	-	50,629
<b>Total trading expenses</b>	<b>(10,889)</b>	<b>7,104</b>	<b>(3,785)</b>	<b>-</b>	<b>(3,785)</b>	<b>2,181,541</b>	<b>2,185,326</b>
<b>Other expenses</b>							
Professional and legal fees and expenses	595,889	102,470	698,359	500,000	1,198,359	182,874	(1,015,485)
Office holders' costs	3,209,057	493,954	3,703,011	267,503	3,970,514	1,680,757	(2,289,757)
Office holders' disbursements	100,799	366	101,165	1634	102,799	49,250	(53,549)
Pre administration costs	27,088	-	27,088	-	27,088	31,876	4,788
Statutory advertising	3	-	3	73	76	67	(9)
Bank charges*	79,120	-	79,120	100	79,220	33,639	(45,581)
<b>Total other expenses</b>	<b>3,932,837</b>	<b>596,790</b>	<b>4,529,626</b>	<b>769,210</b>	<b>5,298,836</b>	<b>1,978,463</b>	<b>(3,399,594)</b>
<b>Total expenses (excluding VAT)</b>	<b>3,921,947</b>	<b>603,894</b>	<b>4,525,841</b>	<b>769,210</b>	<b>5,295,051</b>	<b>4,160,004</b>	<b>(1,214,267)</b>

\* Bank charges were previously reported net of interest. We have now split the interest out and therefore only bank charges are shown in the table above. The initial estimate remains net of interest.

Where the total incurred expense in a particular category has exceeded the initial estimate, this reflects a need to incur additional cost in order to ensure returns to creditors are maximised.

The trading costs incurred by the Company have been recharged to the Group companies who benefited, together with premiums to recover some of the costs where possible. As a result, the net trading expenses are relatively less than the original estimates.

## Appendix C: Remuneration update

Our fees were approved on a time cost basis by the Secured Creditors at the meeting by correspondence on 22 March 2016. To 18 April 2019, we have drawn fees of £1,610,136 in line with the approval given.

As with our previous reports, we report below an analysis of the time by reference to calendar month periods – in this case from 1 April 2018 to 31 March 2019. The time cost charges incurred in the year to 31 March 2019 are analysed below but may not necessarily reflect how much we will eventually draw as fees for this period.

Our time costs for the reporting period 19 April 2018 to 18 April 2019 total £496,328.

We set out later in this Appendix details of our work to date, anticipated future work, subcontracted work (if any) and payments to associates.

The total time costs of the Administration have exceeded the level of time costs set out in the fees estimate. The fees estimate acts as a cap on the amount we can draw as remuneration without seeking further approval from the relevant body of creditors. Approval to draw time costs in excess of the level set out in the fees estimate has not been sought at this stage, but we continue to liaise with the majority Unsecured Creditor in this regard and anticipate requesting further fees in due course.

Our time costs are higher than initially estimated because we and our staff have had to spend more time attending to a number of complex matters which have been addressed in the Administration which could not have been envisaged at the time of preparing our initial estimate. Incurring this additional time has been necessary in order to ensure a return to creditors.

