

In accordance with  
Rule 3.61(1) of the  
Insolvency (England  
& Wales) Rules 2016  
& Paragraph 84(8) of  
Schedule B1 of the  
Insolvency Act 1986.

# AM23

## Notice of move from administration to dissolution



Companies House

SATURDAY



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05/10/2019

#121

COMPANIES HOUSE

### 1 Company details

Company number 01277269

Company name in full Owen Pugh Aggregates Limited

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

### 2 Court details

Court name High Court of Justice, Business and Property Court

Court number 8942017

### 3 Administrator's name

Full forename(s) Christopher J

Surname Petts

### 4 Administrator's address

Building name/number Rotterdam House

Street 116 Quayside

Post town Newcastle-Upon-Tyne

County/Region

Postcode NE13DY

Country

AM23

Notice of move from administration to dissolution

|                           |                                                                                                      |                                                                                          |  |
|---------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|--|
| <b>5</b>                  |                                                                                                      | <b>Administrator's name</b> ①                                                            |  |
| Full forename(s)          |                                                                                                      |                                                                                          |  |
| Surname                   |                                                                                                      |                                                                                          |  |
|                           |                                                                                                      | <b>① Other administrator</b><br>Use this section to tell us about another administrator. |  |
| <b>6</b>                  |                                                                                                      | <b>Administrator's address</b> ②                                                         |  |
| Building name/number      |                                                                                                      |                                                                                          |  |
| Street                    |                                                                                                      |                                                                                          |  |
|                           |                                                                                                      |                                                                                          |  |
| Post town                 |                                                                                                      |                                                                                          |  |
| County/Region             |                                                                                                      |                                                                                          |  |
| Postcode                  |                                                                                                      |                                                                                          |  |
| Country                   |                                                                                                      |                                                                                          |  |
| <b>7</b>                  |                                                                                                      | <b>Final progress report</b>                                                             |  |
|                           |                                                                                                      | <input checked="" type="checkbox"/> I have attached a copy of the final progress report  |  |
|                           |                                                                                                      |                                                                                          |  |
| <b>8</b>                  |                                                                                                      | <b>Sign and date</b>                                                                     |  |
| Administrator's signature | Signature<br>X  X |                                                                                          |  |
| Signature date            | d 0 4 m 1 0 y 2 0 1 9                                                                                |                                                                                          |  |

# AM23

## Notice of move from administration to dissolution



### Presenter information

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

Contact name **Suzanne Blakey**

Company name **Grant Thornton UK LLP**

Address **Rotterdam House**  
**116 Quayside**

Post town **Newcastle-Upon-Tyne**

County/Region

Postcode **N E 1 3 D Y**

Country

DX

Telephone **0191 261 2631**



### 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)

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

## **Administrator's final progress report**

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

Prepared by: Christopher J Petts, Administrator

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

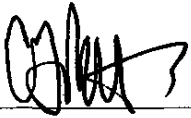
# Definitions

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

|             |                                    |
|-------------|------------------------------------|
| <b>DLA</b>  | DLA Piper UK LLP                   |
| <b>SIP9</b> | Statement of Insolvency Practice 9 |
| <b>CGT</b>  | Capital Gains Tax                  |
| <b>VAT</b>  | Value added tax                    |

# 1 Executive summary

- This final progress report for the Company's Administration covers the entirety of the Administration.
- Our proposals were approved on 14 December 2017 by way of a deemed consent by the creditors.
- The key work done in the period since the previous progress report to 8 April 2019 has been to settle the outstanding liabilities following receipt of the VAT refund, complying with statutory matters and closure of the Administration.
- As there are insufficient funds to make a distribution to unsecured creditors the Administrator will cease to act and move to dissolution.



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Christopher J Petts  
Administrator

4 October 2019

## 2 An overview of the Administration

### 2.1 Implementation of the proposals

The Administrator's proposals were approved by the creditors by way of a deemed consent.

The duty of the Administrator is to act in the best interests of the creditors as a whole in order to achieve the purpose of the Administration, which was to achieve one of the three objectives set out in the Insolvency legislation:

- 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.

The Administrator has pursued the objective of achieving a better result for the company's creditors as a whole than would be likely if the Company were wound up.

### 2.2 Extension of the Administration

The appointment of an Administrator ordinarily ceases to have effect at the end of the period of one year from the date of appointment.

In certain circumstances it is necessary to extend the administrators' term in office in order to achieve the objective of the Administration.

