

## The Insolvency Act 1986

## Statement of administrator's proposals

2.17B

Name of Company Martell Press Limited	Company number 01269137
In the In the High Court of Justice, Chancery Division, Manchester District Registry (full name of court)	Court case number 723109 of 2009

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

We (a) Philip Francis Duffy and Paul David Williams, both of  
MCR  
43-45 Portman Square  
London  
W1H 6LY

\* Delete as appropriate

attach a copy of our proposals in respect of the administration of the above company.

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 22 April 2009

Signed

Joint Administrator

Dated

22 APRIL 2009

## Contact Details:

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

MCR  
43-45 Portman Square  
London  
W1H 6LY

THURSDAY



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23/04/2009

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COMPANIES HOUSE

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Completed and signed this form please send it to the Registrar of Companies at:

use, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

**Martell Press Limited  
(In Administration)**

**Joint Administrators' Report and Proposals to Creditors  
For the period from 4 March 2009 to 22 April 2009  
pursuant to Paragraph 49 of Schedule B1  
to the Insolvency Act 1986**

**22 April 2009**

**Names of Joint Administrators:** Philip Francis Duffy  
Paul David Williams

**Date of appointment:** 4 March 2009

**Date of report:** 22 April 2009

**Appointed by:** GE Commercial Finance Limited, the holder of a Qualifying Floating Charge

**Court reference:** Manchester District Registry no. 723109 of 2009

**MCR**  
**43-45 Portman Square**  
**London**  
**W1H 6LY**

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## **1. INTRODUCTION**

- 1.1 Philip Francis Duffy, and I, both of MCR, were appointed Joint Administrators of Martell Press Limited ("the Company") on 4 March 2009 by GE Commercial Finance Limited ("GE"), the holder of a qualifying floating charge under paragraph 14 of Schedule B1 to the Insolvency Act 1986.
- 1.2 In accordance with Paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the Joint Administrators are being exercised by either one of us.
- 1.3 This report sets out the circumstances leading up to our appointment and the steps taken by us to date.

## **2. BACKGROUND**

- 2.1 The Company was incorporated on 16 July 1976. Statutory information on the Company and a summary of its financial position is included at Appendix 1.
- 2.2 The Company traded from freehold and leased premises at Hopes Lane, Ramsgate, Kent. The Company also traded from a leased shop at 203-205 and 207 Northdown Road, Cliftonville, Margate, Kent, providing stationery and other office supplies.
- 2.3 The Company employed 24 staff all of who were made redundant by the directors on 27 February 2009.
- 2.4 The main trading activity of the Company was printing and stationery suppliers, serving local, national and international customers.
- 2.5 On 14 September 2007, the current directors purchased the Company from Henry and Charles Martell, former directors and shareholders of the Company.
- 2.6 The Company was funded through an Invoice Discount ("ID") facility provided by GE and a loan and overdraft provided by HSBC Bank plc ("HSBC").

## **3. EVENTS LEADING UP TO THE ADMINISTRATION**

- 3.1 The Company experienced a decline in sales throughout 2008. This decline resulted in cash flow difficulties, which were exacerbated by debtors taking longer to pay due to the current economic downturn.
- 3.2 Concerned over the decline in collections of debtor monies, GE instructed MCR to meet with the directors of the Company on 26 February 2009 to carry out a review of the debtors.
- 3.3 The Company required additional funding to cover the employees' wages which were due and other trade suppliers. Further, the Company had reached its overdraft limit with HSBC and the ID facility was fully utilised.
- 3.4 The directors were unable to raise other funding for the business and decided that they had no option but to make all employees redundant on 27 February 2009. In addition the directors had instructed Begbies Traynor to start the process of putting the Company into Liquidation.
- 3.5 In order to protect its investment, GE took the decision to appoint Administrators. A notice of intention to appoint was served on HSBC, as HSBC were granted a fixed and floating charge that

pre-dated GE's Qualifying Floating Charge. HSBC consented to the process and subsequently, on 4 March 2009, Philip Duffy and I were appointed Joint Administrators.

- 3.6 We considered the position prior to accepting the appointment and, having regard to the Insolvency Practitioners Association's ethical guidelines, considered that there were no circumstances preventing us from accepting the appointment.

#### **4. PURPOSE OF THE ADMINISTRATION**

- 4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern, or
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

- 4.2 We believe that the second and third objectives will be achieved.

#### **5. PROGRESS OF THE ADMINISTRATION TO DATE**

- 5.1 The manner in which the affairs and business of the Company have been managed since our appointment and will continue to be managed and financed are set out below.

##### **Administration trading period**

- 5.2 It was not possible to trade the business during Administration as there were no funds available to meet the overheads, also the directors had made the staff redundant on 27 February 2009.

##### **Sale of business and assets**

- 5.3 Professional valuation agents, King Sturge Plant & Machinery Limited ("King Sturge"), were instructed to value the chattel assets.
- 5.4 Following our appointment a number of interested parties approached the Administrators with a view to purchasing the business and certain assets as a going concern. Information on the Company's financial history and a schedule of assets were sent to the three interested parties, however, only one party made an offer for the assets.
- 5.5 The offer was received from Martells Limited. It should be noted that the directors and shareholders of Martells Limited are Charles and Henry Martell, the former directors and shareholders of the Company. Henry and Charles Martell have no connection with the Company other than selling the Company on 14 September 2007.
- 5.6 The offer for the business and certain assets totalled £45,500. After receiving recommendation from King Sturge that the offer should be accepted, we proceeded with the sale of the business and certain assets to Martells Limited.
- 5.7 This offer was accepted after declining three prior offers from Martells Limited. The sale was completed on 7 April 2009.
- 5.8 The consideration was paid in full on completion and was apportioned as follows:

	Value (£)
Plant, Machinery & Stock	45,449
Goodwill	1
	<b>45,500</b>

- 5.9 In addition to its fixed and floating charge, GE hold chattel mortgages over certain items of the plant and machinery. Accordingly, approximately £33,000 from the consideration will be paid to GE in settlement of the chattel mortgages.