### Our hours and average rates

Category of Work	Period 01/04/18 to 31/03/2019			Cumulative 19/10/15 to 31/03/2019		Estimated Future		Initial Fees Estimate (£)	Variance (£)
	Hours incurred	Time costs incurred (£)	Average hourly rate (£/hour)	Hours incurred	Time costs incurred (£)	Time Cost (£)	Total Time Costs (£)		
<b>Asset realisations</b>									
Sale of business	-	-	-	182	78,425	-	78,425	51,449	(26,976)
Property	2	587	250	102	38,923	-	38,923	52,770	13,856
Debtors	7	2,117	307	165	51,810	1,133	52,942	3,871	(49,071)
<b>Asset realisations - Total</b>	<b>9</b>	<b>2,704</b>	<b>292</b>	<b>449</b>	<b>169,158</b>	<b>1,133</b>	<b>170,291</b>	<b>108,099</b>	<b>(62,191)</b>
Creditors	92	32,245	351	308	98,635	1,740	100,375	18,429	(81,946)
Employees and pensions	1	135	256	203	64,720	-	64,720	59,150	(5,570)
<b>Trading</b>									
Trading management	-	-	-	746	306,837	-	306,837	274,662	(32,175)
Accounting and treasury	-	-	-	824	223,162	-	223,162	134,836	(88,326)
Retention of title	-	-	-	102	39,618	-	39,618	8,013	(31,605)
<b>Trading - Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,672</b>	<b>569,617</b>	<b>-</b>	<b>569,617</b>	<b>417,511</b>	<b>(152,106)</b>
Investigations	391	173,569	444	4,147	1,704,602	200,000	1,904,602	566,306	(1,338,296)
Statutory and compliance	397	191,657	482	1,506	680,172	41,788	721,950	318,255	(403,704)
Tax and VAT	167	62,227	372	437	189,362	6,128	195,490	77,506	(117,984)
Project management, strategy and administration	103	31,417	306	675	226,745	16,715	243,460	115,502	(127,958)
<b>Total hours and fees estimate</b>	<b>1,159</b>	<b>493,954</b>	<b>426</b>	<b>9,397</b>	<b>3,793,011</b>	<b>267,503</b>	<b>3,970,513</b>	<b>1,680,758</b>	<b>(2,289,755)</b>

Note: Hours and costs have been rounded to the nearest whole number.

### Our time charging policy and hourly rates

We and our team charge our time for the work we need to do in the administration. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed and we

supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the administration (including our cashiers, support and secretarial staff) charge time directly to the case and are included in any analysis of time charged. Each grade of staff has an hourly charge out rate which is reviewed from time to time. Work carried out by our cashiers, support and secretarial staff is charged for separately and isn't included in the hourly rates charged by partners or other staff members. Time is charged in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units). We don't charge general or overhead costs.

We set out below the maximum charge-out rates per hour for the grades of our staff who already or who are likely to work on the administration.

<b>Grade</b>	<b>Maximum rate per hour Up to 30 June 2018 (£)</b>	<b>Maximum rate per hour From 1 July 2018 (£)</b>
Partner	865	890
Director	760	780
Senior manager	575	590
Manager	495	510
Senior associate	412	425
Associate	258	265
Support staff	129	135

We call on colleagues in our Tax, VAT, Real Estate and Pensions departments where we need their expert advice. Their specialist charge-out rates vary but the following are the maximum rates by grade per hour.

<b>Grade</b>	<b>Specialist maximum rate per hour Up to 30 June 2018 (£)</b>	<b>Specialist maximum rate per hour From 1 July 2018 (£)</b>
Partner	1,315	1,520
Director	1,210	1,390
Senior manager	1,230	1,230
Manager	735	770
Senior Associate / consultant	545	570
Associate / assistant consultant	270	305
Support staff	160	250

In common with many professional firms, our scale rates may rise to cover annual inflationary cost increases.

## *Payments to associates*

We have not made any payments to associates in the period covered by this report.

## Our work in the period and work we propose to undertake

The following table provides details of the work we propose to do (indicated by →), have already done (✓), or which is in progress (□). It provides a brief summary for each category rather than an exhaustive list of all possible tasks.