The Administration was extended by the secured creditors to give a revised expiry date of 9 October 2019. The extension was sought as the Environment Agency had yet to effect the transfer of various licences in respect of Marsden Quarry from the Administrator to O'Brien Aggregate Marsden Limited (*the new owners*).

# 3 Progress to conclusion

## 3.1 Strategy and progress from last report

*As detailed in the Administrator's proposals dated 30 November 2017, the Administrator will pursue the objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.*

The strategy for achieving this was for the Administrator to continue to manage the business for as long as he believed it appropriate in attempting a more advantageous realisation of assets.

The remaining work to be carried out was to settle the outstanding liabilities following receipt of the VAT refund. These matters have now been concluded.

## 3.2 Realisation of assets

As advised in my previous progress reports all assets have been realised.



# 4 Creditors

## 4.1 Secured creditors

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

HSBC Bank plc also had a legal mortgage created on 6 October 2005 in respect of freehold land on the East Side of Lizard Lane, Marsden.

HSBC Bank plc also had a chattels mortgage created on 6 July 2015.

HSBC Asset Finance (UK) Ltd and HSBC Equipment Finance (UK) Ltd were granted a fixed charge over the Company's assets on 21 May 2015. At the date of Administration, the balance due secured by this charge was £645,782 spread across a number of Owen Pugh Group companies. This liability has been repaid in full from asset realisations in other Owen Pugh Group companies.

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

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

A distribution of £2,212,082 has been paid to HSBC Bank plc under its security. There is, therefore, a shortfall to the secured creditors.

There will be no funds to enable a distribution to Merino Industries Ltd, whose security ranks behind that of HSBC Bank plc.

## 4.2 Preferential creditors

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

There were 17 employees, all of whom have been transferred with the sale of the business. As a result, I do not consider there to be any preferential claims in respect of wages and holiday pay.

There is a small preferential claim from The Insolvency Service (£513.22) in respect of unpaid pension contributions prior to appointment. I can advise, however, that due to a CGT liability there are no floating charge funds available to make a preferential distribution.

## 4.3 Prescribed part – unsecured creditors

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

The statement of affairs prepared by the directors details 87 unsecured creditors totaling £343,330.

As noted above, due to the CGT liability, there are insufficient assets to enable a prescribed part distribution.

# 5 Investigations into the affairs of the Company

## 5.1 Investigations

I undertook an investigation into the Company's affairs to establish whether there were any potential asset recoveries, or conduct matters that required further investigation, taking into account the creditors' interest, *potential recoveries, the funds likely to be available to fund an investigation and the costs involved.*

Based on the outcome of my investigations into the affairs of the Company to date, there are no matters identified that need to be reported to the creditors.

# 6 Fees and costs

## 6.1 SIP9 disclosures

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

- fee basis
- *work done by me and my team during the period*
- hourly charge out rates
- disbursements and expenses
- *sub-contracted out work*
- payments to associates
- relationships requiring disclosure
- *information concerning creditors' rights*

# 7 Outcome of the Administration

## 7.1 Exit from Administration

The Administrator's proposals were approved on 14 December 2017 by the creditors by way of a deemed consent.

The Administration will end by the Administrator filing a notice to dissolve the Company.

## 7.2 Discharge from liability

Approval in respect of Discharge from Liability has been sought from the secured creditors.

In accordance with paragraph 98 of Schedule B1 to the Insolvency Act 1986 the Administrator will be discharged from liability fourteen days after the final progress report is issued to creditors.