### Freehold Property

- 5.10 The freehold property, at Hopes Lane, Ramsgate, Kent, CT12 6UW, was valued at approximately £160,000 by independent agents, Pearson Gore. HSBC hold a fixed charge over the property as security in respect of a loan and overdraft facility provided to the Company.
- 5.11 It is noted that the Company leased premises that are owned jointly by Henry and Charles Martell and D.A. Phillips & Co. Limited ("D.A. Phillips"). The leased premises are adjacent to the freehold premises. An open party wall exists between both properties.
- 5.12 An offer to purchase the freehold property of £145,000 was received from Martells Limited and D.A. Phillips. Although below the asking price, we recommended to HSBC that the offer should be accepted based on the following:
- The cost of sealing the party wall is likely to be in the region of £1,500 in the event that the property was sold to a third party.
  - Agents costs would be deductible at 2%.
  - Security costs of £1,000 will have also been deductible.
  - There was no guarantee that a third party would make an offer in excess of £145,000 and with funds readily available.
- 5.13 HSBC consented with our recommendation and the offer of £145,000 was accepted.
- 5.14 After deducting the legal costs of £1,500 and our time costs of £2,500 in relation to the sale of the freehold property, the balance of the sale proceeds were paid to HSBC, under the terms of their fixed charge.

### Book debts

- 5.15 As at the date of our appointment, the sales ledger balance was £286,948. The book debts are assigned to GE in accordance with an Invoice Discounting agreement. As at the date of appointment, GE were owed approximately £125,000, subject to accruing interest and charges
- 5.16 We have appointed MCR Receivables Management Limited ("MCR-RM"), a company associated with this firm, to collect the book debts, once GE have collected their indebtedness. At this point, the book debts will be reassigned to the Company.
- 5.17 To date, a total of £55,625 has been collected by MCR-RM. MCR-RM have reduced GE's indebtedness to approximately £70,000. It is estimated that a further £166,409 will be collectable.
- 5.18 It is anticipated that there will be a surplus payable into the Administration subject to successful collection of the remaining book debts.

## Investigations

- 5.19 Our investigations into the Company's affairs are currently ongoing.
- 5.20 We have a statutory obligation to file a report with the Insolvency Service regarding the conduct of the directors that held office in the three years prior to the Administration. This report must be filed within six months from the appointment date and the content of this report is confidential.
- 5.21 We also have a duty to investigate antecedent transactions which include:
- Transactions at an undervalue, s238 of the Insolvency Act 1986;
  - Preferences, s239 of the Insolvency Act 1986; and
  - Transactions to defraud creditors, s423 of the Insolvency Act 1986.
- 5.22 Should any creditor have any information they wish to bring to our attention, please do so in writing.

## Receipts and Payments

- 5.23 A summary receipts and payments account is shown at Appendix 2.
- 5.24 The receipts and payments account excludes the collection of pre appointment book debts as these are subject to an ID agreement with GE and are therefore not an asset of the Company.

## Joint Administrators' Agents and Solicitors

- 5.25 We have engaged the following firms to assist with the sale of the Company's business and assets and other statutory matters:

Company	Role
King Sturge LLP	- Chattels agents – Value stock and chattel assets.
Bermans LLP	- Solicitors – Draft the sale of business contract; assist with placing the Company into Administration and other ad hoc legal matters.
MCR Receivables Management Limited	- Book debt collection.
Pearson & Gore	- Valuation of freehold property

## 6. STATEMENT OF AFFAIRS

- 6.1 In accordance with Paragraph 47 of Schedule B1 to the Insolvency Act 1986, we have requested that the directors provide us with a Statement of Affairs ("SoA") of the Company.
- 6.2 Both directors have submitted a blank SoA. An SoA will be provided in my next report if completed in full by the directors.
- 6.3 A schedule of creditors' names and addresses is attached at Appendix 3. Some creditor amounts shown may differ from the actual amount owed. This does not affect the ability for creditors to claim a different amount.

## 7. JOINT ADMINISTRATORS' REMUNERATION

- 7.1 In accordance with Rule 2.106 of the Insolvency Rules 1986, as amended, it is proposed that the basis upon which our remuneration should be fixed, is by reference to the time properly given by us and our staff in attending to matters arising in the Administration.



- 7.2 The creditors' committee, if appointed, should determine the basis of our remuneration. If no committee is appointed, a resolution will be required.
- 7.3 Our time costs for the period 4 March 2009 to and including 17 April 2009 total £32,516.50. A schedule of these time costs is set out at Appendix 4. Category 1 disbursements total £555.46.
- 7.4 To date, no remuneration or disbursements have been drawn by us.
- 7.5 In addition, our firm has outstanding pre-appointment time costs of £2,589 plus VAT in respect Of time costs incurred in assisting in placing the Company into Administration in accordance with Rule 2.67(1)(c). We will seek approval from the secured creditor to draw the costs from asset realisations.
- 7.6 A Creditors' guide to Administrators' fees is attached to the report at Appendix 5.

## **8. DIVIDEND PROSPECTS / PRESCRIBED PART**

### **Secured Creditors**

#### **HSBC Bank plc**

- 8.1 In consideration for the monies advanced under the loan and overdraft facility, the Company granted HSBC a mortgage debenture, which confers fixed and floating charges over all of the assets of the Company.
- 8.2 At the date of our appointment, the Company's indebtedness to HSBC was approximately £224,000, subject to accruing interest and charges.
- 8.3 HSBC has subsequently reduced their indebtedness by £141,000 through the sale of property referred to in paragraph 5.11 above, leaving a balance outstanding of approximately £83,000, subject to accruing interest and charges.
- 8.4 It is anticipated that there will be insufficient realisations to repay HSBC in full.