Category of work	General description	Work included	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Assets	Sale of business	<ul style="list-style-type: none"> <li>Liaising with purchasers and solicitors ✓</li> <li>Holding internal meetings to discuss/review offers received ✓</li> <li>Negotiation of offers with different parties and completion of sale ✓</li> </ul>	<ul style="list-style-type: none"> <li>To achieve a better realisation for creditors than if the Company had gone into liquidation (without first being in Administration)</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations for the benefit of creditors as a whole</li> </ul>
		<ul style="list-style-type: none"> <li>Carrying out title searches and securing relevant property records ✓</li> <li>Securing possession of property ✓</li> <li>Liaising with valuers, agents and landlords ✓</li> </ul>	<ul style="list-style-type: none"> <li>To identify property assets, details of ownership and charges</li> <li>To protect property assets</li> <li>Ensure best value achieved and maintain property value</li> <li>To mitigate potential unsecured claims</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations for the benefit of creditors as a whole</li> <li>Minimise possible unsecured claims</li> </ul>
	Intangible assets	<ul style="list-style-type: none"> <li>Carrying out tasks associated with realising such assets ✓</li> </ul>	<ul style="list-style-type: none"> <li>To understand the asset(s) and associated values</li> <li>To ensure an appropriate realisation strategy is effected</li> </ul>	<ul style="list-style-type: none"> <li>Maximise recoveries from intangible assets for the benefit of creditors as a whole</li> </ul>
Insurance		<ul style="list-style-type: none"> <li>Identifying potential issues requiring attention of insurance specialists ✓</li> <li>Reviewing insurance policies ✓</li> <li>Detailed discussions with insurer regarding initial and ongoing insurance requirements □</li> <li>Realising any value within policies ✓</li> </ul>	<ul style="list-style-type: none"> <li>To ensure that appropriate insurance cover is in place at appropriate levels</li> <li>To protect the estate from possible claims (such as public liability claims)</li> <li>So that recoveries can be made from pre-insolvency policies</li> </ul>	<ul style="list-style-type: none"> <li>Mitigate the risk of any potential losses to creditors from damage to assets or from possible claims</li> <li>Realisations from pre-administration policies</li> </ul>
		<ul style="list-style-type: none"> <li>Reviewing and assessing debtor ledgers ✓</li> <li>Liaising with debt collectors and solicitors ✓</li> <li>Liaising with all former Caparo credit managers on collecting book debts ✓</li> <li>Chasing letters / legal letters sent out to all outstanding customers ✓</li> </ul>	<ul style="list-style-type: none"> <li>Ensure best value achieved</li> <li>To ensure an appropriate realisation strategy is effected</li> <li>Ensure proper allocation and recording of receipts</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations for the benefit of creditors as a whole</li> </ul>

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
<b>Creditors</b>	Third party assets	<ul style="list-style-type: none"> <li>• Liaising with Barclays regarding refund of overseas bank charges paid by the Company in the pre appointment period ✓</li> <li>• Finalising the transfer of the IDF accounts to the Administrators ✓</li> <li>• Reconciling the book debt transfers between pre-appointment, post-appointment trading sales and those post sale of the businesses ✓</li> <li>• Agreeing the commissions owed to the purchasers of the businesses, in line with the sale of business agreements ✓</li> <li>• Dealing with ad-hoc queries and reconciliations ✓</li> </ul>	<ul style="list-style-type: none"> <li>• To enable third party owners to collect their assets and reduce their exposure for unpaid liabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Mitigates potential claims against the Company as unsecured amounts or administration expenses</li> </ul>
		<ul style="list-style-type: none"> <li>• Reviewing leasing documents ✓</li> <li>• Liaising with owners/lessors ✓</li> <li>• Carrying out tasks associated with assigning / disclaiming leases ✓</li> </ul>		
		<ul style="list-style-type: none"> <li>• Setting up a dedicated website for delivery of initial and ongoing communications and reports ✓</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with regulatory requirements or statute</li> </ul>	<ul style="list-style-type: none"> <li>• Required by IA86 or IR16 or a regulator requirement</li> </ul>
		<ul style="list-style-type: none"> <li>• Updating website with reports and information for creditors <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Respond to queries from various stakeholders</li> </ul>	
		<ul style="list-style-type: none"> <li>• Receiving and following up creditor enquiries via telephone, email and post <input type="checkbox"/></li> </ul>		
	Secured Creditors	<ul style="list-style-type: none"> <li>• Reviewing and preparing correspondence to creditors and their representatives <input type="checkbox"/></li> <li>• Receiving and filing proofs of debt <input type="checkbox"/></li> <li>• Dealing with confirmation of debt forms and liaising with credit insurers <input type="checkbox"/></li> </ul>		
		<ul style="list-style-type: none"> <li>• Notifying Secured Creditors of appointment ✓</li> </ul>	<ul style="list-style-type: none"> <li>• Stakeholder management</li> </ul>	<ul style="list-style-type: none"> <li>• Required by IA86 or IR16 or a regulator requirement</li> </ul>
		<ul style="list-style-type: none"> <li>• Preparing reports to Secured creditor <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>• Dealing with specific reporting requirements as necessary</li> </ul>	
		<ul style="list-style-type: none"> <li>• Responding to Secured Creditors' queries <input type="checkbox"/></li> </ul>		