## 7.3 Data Protection

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

# A Abstract of the Administrator's receipts and payments

|                                      | Statement<br>of Affairs | From<br>09/10/2017<br>to 08/04/2019 | From<br>09/04/2019<br>to 04/10/2019 | Total        |
|--------------------------------------|-------------------------|-------------------------------------|-------------------------------------|--------------|
|                                      | £                       | £                                   | £                                   | £            |
| <b>Receipts</b>                      |                         |                                     |                                     |              |
| <b>Fixed Charge</b>                  |                         |                                     |                                     |              |
| Freehold Land & Property             | 1,083,414.00            | 2,539,994.00                        | -                                   | 2,539,994.00 |
| Plant & Machinery                    | 845,777.00              | 372,757.00                          | -                                   | 372,757.00   |
| Goodwill                             | 6,199.00                | 1.00                                | -                                   | 1.00         |
| Minerals reserve                     | 79,130.00               | -                                   | -                                   | -            |
| Fixed Charge VAT on Sales            |                         | 9,800.00                            | -                                   | 9,800.00     |
| HMRC - Fxd VAT received/paid         |                         | 77,096.87                           | -                                   | 77,096.87    |
| <b>Floating Charge</b>               |                         |                                     |                                     |              |
| Sales                                |                         | 108,609.67                          | -                                   | 108,609.67   |
| Miscellaneous Income                 |                         | 258.00                              | -                                   | 258.00       |
| Plant & Machinery                    |                         | 7,723.00                            | -                                   | 7,723.00     |
| Stock                                | 85,000.00               | 10,000.00                           | -                                   | 10,000.00    |
| Motor Vehicles                       | 780.00                  | -                                   | -                                   | -            |
| Intellectual Property                |                         | 1.00                                | -                                   | 1.00         |
| Customer List                        |                         | 1.00                                | -                                   | 1.00         |
| Information Technology               |                         | 1.00                                | -                                   | 1.00         |
| Book Debts                           | 221,000.00              | 315,204.53                          | -                                   | 315,204.53   |
| Intra Group Loan                     |                         | -                                   | -                                   | -            |
| Vehicle Licence Refunds              |                         | 57.50                               | -                                   | 57.50        |
| Miscellaneous Refunds                |                         | 104.34                              | -                                   | 104.34       |
| VAT on Purchases                     |                         | 10,069.88                           | (10,069.88)                         | -            |
| VAT on Sales                         |                         | 25,248.63                           | 260.00                              | 25,508.63    |
|                                      |                         | 3,476,927.42                        | (9,809.88)                          | 3,467,117.54 |
| <b>Payments</b>                      |                         |                                     |                                     |              |
| <b>Fixed Charge</b>                  |                         |                                     |                                     |              |
| Administrators Fees                  |                         | 253,176.00                          | -                                   | 253,176.00   |
| Administrators Expenses              |                         | 2,201.20                            | -                                   | 2,201.20     |
| Legal Fees                           |                         | 103,716.69                          | -                                   | 103,716.69   |
| Agents/Valuers Fees                  |                         | 60,511.34                           | -                                   | 60,511.34    |
| IT Costs                             |                         | 15,009.13                           | -                                   | 15,009.13    |
| Insurance                            |                         | 28,977.08                           | -                                   | 28,977.08    |
| Bank Charges                         |                         | 177.95                              | -                                   | 177.95       |
| Fixed Charge VAT on Purchases        |                         | 86,896.87                           | -                                   | 86,896.87    |
| <b>Distribution to charge holder</b> |                         |                                     |                                     |              |
| HSBC Bank plc                        |                         | 2,212,082.00                        | -                                   | 2,212,082.00 |