#### **GE Commercial Finance Limited**

- 8.5 The Company granted a second fixed and floating charge to GE as security in respect of the ID agreement. Under this agreement the Company's book debts were assigned to GE.
- 8.6 The Company's indebtedness to GE is referred to at paragraph 5.14 and 5.15 above.
- 8.7 GE also holds a chattel mortgage over certain of the Company's plant and machinery. The indebtedness to GE in respect of this charge will be paid in full through the proceeds of sale of the plant and machinery to Martells Limited.

### **Preferential Creditors**

- 8.8 We are yet to receive notification of the preferential creditors' claims. According to the Company's books and records, the estimated preferential claims are uncertain, as the employees may have a claim for unpaid wages and holiday pay.
- 8.9 Any employee claims for arrears of pay and holiday pay are preferential. These will be met by the Secretary of State, subject to statutory limits.

- 8.10 At this stage it is anticipated that there will be insufficient funds available to enable a distribution to preferential creditors.

#### **Prescribed Part**

- 8.11 Pursuant to section 176A of the Insolvency Act 1986 where a floating charge is created after 15 September 2003 a Prescribed Part of the Company's net property shall be made available to non-preferential creditors.

- 8.12 The Prescribed Part is calculated as a percentage of net property, as follows:-

Net property less than £10,000:	50% unless the costs of distribution > benefit
Net property greater than £10,000:	50% up to £10,000 plus 20% thereafter to a maximum of £600,000.

- 8.13 The maximum value of the ring-fenced proportion of the funds, known as the "Prescribed Part", is £600,000.

- 8.14 Based on current information there may be a distribution through the Prescribed Part in this case, subject to the level of book debt realisations, although it is not possible to estimate the value of any Prescribed Part at this stage.

#### **Non-Preferential Creditors**

- 8.15 According to the Company's books and records, non-preferential creditors total £364,679. The non-preferential creditors can be summarised as follows:

	£
Trade & Expense Creditors	214,679
HM Revenue & Customs	Uncertain
Directors' Loans	150,000
<b>Total</b>	<b>364,679</b>

- 8.16 Based upon the current information available, it is anticipated that there will not be sufficient realisations to enable a distribution to the non-preferential creditors of the Company, other than from the Prescribed Part.

### **9. EC REGULATION**

- 9.1 It is the Joint Administrators' opinion that the EC Regulation on Insolvency Proceedings 2000 ("EC Regulation") apply and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in England.

### **10. CREDITORS' MEETING**

- 10.1 In accordance with Paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, a creditors' meeting will not be convened as we believe that the Company will have insufficient property to enable a distribution to be made to no-preferential creditors, other than through the Prescribed Part (if any).
- 10.2 However, we shall summon an initial creditors' meeting, if requested to by the creditors of the Company, whose debts amount to at least 10% of the total debts of the Company, using the prescribed form 2.21B, attached at Appendix 6, within 12 days from the date of this report.

- 10.3 Creditors are reminded that the costs of any meeting called shall be paid for by them and that a deposit will be required for such purpose. Such costs may be ordered to be paid as an expense of the Administration if the meeting so resolves.

## **11. END OF THE ADMINISTRATION**

- 11.1 The options available to us for the exit from the Administration are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation ("CVL")
- Company Voluntary Arrangement
- Return of control to the Director
- Dissolution of Company

- 11.2 We recommend that, in the event that we form the view that a distribution can be made to non-preferential creditors, other than from the Prescribed Part, the Company should be placed into CVL. If we form the view that a distribution cannot be made to non-preferential creditors, other than from the Prescribed Part, then we recommend that the Company be dissolved once all assets have been realised. It is likely the latter option will be the outcome in this case.

## **12. JOINT ADMINISTRATORS' PROPOSALS**

- 12.1 We propose the following:

12.1.1 To continue the Administration to deal with such outstanding matters in relation to the Company as we consider necessary until such time as the Administration ceases to have effect.

12.1.2 To do all such other things and generally exercise all of our powers as contained in Schedule 1 of the Insolvency Act 1986, as we, in our sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.

12.1.3 To seek an extension to the Administration period, if we deem necessary.

12.1.4 When it is anticipated that no better realisations will be made in the Administration than would be available in a winding up, to take the necessary steps to put the Company into either CVL, Company Voluntary Arrangement or into Compulsory Liquidation as deemed appropriate by us. It is proposed that we would act as Joint Liquidators should the Company be placed into Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3), creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, we will be appointed Joint Liquidators.

12.1.5 In the event that we form the view that the exit options identified in proposal 12.1.4 above are inappropriate, then, in due course, take the necessary steps to give notice to the Registrar of Companies to the effect that the Company has no property which might permit a distribution to its creditors, at which stage the Administration will cease and the Company will subsequently be dissolved.

12.1.6 That we be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration.

12.1.7 That the creditors consider establishing a creditors' committee. Where no creditors' committee is established, that our remuneration be fixed by reference to the time

properly incurred by us and our staff in attending matters during the Administration and that we will be allowed to draw such remuneration as and when funds permit without further recourse to the creditors of the Company.

- 12.1.8 That MCR be authorised to draw fees of £2,589 plus VAT in respect of time costs incurred in assisting in placing the Company into Administration, in accordance with Rule 2.67(1)(c) of the Insolvency Act, 1986.
- 12.1.9 To be authorised to draw our firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.
- 12.1.10 To be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate.
- 12.1.11 That in accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) creditors may nominate a different person as the proposed Liquidator, provided the nomination is received at this office prior to the approval of the revised proposals. In the absence of such nomination, we will be appointed Joint Liquidators.
- 12.2 Pursuant to Rule 2.33(5) of the Insolvency Rules 1986, the proposals in paragraph 12.1 shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the manner described in paragraph 10.2 above, provided that no meeting has been so requisitioned.
- 12.3 We will also be seeking the following resolutions from the secured creditors:
  - 12.3.1 That we be discharged from all liability pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administration.
  - 12.3.2 That our remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the Administration.
  - 12.3.3 That we be authorised to draw fees of £2,589 plus VAT in respect of time costs incurred in assisting in placing the Company into Administration in accordance with Rule 2.67(1)(c) of the Insolvency Act, 1986.
  - 12.3.4 That we be authorised to draw their firm's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements"), if any.
  - 12.3.5 That we be authorised to instruct and pay MCR Receivables Management Limited to assist with the collection of book debts, where considered appropriate.