<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
		<ul style="list-style-type: none"> <li>Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties ✓</li> </ul>		
	Redundancy related work	<ul style="list-style-type: none"> <li>Commencing / continuing a consultation process ✓</li> <li>Selecting and making redundancies ✓</li> <li>Liaising with the RPS and external agencies <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>In order to allow a fair and proper process to take place</li> </ul>	<ul style="list-style-type: none"> <li>Consultation in line with legal and regulatory requirements</li> </ul>
	Pensions	<ul style="list-style-type: none"> <li>Reviewing insurance policies ✓</li> <li>Issuing statutory notices ✓</li> <li>Dealing with general pension scheme issues and the Pension Protection Fund <input type="checkbox"/></li> <li>Calculating contributions and requesting payments to the relevant scheme or policy <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>Required as a regulatory requirement</li> </ul>	<ul style="list-style-type: none"> <li>Required as a regulatory requirement</li> </ul>
<b>Trading</b>	Trading management	<ul style="list-style-type: none"> <li>Implementing post Administration controls and procedures ✓</li> <li>Liaising with suppliers ✓</li> <li>Liaising with management and staff ✓</li> <li>Liaising with utilities providers ✓</li> <li>Entering into post Administration undertakings ✓</li> <li>Attending on site ✓</li> <li>Authorising purchase orders and other commitments ✓</li> <li>Maintaining purchase order registry ✓</li> <li>Preparing and authorising receipt and payment vouchers ✓ Reviewing company's budgets and financial statements ✓</li> <li>Preparing budgets and financial reports ✓</li> <li>Holding meetings to discuss trading position ✓</li> <li>Liaising with suppliers to finalise trading positions ✓</li> <li>Finalising trading costs and discharging our liabilities ✓</li> </ul>	<ul style="list-style-type: none"> <li>To enable the business to continue to trade</li> <li>To help protect value and achieve a greater outcome via a going concern sale</li> </ul>	<ul style="list-style-type: none"> <li>Continued trading has resulted in reduced employee and supplier claims and maintained / enhanced value of the business</li> </ul>