|                                | Statement<br>of Affairs  | From<br>09/10/2017<br>to 08/04/2019 | From<br>09/04/2019<br>to 04/10/2019 | Total |
|--------------------------------|--------------------------|-------------------------------------|-------------------------------------|-------|
|                                | £                        | £                                   | £                                   | £     |
| <b>Cont</b>                    |                          |                                     |                                     |       |
| <b>Floating Charge</b>         |                          |                                     |                                     |       |
| Administrators Fees            | -                        | 148,000.00                          | 148,000.00                          |       |
| Administrators Expenses        | -                        | 284.11                              | 284.11                              |       |
| Corporation Tax                | -                        | 5,604.15                            | 5,604.15                            |       |
| Purchases                      | 100.52                   | -                                   | 100.52                              |       |
| Rents                          | 25,780.98                | -                                   | 25,780.98                           |       |
| Rates                          | 962.47                   | -                                   | 962.47                              |       |
| Heat & Light                   | 8,443.82                 | -                                   | 8,443.82                            |       |
| Telephone                      | 49.64                    | -                                   | 49.64                               |       |
| Subscriptions                  | 1,313.00                 | -                                   | 1,313.00                            |       |
| IT Costs                       | 30,137.50                | 2,833.05                            | 32,970.55                           |       |
| Lease/HP Payments              | 65,336.41                | -                                   | 65,336.41                           |       |
| Petty Cash                     | 500.00                   | -                                   | 500.00                              |       |
| Property Expenses              | 43,123.76                | -                                   | 43,123.76                           |       |
| Vehicle Running Costs          | 1,989.30                 | -                                   | 1,989.30                            |       |
| PAYE/NI                        | 77,602.99                | -                                   | 77,602.99                           |       |
| Net Wages                      | 215,322.88               | -                                   | 215,322.88                          |       |
| Other Payroll Deductions       | 18,520.07                | 1,245.00                            | 19,765.07                           |       |
| Sundry Trading Expenses        | 116.00                   | -                                   | 116.00                              |       |
| VAT irrecoverable              | 800.00                   | 129.94                              | 929.94                              |       |
| Misc Float Payments            | 3,621.91                 | -                                   | 3,621.91                            |       |
| Legal Fees                     | 7,600.00                 | 2,881.30                            | 10,481.30                           |       |
| Agents/Valuers Fees            | 3,884.46                 | -                                   | 3,884.46                            |       |
| Professional Fees              | 9,292.77                 | -                                   | 9,292.77                            |       |
| Subscriptions                  | 1,409.00                 | -                                   | 1,409.00                            |       |
| Telephone Telex & Fax          | 71.64                    | -                                   | 71.64                               |       |
| Storage Costs                  | -                        | 132.35                              | 132.35                              |       |
| Re-Direction of Mail           | 980.00                   | -                                   | 980.00                              |       |
| Rents Payable                  | 275.00                   | -                                   | 275.00                              |       |
| Bank Charges                   | 318.61                   | 198.02                              | 516.63                              |       |
| VAT on Purchases               | -                        | 21,358.91                           | 21,358.91                           |       |
| HMRC - VAT received/paid       | 36,281.46                | (32,131.74)                         | 4,149.72                            |       |
|                                | <u>3,316,582.45</u>      | <u>150,535.09</u>                   | <u>3,467,117.54</u>                 |       |
| <b>Net Receipts/(Payments)</b> | <u><b>160,344.97</b></u> | <u><b>(160,344.97)</b></u>          | <u><b>-</b></u>                     |       |

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

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

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

## Post-appointment costs

### Fee basis of the Administrator

I can advise that the following resolutions:

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

were approved as follows.

- On 22 June 2018 by HSBC Bank plc, the secured creditors
- On 2 July 2018 by Merino Industries Ltd (as Security Agent)

The time costs estimate provided to the creditors (secured and unsecured) was £401,854.15 with an estimated fee to be drawn of £363,200.

During the period from 9 April 2019 to 4 October 2019 (the Period) time costs were incurred totalling £1,117.50 represented by 6.90 hrs at an average of £161.96 (as shown in the 'Work done' section below. Description of the work done is provided in the respective section below.

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

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

- complying with statutory matters and closure of the Administration

The reason for the excess in respect of expenses are as follows:

- Further IT costs incurred in order to access the Owen Pugh network and also to download images of the network on to an external disk drive (£2,833)
- Reimbursement to Owen Pugh & Co relating to childcare vouchers (£1,245)
- Bank Charges (£198)
- Storage of both company books and records and Administration records (£132)

Under r18.30 of the Rules, we are not permitted to draw remuneration in excess of the total amount set out in the fees estimate, £401,854.15, without approval. At present I do not expect to seek approval to draw remuneration in excess of my fees estimate, however I reserve my right to do so in the future.



Work done by the Administrator and his team during the Period

| Area of work                           | Work done                                                                                                        | Why the work was necessary                                                                                                                                                                                                                                                 | Financial benefit to creditors                                                                                                                                                              | 7 hrs | £1,117 | £/hr £162 |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|--------|-----------|
| Administration                         |                                                                                                                  |                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             |       |        |           |
| Reports, circulars notices & decisions | <ul style="list-style-type: none"> <li>Letters to creditors regarding Administrator's progress report</li> </ul> | <ul style="list-style-type: none"> <li>To comply with insolvency law and legislation</li> </ul>                                                                                                                                                                            | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate</li> </ul> |       |        |           |
| Treasury, billing & funding            | <ul style="list-style-type: none"> <li>Bank reconciliations</li> <li>BACS &amp; FastPay payments</li> </ul>      | <ul style="list-style-type: none"> <li>To manage day to day banking requirements, transactions and to ensure sufficient funding is available to support essential Administration costs and to ensure the Administrator and his staff can carry out their duties</li> </ul> | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate</li> </ul> |       |        |           |
| Pensions                               | <ul style="list-style-type: none"> <li>Complying with statutory closure requirements</li> </ul>                  | <ul style="list-style-type: none"> <li>All necessary work to ensure the Administrator complies with legal and reporting requirements</li> </ul>                                                                                                                            | <ul style="list-style-type: none"> <li>This work was completed solely for the purpose of complying with statutory requirements and had no direct financial benefit to the estate</li> </ul> |       |        |           |
| Total fees incurred in the Period      |                                                                                                                  |                                                                                                                                                                                                                                                                            |                                                                                                                                                                                             | 7 hrs | £1,117 | £/hr £162 |