### 13. OTHER MATTERS

- 13.1 If any creditor has any information concerning the Company's affairs that they would like to bring to our attention, then we should be pleased to hear from them.

If you require further information or assistance, please do not hesitate to contact Dominic Reason.

  
**Paul Williams**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents for the Company and without personal liability.



## **APPENDIX 1**



## STATUTORY INFORMATION

<b>Date of incorporation</b>	16 July 1976	
<b>Registered number</b>	01269137	
<b>Company directors'</b>	Martin Gibson and Ian Boxer	
<b>Company secretary</b>	Ian Boxer	
<b>Shareholder</b>	Martell Holdings Limited	
<b>Trading address</b>	Hopes Lane Ramsgate Kent CT12 6UW	
<b>Registered office</b>	Current:	Formerly:
	43-45 Portman Square London W1H 6LY	Roper Yard Roper Road Ramsgate, Kent CT2 7EX

<b>Financial information</b>	Period Ended 31 July 08 (Draft) £	Period Ended 31 July 07 (Draft) £
Turnover	<u>1,924,583</u>	<u>1,945,798</u>
Gross Profit	<u>707,656</u>	<u>935,880</u>
Retained profit/(loss) for the year	<u>(188,552)</u>	<u>88,671</u>
Profit and loss reserve carried forward	<u>244,833</u>	<u>433,385</u>



CORPORATE  
RESTRUCTURING

## APPENDIX 2

**Martell Press Limited  
(In Administration)**

**Summary of Receipts & Payments  
04 March 2009 to 22 April 2009**

**RECEIPTS**

**Total (£)**

Freehold land & property	145,000.00
HP Asset (1)	45,000.00
Stock	500.00

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**190,500.00**

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**PAYMENTS**

HSBC Bank plc	140,400.00
Fixed charged legal fees	1,500.00
Agents/Valuers Fees (1)	300.00
Employee consultant services	600.00
VAT receivable	135.00
Fixed charge VAT receivable	225.00

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**143,160.00**

**47,340.00**

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**Balance In Hand**

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**190,500.00**

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### **APPENDIX 3**



**MCR**  
**Martell Press Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA04	A J Engravers Ltd	Unit C, 17Revenge Road, Lordwood Industrial Estate, Chatham, Kent, ME5 8UD	0.00
CA05	A.L.E. Business Machines Ltd	Unit 56, Lakesview Business Park, Canterbury, Kent, CT3 4JZ	0.00
CA02	ABA Group Creative Consultants	43-45 Strand Street, Sandwich, Canterbury, Kent, CT13 9DN	0.00
CA09	Acco UK Limited	Oxford House, Oxford Road, Aylesbury, Buckinghamshire, HP21 8SZ	0.00
CA03	Ace Office Equipment	10 The Vale, Broadstairs, Kent, CT10 1RB	0.00
CA08	Air Conditioning South East	23 Chestfield Road, Chestfield Nr Whitstable, Kent, CT5 3LF	0.00
CA06	Autoglass	P.O. Box 50, 1 Priory Business Park, Cardington, Bedford, MK44 3ZF	0.00
CA07	Axis Print Services	Unit 1, Building 5, Sandwich Industrial Estate, Sandwich, Kent, CT13 9LY	0.00
CB09	Bank of Scotland	c/o The P&A Partnership, 93 Queen Street, Sheffield, S1 1WF	0.00
CB00	Beta Distribution PLC	11 Indecon Court, Millharbour, Docklands, London, E14 9TN	0.00
CB07	Bibby Financial Services	7 Bath Road, Slough Berkshire, SL1 3UE	0.00
CB01	Blaze Maintenance Ltd	15 Tonbridge Road, Hidenborough, Tonbridge, Kent, TN11 9BH	0.00
EM01	Brian Marsh	12a Minster Road, Westgate, Kent, CT8 8DG	0.00
CB06	British Gas Business	PO Box 7685, Leicester, LE19 1ZE	0.00
CB02	British Printing Industries	Federation (B.P.I.F.), Unit 2, Viller's Court, Birmingham Road, West Midlands, CV5 9RG	0.00
CB03	Brittons Printing Inks	Eddington Lane, Herne Bay, Kent, CT6 5TR	0.00
CB08	BSB Engineering Services Ltd	Unit E Tribune Drive, Trinity Trading Estate, Sittingbourne, Kent, ME10 2PD	0.00
CCL07	Cardinal Brands Ltd	Kopirite House, Wilton Road, Humberston, Grimsby, NE Lincs, DN36 4AP	0.00
CF00	Carousel Logistics Limited	t/a FEDEX UK Limited, Gateway Centre, Castle Road, Eurolink, Sittingbourne, Kent, ME10 3RN	0.00
CCL02	Cathedral Embroidery Clothing Limited	The Old Maltings, Forman Street, Derby, DE1 1JQ	0.00
CCCA	CCA Occasions Limited	91 Clydesdale Place, Moss Side Industrial Estate, Leyland, PR26 7QS	0.00
CCL03	CF Asset Finance Limited	Cornwallis House, Instone Road, Dartford, Kent, DA1 2AG	0.00
CCL08	CFH Total Document Management Ltd	St Peter's Park, Wells Road, Radstock, Bath, BA3 3UP	0.00
CCL06	Clerical Medical	PO Box 8, Walton Street, Aylesbury, Bucks, HP21 7GB	0.00
CCL04	Clipper Merchandising	South Strand, Lawford Industrial Estate, Lawford, Essex, CO11 1UP	0.00
EW01	Clive Windley	75a Minster Road, Westgate, Kent, CT8 8DA	0.00
CCL05	Close Invoice Finance Limited	Central Processing, PO Box 5115 Hove, BN5 9EH	0.00
CCL09	cnetwork.tv	Prestige House, Cornford Road, Blackpool, Lancashire, FY4 4QQ	0.00
CD00	Daisy Communications Ltd	Daisy House, Lindred Road Business Park, Nelson, Lancashire, BB9 5SR	0.00
EE00	Dave Ettlinger	8 Mockett Drive, St Peters, Broadstairs, Kent, CT10 3DJ	0.00
CD01	DC Homewood Ltd	Unit 2, Oakwood Ind Est, Dane Valley Road, Broadstairs, Kent, CT10 3JL	0.00