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
		<ul style="list-style-type: none"> <li>Recharging Group companies and reconciling inter-company amounts ✓</li> <li>Completing novation agreements to transfer contracts to purchaser ✓</li> </ul>		
	Processing receipts and payments	<ul style="list-style-type: none"> <li>Entering receipts and payments into accounting system. ✓</li> </ul>	<ul style="list-style-type: none"> <li>To pay trading administration expenses</li> <li>Maintain the accounts and records of the insolvent estate</li> </ul>	<ul style="list-style-type: none"> <li>Statutory duties to:               <ul style="list-style-type: none"> <li>manage the affairs, business and property of the company</li> <li>settle expenses in the prescribed order of priority</li> <li>keep proper books and records</li> </ul> </li> </ul>
	Conducting investigations	<ul style="list-style-type: none"> <li>Collecting and reviewing Company books and records where related to investigatory work ✓</li> <li>Preparing comparative financial statements and deficiency statement ✓</li> <li>Reviewing specific transactions and liaising with directors regarding certain transactions ✓</li> <li>Preparing investigation file and lodging findings with the Department for Business, Innovation and Skills ✓</li> </ul>	<ul style="list-style-type: none"> <li>Duty to take custody of the Company's books and records</li> <li>To comply with regulatory requirements or statute</li> </ul>	<ul style="list-style-type: none"> <li>Required by IA86 / IR16 or regulatory requirement</li> </ul>
	Asset recoveries	<ul style="list-style-type: none"> <li>Identifying potential asset recoveries <input type="checkbox"/></li> <li>Instructing and liaising with solicitors regarding recovery actions <input type="checkbox"/></li> <li>Holding internal meetings to discuss status of any litigation →</li> <li>Attending to negotiations and settlement matters →</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations for the benefit of creditors as a whole</li> </ul>	<ul style="list-style-type: none"> <li>To maximise realisations for the benefit of creditors as a whole</li> </ul>
<b>Statutory and compliance</b>	Initial letters and notifications	<ul style="list-style-type: none"> <li>Preparing and issuing all necessary initial letters and notices regarding the Administration and our appointment ✓</li> </ul>	<ul style="list-style-type: none"> <li>To comply with regulatory requirements or statute</li> </ul>	<ul style="list-style-type: none"> <li>Required by IA86 / IR16 or regulatory requirement</li> </ul>
	Remuneration report	<ul style="list-style-type: none"> <li>Preparing and circulating to creditors a report giving details of the work we expect to carry out</li> </ul>	<ul style="list-style-type: none"> <li>To comply with regulatory requirements or statute</li> </ul>	<ul style="list-style-type: none"> <li>Required by IA86 / IR16 or regulatory requirement</li> </ul>



Work included		Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Category of work	General description		
Case reviews	during the case, our fees estimate and the expenses that are likely to be incurred ✓		
	Conducting case reviews <input type="checkbox"/> then every six months <input type="checkbox"/>		
Proposals and initial meeting of creditors	Drafting and reviewing a statement of proposals. ✓ to creditors including statutory information. ✓		
	Circulating notice of the proposals to companies. ✓ members and the Registrar of Companies ✓		
Progress reports and extensions	Issuing notice of deemed approved proposals		
	Preparing and issuing periodic progress reports to creditors and the Registrar <input type="checkbox"/>		
Other meetings / resolutions	Making applications to creditors or court for the extension of the Administration and filing relevant notices <input type="checkbox"/>		
	Preparing documents and information for the purpose of obtaining approval to fees. Category 2 disbursements ✓		
Books and records	Administration ✓		
	Convening meetings for resolutions to be considered / issuing resolutions to be considered by correspondence ✓		
Other statutory and compliance	Dealing with records in storage <input type="checkbox"/>		
	Sending case files to storage <input type="checkbox"/>		
	Filing of documents <input type="checkbox"/>		
	Updating checklists and diary management system <input type="checkbox"/>		
	Reconciling the estimated outcome position across the Group <input type="checkbox"/>		
	Marshalling Group debt and cross guarantee position <input type="checkbox"/>		
	Preparing fee budgets & monitoring cost <input type="checkbox"/>		