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

| Area of work                                    | Manager<br>Hrs | Executive<br>Hrs | Administrator<br>Hrs | Period total<br>Hrs | Period total<br>£ | Cumulative total as at period end<br>Hrs | Cumulative total as at period end<br>£ | Fee estimate<br>Hrs | Fee estimate<br>£ | Variance<br>Hrs | Variance<br>£ |
|-------------------------------------------------|----------------|------------------|----------------------|---------------------|-------------------|------------------------------------------|----------------------------------------|---------------------|-------------------|-----------------|---------------|
| Trading:                                        |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Trading (general)                               |                |                  |                      |                     |                   | 30.50                                    | 7,884.50                               | 30.50               | 7,884.50          |                 |               |
| General                                         |                |                  |                      |                     |                   | 30.50                                    | 7,884.50                               |                     |                   |                 |               |
| Realisation of assets:                          |                |                  |                      |                     |                   | 605.05                                   | 239,437.75                             | 551.20              | 209,579.25        | 53.85           | (29,858.50)   |
| Sale of business                                |                |                  |                      |                     |                   | 109.85                                   | 37,955.75                              |                     |                   |                 |               |
| Hive down                                       |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Property                                        |                |                  |                      |                     |                   | 338.95                                   | 143,555.25                             |                     |                   |                 |               |
| Books & other debts                             |                |                  |                      |                     |                   | 42.85                                    | 14,540.25                              |                     |                   |                 |               |
| Plant, machinery, fixtures & vehicles           |                |                  |                      |                     |                   | 27.50                                    | 9,394.25                               |                     |                   |                 |               |
| Stock & work-in-progress                        |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Hire purchase, leasing agreements & third party |                |                  |                      |                     |                   | 18.85                                    | 7,240.75                               |                     |                   |                 |               |
| Other assets                                    |                |                  |                      |                     |                   | 3.40                                     | 443.50                                 |                     |                   |                 |               |
| Insurance                                       |                |                  |                      |                     |                   | 16.80                                    | 4,459.75                               |                     |                   |                 |               |
| General                                         |                |                  |                      |                     |                   | 46.85                                    | 21,638.25                              |                     |                   |                 |               |
| Investigations:                                 |                |                  |                      |                     |                   | 9.58                                     | 2,824.60                               | 9.58                | 2,824.60          |                 |               |
| Other assets                                    |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Debtor / director / senior employees            |                |                  |                      |                     |                   | 7.08                                     | 2,074.60                               |                     |                   |                 |               |
| General                                         |                |                  |                      |                     |                   | 2.50                                     | 750.00                                 |                     |                   |                 |               |
| Debtor/director/senior employees                |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Creditors:                                      |                |                  |                      |                     |                   | 92.30                                    | 31,608.50                              | 106.30              | 35,047.50         | 14.00           | 3,439.00      |
| Secured                                         |                |                  |                      |                     |                   | 32.85                                    | 14,069.50                              |                     |                   |                 |               |
| Employees & pensions                            |                |                  |                      |                     |                   | 33.20                                    | 12,057.25                              |                     |                   |                 |               |
| Unsecured                                       |                |                  |                      |                     |                   | 25.25                                    | 5,296.75                               |                     |                   |                 |               |
| Retention of title                              |                |                  |                      |                     |                   | 1.00                                     | 185.00                                 |                     |                   |                 |               |
| Dividends                                       |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| General                                         |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Administration:                                 |                |                  |                      |                     |                   | 6.90                                     | 1,117.50                               | 161.96              | 133,633.15        | -5.21           | 12,885.15     |
| Statement of affairs                            |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Treasury, billing & funding                     |                | 3.00             | 1.80                 | 4.80                | 870.50            | 109.83                                   | 23,724.60                              |                     |                   |                 |               |
| Tax                                             |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Pensions                                        |                |                  |                      |                     |                   | 77.05                                    | 28,302.75                              |                     |                   |                 |               |
| General                                         | 0.20           |                  |                      | 0.20                | 100.00            | 29.60                                    | 13,072.50                              |                     |                   |                 |               |
| Other IPs & OR                                  |                |                  | 1.90                 | 1.90                | 147.00            | 214.94                                   | 68,533.30                              |                     |                   |                 |               |
| Shareholders                                    |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Reports to creditors, notices & decisions       |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 |               |
| Total                                           | 0.20           | 3.00             | 3.70                 | 6.90                | 1,117.50          | 1,168.85                                 | 415,388.50                             | 1,123.79            | 401,854.15        | (45.06)         | (13,534.35)   |
|                                                 |                |                  |                      |                     |                   |                                          |                                        |                     |                   |                 | 300.36        |