**MCR**  
**Martell Press Limited**  
**B - Company Creditors**

Key	Name	Address	£
ED00	Derek Dyer	44 Bush Avenue, Ramsgate, Kent, CT12 6HD	0.00
CR01	E M Richford Limited	Curzon Road, Chilton Industrial Estate, Sudbruy, Suffolk, CO10 6XD	0.00
CS01	E. Saunders (Margate) Ltd	241 Northdown Road, Cliftonville, Margate, Kent, CT9 2PL	0.00
CG01	E.ON	PO Box 123, Nottingham, NG1 6HD	0.00
CE01	Eagle Envelopes Ltd	Whiteside Industrial Estate, Bathgate, West Lothian, EH48 2RX	0.00
CE02	eCommerce Industries, Inc	(Europe) Limited, Progress House, Rowles Way, Seavesey, Cambridge, CB24 4UG	0.00
CE03	Edding (UK) Limited	Edding House, Merlin Centre, Acrewood Way, St Albans, Herts, AL4 0JY	0.00
CE06	Egerton Stationery	Weikin Road, Lower Bredbury, Stockport, Cheshire, SK6 2BH	0.00
CE05	ELBA Ltd	14-20 Paterson Road, Finedon Road Industrial Estate, Wellingborough, Northants, NN8 4AJ	0.00
CE07	Emco Wheaton UK Limited	Channel Road, Westwood Industrial Estate, Margate, Kent, CT9 4JR	0.00
EB02	Emile Besperat	Flat 1, 57 St Mildreds Road, Westgate, Kent, CT8 8RL	0.00
CE04	Eurogloss (Print Finishers) Ltd	3-5 Greyhound Way, Crayford, Kent, DA1 4HF	0.00
CF01	Fender Group Ltd	Brampton Business Park, 23 Marshall Road, Eastbourne, East Sussex, BN22 9AD	0.00
CF02	FFC Ltd	Unit 1C, Airedale Park, Roydings Avenue, Keighly, West Yorkshire, BD21 4BT	0.00
CF03	FilmTechnik Limited	Unit 3, Block 3, Vestry Industrial Estate, Otford, Kent, TN14 5EL	0.00
CG02	GE Commercial Finance	Enterprise House, Bancroft Road, Reigate, RH2 7RT	0.00
CG03	Gem Gold Limited	61 Market Street, Birkenhead, Wirral, CH41 5BS	0.00
ES01	Gordon Sinclair	14 Honeysuckle Close, Kent, Margate	0.00
CH03	Harrison Products	Sterling House, Moreton Road, Longborough, Gloucestershire, GL56 0QJ	0.00
CH00	HM Revenue & Customs	Insolvency Operations, Queen's Dock, Liverpool, L74 4AF	0.00
CH01	HM Revenue & Customs	VAT Local Office	0.00
CH04	HSBC Bank plc	1-5 Week Street, Maidstone, Kent, ME14 1QW	0.00
EB00	Ian and Leita Boxer	49 Beech Drive, Broadstairs, Kent, CT10 2LL	0.00
CI04	Imcopen Office Supplies Ltd	Imcopen House, Station Road, Guiseley, Leeds, LS20 8BX	0.00
CI05	Ivy Stationary Ltd	Ivy House, 367A Footscray Road, New Eltham, London, SE9 2DR	0.00
ES02	Jill Sheridan	72 Hammonds Drive, Eastbourne, East Sussex, BN23 6PW	0.00
CJ00	Just Forms	Northwood Road, Ramsgate, Kent, CT12 6RR	0.00
CK01	K Laundry	56 Rumfields Road, Broadstairs, Kent, CT10 2PJ	0.00
EY00	Karl Young	12 Sandhurst Road, Margate, Kent, CT9 3HR	0.00
CK02	Ken Loos	Unit A5, Continental Approach, Westwood Industrial Estate, Margate, Kent, CT9 4JG	0.00
CK00	Kent Telephones		0.00