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
<b>Tax &amp; VAT</b>	Tax	<ul style="list-style-type: none"> <li>Holding team meetings not relating to trading and discussions regarding status of administration <input type="checkbox"/></li> </ul>		
		<ul style="list-style-type: none"> <li>Gathering information for the initial tax review ✓</li> <li>Carrying out tax review and subsequent enquiries ✓</li> <li>Preparing tax computations <input type="checkbox"/></li> <li>Liaising with HMRC <input type="checkbox"/></li> <li>Obtaining tax clearance →</li> <li>Submitting corporation tax returns <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>In compliance with duties as proper officers for tax</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>To ensure tax accounting is accurate for the benefit of creditors as a whole</li> </ul>
	VAT	<ul style="list-style-type: none"> <li>Gathering information for the initial VAT review ✓</li> <li>Initial notification as proper officer for tax ✓</li> <li>Carrying out VAT review and subsequent enquiries ✓</li> <li>Reconciliation of the Company's VAT position within the Group to ensure we have accounted to HMRC for the correct amount of VAT during the administration and that the allocations of VAT between the VAT Group are correct <input type="checkbox"/></li> <li>Preparing and submitting VAT returns <input type="checkbox"/></li> <li>Preparing and submitting bad debt relief <input type="checkbox"/></li> <li>Liaising with HMRC <input type="checkbox"/></li> <li>De-registration →</li> </ul>	<ul style="list-style-type: none"> <li>In compliance with duties as proper officers for tax</li> </ul>	<ul style="list-style-type: none"> <li>Governance</li> <li>To ensure tax accounting is accurate for the benefit of creditors as a whole</li> </ul>
<b>Administration</b>	Strategy and planning	<ul style="list-style-type: none"> <li>Completing tasks relating to job acceptance ✓</li> <li>Preparing and updating estimated outcome statement <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>To resolve outstanding matters in line with the purpose of administration</li> </ul>	<ul style="list-style-type: none"> <li>The Administrators are required by statute to perform their functions as quickly and efficiently as possible</li> </ul>
		<ul style="list-style-type: none"> <li>Operating and closing bank accounts <input type="checkbox"/></li> <li>Dealing with receipts, payments and journals not relating to trading <input type="checkbox"/></li> </ul>	<ul style="list-style-type: none"> <li>To pay administration expenses</li> <li>Maintain the accounts and records of the insolvent estate</li> </ul>	<ul style="list-style-type: none"> <li>Statutory duties to: <ul style="list-style-type: none"> <li>manage the affairs, business and property of the company</li> </ul> </li> </ul>

<i>Category of work</i>	<i>General description</i>	<i>Work included</i>	<i>Why the work was necessary</i>	<i>What, if any, financial benefit the work provided to creditors OR whether it was required by statute</i>
		<ul style="list-style-type: none"> <li>• Carrying out bank reconciliations and managing investment of funds <input type="checkbox"/></li> <li>• Corresponding with bank regarding specific transfers <input type="checkbox"/></li> </ul>		<ul style="list-style-type: none"> <li>◦ settle expenses in the prescribed order of priority</li> <li>◦ keep proper books and records</li> </ul>
	Closure procedures	<ul style="list-style-type: none"> <li>• Withdrawing undertakings not relating to trading and obtaining clearances from third parties <input type="checkbox"/></li> <li>• Completing checklists and diary management system →</li> <li>• Closing down internal systems →</li> <li>• Finalise and close Administration →</li> <li>• Discharge from liability →</li> </ul>	<ul style="list-style-type: none"> <li>• To comply with regulatory requirements or statute</li> </ul>	<ul style="list-style-type: none"> <li>• Required by IA86 / IR16 or regulatory requirement</li> </ul>

## Disbursements

We don't need to get approval to draw expenses or disbursements unless they are for shared or allocated services provided by our own firm, including room hire, document storage, photocopying, communication facilities. These types of expenses are called "Category 2" disbursements and they must be directly incurred on the case, subject to a reasonable method of calculation and allocation and approved by the same party who approves our fees.

Our expenses policy allows for all properly incurred expenses to be recharged to the administration and has been approved by the Secured Lenders where required.

The following disbursements arose in the period of this report.

Category	Policy	Costs incurred £
2	<b>Photocopying</b> - at 12 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	198.00
2	<b>Mileage</b> - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	nil
	<b>Postage</b>	34.83
1	<b>Document storage</b>	128.43
	<b>Parking costs</b>	4.84
	<b>Total in the period</b>	<b>366.10</b>
	Brought forward	100,799.00
	<b>Total disbursements incurred to date</b>	<b>101,165.10</b>

## Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

## Subcontracted work

We have not subcontracted out any work during the period covered by this report.

## Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: <ul style="list-style-type: none"><li>• Review of Company's security position</li><li>• Assisting with sale of Company's assets</li><li>• Legal advice to the Administrators</li></ul>	DLA Piper UK LLP	<ul style="list-style-type: none"><li>• Industry knowledge and insolvency expertise</li><li>• Knowledge of the Company</li></ul>	Time costs and disbursements

Legal advice to the Administrators	Taylor Wessing LLP	<ul style="list-style-type: none"> <li>• Industry knowledge and insolvency expertise</li> <li>• Knowledge of the Company</li> </ul>	Time costs and disbursements
Legal services to send out 7 day legal letters to debtors who haven't paid	Browne Jacobson LLP	<ul style="list-style-type: none"> <li>• Industry knowledge</li> </ul>	£10 per legal letter sent
Property agents and accounts receivable audit <ul style="list-style-type: none"> <li>• Council tax review</li> <li>• Receivables review</li> </ul>	Consultiam Property Limited trading as CAPA	Industry knowledge	Percentage of realisations
Utilities management <ul style="list-style-type: none"> <li>• Meter readings</li> <li>• Liaising with utility providers</li> <li>• Arranging utility supplies</li> <li>• Site security</li> <li>• Records management</li> </ul>	GMS Property Support Services Ltd trading as GMS Group	Industry knowledge	Fixed fee
Insurance broker <ul style="list-style-type: none"> <li>• Reviewing insurance requirements</li> <li>• Arranging insurance cover</li> <li>• Dealing with insurance claims</li> </ul>	JLT Speciality Limited	Industry knowledge	Commission on premiums
Valuation of chattel assets	Hilco Valuation Services	Industry knowledge	Fixed fee
Property valuation services	Lambert Smith Hampton	Industry knowledge	Fixed fee
Vehicle valuation services	Wyles Hardy & Co	Industry knowledge	Fixed fee

As appropriate, we require all third party professionals to submit time costs analyses and narrative in support of invoices rendered.

As noted earlier in this report, the Group (including the Company) had entered into an IDF facility with the Secured Lenders. The IDF debt collection was being managed by ARMS. Following the sale of certain Group businesses to a company ultimately owned by the Gupta family, the purchaser also assisted ARMS in the collection of the IDF debts. With the Secured Lenders repaid in full, the IDF accounts have been released back to the Group, and any fees payable in connection with the collection of the IDF debts are being discharged from funds received.

---

## ***Appendix D: Other information***

---

Court details for the administration:	High Court of Justice, Chancery Division, Birmingham District Registry Case no. 8398 of 2015
Company's registered name:	Caparo Industries plc
Trading name:	n/a
Registered number:	00630473
Registered address:	8 <sup>th</sup> Floor Central Square, 29 Wellington Street, Leeds LS1 4DL
Date of the Administrators' appointment:	19 October 2015
Administrators' names and addresses:	David Matthew Hammond of PricewaterhouseCoopers LLP, tr, Birmingham, B3 2DT, Toby Scott Underwood, 8 <sup>th</sup> Floor Central Square, 29 Wellington Street, Leeds LS1 4DL, and Ian David Green of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
Extension to the initial period of appointment:	12 months to 18 October 2017 approved by creditors A further 24 months to 18 October 2019 approved by the Court
Appointor's / applicant's name and address:	The directors of the Company, Caparo House, 103 Baker Street, London W1U 6LN
Split of the Joint Administrators' responsibilities:	In relation to paragraph 100(2) Sch.B1 IA86, any act required or authorised under any enactment to be done by an administrator may be done by any or all of the Administrators acting jointly or alone.
The European Regulations on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.

---