**MCR**  
**Martell Press Limited**  
**B - Company Creditors**

Key	Name	Address	£
CK03	Kingsmead Publications Limited	34 Bookham Industrial Park, Great Bookham, Surrey, KT23 3EU	0.00
CL04	Lanes Limited	Patricia Way, Pysons Road Industrial Estate, Broadstairs, Kent, CT10 2LF	0.00
EG00	Lee Griffiths	15 Tomlin Drive, Margate, Kent, CT9 3XU	0.00
EM00	Lee Moss	119 Nixon Avenue, Kent, Ramsgate	0.00
CL02	LexisNexis	Butterworths, Tolley House, 2 Addiscombe Road, Croydon, CR9 5AF, DX2655, Croydon	0.00
CL01	Litho Supplies (UK) Ltd	Longmoor Lane, Breaston, Derby, DE72 3BQ	0.00
CL05	Lloyds TSB Commercial Finance	Clipper House, Chester Road, Stetford, Manchester, M32 8AF	0.00
CL03	Lowe Aston Partnership	Aston House, Moorlands Lane, Saltash, Cornwall, PL12 4HL	0.00
CM00	Manroland GB Ltd	110-112 Morden Road, Mitcham, Surrey, CR4 4XB	0.00
CM01	Mapac Group Ltd	24 Horndon Industrial Park, Stetion Road, West Horndon, Essex, CM13 3XL	0.00
CB04	Mark C Brown Limited	P.O. Box 69, 4 Baker Street, Hull, HU2 8HS	0.00
ER00	Mark Rolfe	13 Cliffe Avenue, Westbrook, Margate, Kent	0.00
EG01	Martin Gibson and Joyce Clarke	48 Stone Road, Broadstairs, Kent, CT10 1DZ	0.00
CM02	Medus Accountancy Services	'Oakley' Westcliff Gardens, Westbrook, Margate, Kent, CT9 5DT	0.00
EJ00	Mick Julian	19 Queens Gardens, Herne Bay, Kent, CT6 5BS	0.00
CM04	Minilabel Limited	Finches Yard, Mill Green Road, Haywards Heath, West Sussex, RH16 1XQ	0.00
CM03	Mitsubishi Pencil Co UK Ltd	Berkeley Business Park, Wainwright Road, Worcester, WR4 9ZL	0.00
CL00	Mr Charles Martell	24 Alpha Road, Birchington, Kent, CT7	0.00
CCL01	Mr Henry Martell	29 Callis Court Road, Broadstairs, Kent, CT10	0.00
RI00	Mr Ian Boxer	49 Beech Drive, Broadstairs, Kent, CT10 2LL	0.00
RM00	Mr Martin Gibson	Furley Page LLP, 39 St Margret Street, Canterbury, Kent, CT1 1	0.00
CS00	Mr Nigel Jones	Burns Wearing, Ropers Road, Roper Yard, Canterbury, Kent, CT2 7EX	0.00
CA00	Mr Steve Askew	173/175 Cleaveland Road, London, W1T 6QR	0.00
CN00	Nicesheriffs	The Maisonette, Upper Street, Kingsdown Deal Kent, CT14 8BJ	0.00
EB01	Nigel Bateson	1 Enterprise Court, Lakes Road, Braintree, Essex, CM7 3QS	0.00
CN01	Nitrex Limited	9 Afghan Road, St Peters, Broadstairs, Kent, CT10 3DT	0.00
EN00	Norma Nurse	PO Box 720, Totherham, S66 6AS	0.00
CO00	Orange	Apex House, Dolphin Way, Shoreham-by-Sea, West Sussex, BN43 6NZ	0.00
CP09	PaperCo Southern Paper	Hunts Rise, South marston Park, Swindon, Wiltshire, SN3 4TW	0.00
CP0A	Pentel (Stationery) Ltd	Unit 2 Grove Road Business Park, Selling, Faversham, Kent, ME13 9RR	0.00
CP03	Perrywood Vending	PHH Centre, Windmill Hill, Swindon, SN5 6PE	0.00
CP04	PHH Vehicle Management		0.00

**MCR**  
**Martell Press Limited**  
**B - Company Creditors**

Key	Name	Address	£
CP07	Pioneer Welding Company (2002) Ltd	Pioneer Business Park, Princes Road, Ramsgate, Kent, CT11 7RX	0.00
CP0B	Premium Credit Limited	Premium Credit House, 60 East Street, Epsom, Surrey, KT17 1HB	0.00
CP06	Presco UK Limited	Kiln Lane, Swindon, England, SN2 2NP	0.00
CP05	Puckle Suppliers	Cooting Road, Aylesham Industrial Estate, Aylesham, Canterbury, Kent, CT3 3EP	0.00
EH00	Rebecca Hammocks	26 Setterfield Road, Margate, Kent, CT9 1TG	0.00
CR04	Reeve Calendars	Knowingling Mead, Tenby, Pembrokeshire, SA70 8ED	0.00
CR00	Reflections Print Lamination Limited	Reflections Hi-Gloss Centre, Blackhorse Road, London, SE8 5HY	0.00
CH02	Robert Horne Group	Credit Control Department, Huntsman House, Mansion Close, Moulton Park, Northampton, NN3 6LA	0.00
EW00	Robert Warner	47 Kenilworth Court, Sittingbourne, Kent, ME10 1TX	0.00
CR02	Robins Paper Bag Co Ltd	Unit 6a, Thomas Way, Lakesview Business Park, Hersden, Canterbury, Kent, CT3 7JZ	0.00
CR03	Royle Cleaning Services	22 Grange Road, Ramsgate, Kent, CT11 9LR	0.00
CS0B	safe4kids	Atlantic House, Imperial Way, Reading, Berkshire, RG2 0TD	0.00
CS0A	Saint-Gobain Building Distribution	National Payments Centre, Registered Office, Aldwych House, 81 Aldwych, London, WC2B 4HQ	0.00
CS02	Shire Leasing Plc	22-23 Amber Business Village, 1 Calico Business Park, Sandy Way, Amington, Tasmworth, Staffordshire, B77 4BF	0.00
CS03	Silver Services	Unit 20 Joseph Wilson Ind Estate, Millstrood Road, Whitstable, Kent, CT5 3PS	0.00
CS0C	Something Inspirational Limited	1 Liverpool Lawn, Ramsgate, Kent, CT11 9HJ	0.00
CS04	South East Exhibition Services	Sees House, Unit 90, John Wilson Business Park, Whitstable, Kent, CT5 3QT	0.00
CS05	South Eastern Saws (Ind) Ltd	The Old Winery Workshop, 24a Caring Lane, Bearsted, Maidstone, Kent, ME14 4NJ	0.00
CS06	Southern Paper Group	Accounts Receivable, Apex House, Dolphin Way, Shoreham-by-Sea, West Sussex, BN43 6NZ	0.00
CS07	Spectrum Computer Supplies Ltd	P.O. Box 199, Spectrum House, East Parade, Bradford, BD1 5RJ	0.00
ES00	Spencer Saunders	43 Park Lane, Birchington, Kent, CT7 0AN	0.00
CS08	Spicers Ltd	Sawston, Cambridge, CB22 3JG	0.00
CS09	Standfast Buglar Alarm	Co. (East Kent) Ltd, 13-14 Churchfields Place, Margate, Kent, CT9 1PJ	0.00
EC00	Stephen Chidwick	34 Camden Road, St Peters, Broadstairs, Kent, CT10 3DS	0.00
CTBT	tcgroup	Unit 2, Interplex, 16 Ashridge Road, Bradley Stoke, Bristol, BS32 4QE	0.00
CTBS	TDS	4 Barleycorn Way, Hornchurch, Essex, RM11 3JJ	0.00
CTBY	Techwire Services Limited	Unit 19, Carrock Road, Croft Business Park, Bromborough, CH62 3RA	0.00
CT00	Telecoms World Plc	Unit 3, Kingfisher House, New Mill Road, Orpington, Kent, BR5 3QG	0.00

**MCR**  
**Martell Press Limited**  
**B - Company Creditors**

Key	Name	Address	£
CTBV	Thanet Business World Ltd	PO Box 518, Margate, Kent, CT9 9GQ	0.00
CT01	Thanet District Council	P.O. Box 9, Cecil Square, Margate, Kent, CT9 1XZ	0.00
CT04	Thanet Plastics	1 Wilton Road, Haine Industrial Estate, Ramsgate, Kent, CT12 5HG	0.00
CTBZ	Thanet press Limited	Union Crescent, Margate, Kent, CT9 1NU	0.00
CTBX	The Paper Company Limited	Canterbury Industrial Park, Hersden, Canterbury, Kent, CT9 5EA	0.00
CP0C	The Photo Album Company Ltd	1 Reddicap Trading Estate, Sutton Coldfield, West Midlands, B75 7BU	0.00
CP08	The Pilot Pen Company (UK) Ltd	4 Dukes Meadow, Millboard Road, Bourne End, Buckinghamshire, SL8 5XF	0.00
CTBU	Thomas Higgins & Co.	Capitol Buildings, 10 Seaview Road, Wallasey, CH45 4TH	0.00
CT02	Thomson Directories	Thomson House, 296 Farnborough Road, Farnborough, Hampshire, GU14 7NU	0.00
CT03	Thorley Taverns Ltd	The Old Police Station, 56-60 Gladstone Road, Broadstairs, Kent, CT10 2HZ	0.00
CTBW	Tollit & Harvey Ltd	Oldmedow Road, King's Lynn, Norfolk, PE30 4LW	0.00
CTC0	Trade Binding Services	Unit 2a, Longfield Road, Tunbridge Wells, Kent, TN2 3EY	0.00
CT05	Trident (Gb) Ltd	226 High Road, Willesden, London, NW10 2NX	0.00
CU00	UFP (UK) Ltd	Enterprise House, Roydsdale Way, Euroway Trading Estate, Bradford, West Yorkshire, BD4 6SE	0.00
CU01	UK Labels	Euro Business Park, Summerton Road, Oldbury, West Midlands, B69 2EL	0.00
CU02	United Wipes Limited	United House, Spring Copse Business Park, Slinfold, Horsham, West Sussex, RH13 0SZ	0.00
CV02	Valley Printers Supplies Limited	Units 1A+2 Cable Depot, Warspite Road, Woolwich Road, London, SE18 5NX	0.00
CV01	Viridor Waste Kent Limited	c/o Moore Stephens Chartered Accountants, St Paul's House, Warwick Lane, London, EC4M 7BP	0.00
CV00	VOW Europe Limited	Kaye House, Sheffield Business Park, Europa Link, Sheffield, S9 1XU	0.00
CW03	Wallace Print Limited	Unit 7, Ballard Business Park, Cuxton Road, Strood, Kent, ME2 2NY	0.00
CB05	Waring & Partners	Roper Yard, Canterbury, Kent, CT2 7EX	0.00
CW04	Watkiss Automation Sales Limited	Watkiss House, Blaydon Road, Middlefield Industrial Estate, Sandy, Bedfordshire, SG19 1RZ	0.00
CW02	Wating Tyres Service Limited	Unit 8, Orbital one, Green Street, Green Road, Dartford, DA1 1QG	0.00
CX00	X Tel Europe Limited	Independent House Imberhorne Lane, East Grinstead, West Sussex, TH19 1TU	0.00
CY00	YNH Ltd	The Warehouse, Cross Street, Blackpool, Lancashire, FY1 2EA	0.00
CZ00	Zebra Pen (UK) Limited	HQ3, Hook Rise South, Surbiton, KT6 7LD	0.00
<b>148 Entries Totalling</b>			<b>0.00</b>

**APPENDIX 4**

## Martell Press Limited (In Administration)

### Analysis of Joint Administrators' time costs for the period 4 March 2009 to 17 April 2009

Classification of Work Function	Hours					Total Hours	Time Cost	Average Hourly Rate
	Partner	Manager	Senior	Assistants	Support			
							£	£
Strategy planning & control	6.30	12.00	9.90	50.50		78.70	12,450.00	158.20
Sale of business	5.60	11.00	20.10	2.20		38.90	9,580.00	246.27
General correspondence	1.30		4.60	4.20		10.10	1,883.00	186.44
Proposals		1.60	1.60	11.00		14.20	1,766.00	124.37
Unsecured creditors		1.40	0.40	8.80		10.60	1,271.00	119.91
Statutory meetings & reports		3.00		0.60		3.60	909.00	252.50
Retention of title		0.20	3.10	1.70		5.00	830.00	166.00
Fixed charge assets		1.30	1.90			3.20	750.50	234.53
Employee matters	0.10	0.10	0.50	6.10		6.80	732.50	107.72
General admin		0.10	1.60	3.10		4.80	627.50	130.73
Book debts		0.60	2.10	0.10		2.80	600.00	214.29
Secured Creditors			1.90			1.90	380.00	200.00
Cashiering & accounting			0.30	1.70		2.00	282.00	141.00
IPS set up & maintenance		0.60		0.40		1.00	215.00	215.00
Floating charge assets		0.40				0.40	114.00	285.00
CDDA reports				0.60		0.60	54.00	90.00
Trading - operations	0.10					0.10	45.00	450.00
Financial review				0.30		0.30	27.00	90.00
<b>Total Hours</b>	<b>13.40</b>	<b>32.30</b>	<b>48.00</b>	<b>91.30</b>		<b>185.00</b>	<b>32,516.50</b>	<b>175.76</b>
<b>Total Fees Claimed (£)</b>	<b>5,392.00</b>	<b>9,228.50</b>	<b>9,612.00</b>	<b>8,284.00</b>			<b>32,516.50</b>	

### Analysis of category 1 disbursements

Classification of Work Function	£
Advertising	147.85
Hotel Expenses	112.75
Motor Expenses	112.6
Travel & Subsistence	98.8
General	46.69
Storage	30.77
Company Search	6
<b>Total</b>	<b>555.46</b>



## **APPENDIX 5**

## **MCR**

### **PROFESSIONAL FEES – SIP 9**

MCR's mission statement is "to provide clients with an outstanding service based on technical excellence, effective problem solving and the highest level of client care". It provides a quality, partner led service and takes compliance with insolvency legislation and best practice guidance seriously.

This guide to our fees has been produced to provide creditors with information required by best practice guidance. We recommend that this guidance is read in conjunction with the note entitled "A Creditors Guide to Administrators Fees", which is attached.

At MCR we seek to recover fees on time cost basis. Set out below are our firm's hourly rates, with effect from 1 January 2009, excluding VAT:

	£
Partners	395 - 450
Managers/Directors	250 - 395
Seniors	155 - 255
Assistants/Support staff	25 - 140

We occasionally use an associated business, MCR Receivables Management Limited to assist with the collection of book debts and other matters that the officeholders deem necessary. Depending upon the complexity and difficulties with the debtor records, work is undertaken on a basis of a percentage of realisations. The rate usually applied is 10% plus VAT and expenses.

As previously stated, MCR prides itself on the quality of work undertaken. With that in mind, we would invite creditors to consider the following points:

1. Our own standards mean that we undertake an investigation into the affairs of all companies in liquidation irrespective of the level of realisations that will be achieved.
2. The practice has to meet its own overheads and those associated with an insolvent state irrespective of when fees are available from a particular case. We endeavour to allocate tasks to staff with the appropriate skills and at an appropriate charge-out rate.
3. Expenses and disbursements incurred by MCR in dealing with the administration of insolvent estates are discharged as a practice overhead out of fee income. This means that there are no hidden costs for recharging the use of internal meeting rooms, document storage and other services provided by the firm.
4. For the avoidance of doubt, direct costs relating to the administration of an estate are recovered if funds permit. These include, where applicable, advertising, travel expenses and expense claims by MCR staff where they are obliged to work away from the office. MCR only seeks to recover the costs of printing, room hire and document storage provided by external suppliers.

# **A CREDITORS' GUIDE TO ADMINISTRATORS' FEES**

**Where Petition Presented or Appointment Made On or After 15 September 2003**

## **ENGLAND AND WALES**

### **1 Introduction**

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

### **2 The nature of administration**

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,

or, if the administrator thinks neither of these objectives is reasonably practicable

- realising property in order to make a distribution to secured or preferential creditors.

### **3 The creditors' committee**

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

### **4 Fixing the administrator's fees**

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:
- as a percentage of the value of the property which the administrator has to deal with, or
  - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case;
- any responsibility of an exceptional kind or degree which falls on the administrator;
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties;
- the value and nature of the property which the administrator has to deal with.

4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of –

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors –
  - each secured creditor of the company; and
  - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

## **5 What information should be provided by the administrator?**

5.1 When seeking fee approval

5.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

5.1.2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

5.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff:

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

- 5.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

5.2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5.1.4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

**6 What if a creditor is dissatisfied?**

- 6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

**7 What if the administrator is dissatisfied?**

- 7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their

number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

## **8 Other matters relating to fees**

8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

8.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

## **9. Provision of information – additional requirements**

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- the total number of hours spent on the case by the administrator or staff assigned to the case;
- for each grade of staff, the average hourly rate at which they are charged out;
- the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

## **APPENDIX 6**



## Rule 2.37

## Creditor's request for a meeting

Name of Company

Martell Press Limited

Company number

01269137

In the High Court of Justice, Chancery Division,  
Manchester District Registry

Court case number

723109 of 2009

(a) Insert full name and  
address of the creditor  
making the request

I (a)

(b) Insert full name and  
address of registered  
office of the company

request a meeting of the creditors of Martell Press Limited

(b) Registered Office:

MCR  
43-45 Portman Square  
London  
W1H 6LY

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and  
address(es) of creditors  
concurring with the  
request (if any) and their  
claims in the  
administration if the  
Requesting creditor's claim  
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of  
concurrence.

(e) Insert details of the  
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated

## **APPENDIX 7**

**Proof of Debt – General Form**

**Martell Press Limited (In Administration)**

Date of Administration: 4 March 2009.

1.	Name of creditor (If a company please also give company registration number).	
2.	Address of creditor for correspondence.	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration.	
4.	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting).	
5.	If amount in 3 above includes outstanding uncapitalised interest please state amount.	£
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7.	Particulars of any security held, the value of the security, and the date it was given.	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Signature of creditor or person authorised to act on his behalf  _____	
	Name in BLOCK LETTERS  _____	
	Position with or in relation to creditor  _____	
	Address of person signing (if different from 2 above)  _____	

**For Administrators' Use only**

Admitted to vote for	Admitted for dividend for
£	£
Date	Date
Administrator	Administrator