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SIP9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets
- Total time costs paid to date: £401,176 (excludes VAT)

### Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied take into consideration the nature and complexity of the case and are as follows:

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

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

## Statement of expenses and disbursements incurred in the Period

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

| Category                                              | Incurred in the Period (£) | Cumulatively incurred as at Period end (£) | Of which paid by the estate as at Period end (£) |
|-------------------------------------------------------|----------------------------|--------------------------------------------|--------------------------------------------------|
| <b>Category 1 disbursements</b>                       |                            |                                            |                                                  |
| Oyster card top up re meetings with HSBC Bank, London | 17                         | 17                                         | 17                                               |
| Tolls                                                 | 23                         | 23                                         | 23                                               |
| Parking                                               | 53                         | 53                                         | 53                                               |
| Rail                                                  | 496                        | 496                                        | 496                                              |
| Subsistence                                           | 268                        | 268                                        | 268                                              |
| Companies House Search                                | 9                          | 9                                          | 9                                                |
| Joint Administrators' Bond                            | 100                        | 100                                        | 100                                              |
| Accommodation                                         | 376                        | 376                                        | 376                                              |
| Postage                                               | 57                         | 57                                         | 57                                               |
| <b>Category 2 disbursements</b>                       |                            |                                            |                                                  |
| Mileage @ 45p per mile                                | 1,086                      | 1,086                                      | 1,086                                            |
| <b>Expenses</b>                                       |                            |                                            |                                                  |
| Purchases                                             | 100                        | 100                                        | 100                                              |
| Rent                                                  | 26,056                     | 26,056                                     | 26,056                                           |
| Rates                                                 | 962                        | 962                                        | 962                                              |
| Heat & Light                                          | 8,444                      | 8,444                                      | 8,444                                            |
| Telephone                                             | 121                        | 121                                        | 121                                              |
| Subscriptions                                         | 2,722                      | 2,722                                      | 2,722                                            |
| IT Costs : Perfect Image                              | 2,833                      | 47,980                                     | 47,980                                           |
| Lease/HP Payments                                     | 65,336                     | 65,336                                     | 65,336                                           |
| Petty Cash                                            | 500                        | 500                                        | 500                                              |
| Property Expenses                                     | 43,124                     | 43,124                                     | 43,124                                           |
| Vehicle Running Costs                                 | 1,989                      | 1,989                                      | 1,989                                            |
| PAYE/NI                                               | 77,603                     | 77,603                                     | 77,603                                           |
| Net Wages                                             | 215,323                    | 215,323                                    | 215,323                                          |

|                                         |                |                      |                  |
|-----------------------------------------|----------------|----------------------|------------------|
| Other Payroll Deductions                | 1,245          | 19,765               | 19,765           |
| Sundry Trading Expenses                 |                | 116                  | 116              |
| Administrators' Remuneration            | 148,000        | 415,388 <sup>1</sup> | 401,176          |
| Legal Fees :                            |                |                      |                  |
| DLA Piper UK LLP                        |                | 114,118              | 114,118          |
| The Coal Authority                      |                | 80                   | 80               |
| Agents/Valuers' Fees:                   |                |                      |                  |
| GVA Grimley Ltd                         |                | 54,867               | 54,867           |
| Hilco Valuation Services Europe         |                | 4,529                | 4,529            |
| Walker Singleton (Asset Management) Ltd |                | 5,000                | 5,000            |
| Insurance                               |                | 28,977               | 28,977           |
| Bank Charges                            | 198            | 694                  | 694              |
| VAT Irrecoverable                       | 130            | 930                  | 930              |
| Misc Float Payments                     |                | 3,622                | 3,622            |
| Professional Fees                       |                | 9,293                | 9,293            |
| Re-direction of Mail                    |                | 980                  | 980              |
| Storage Costs                           | 132            | 132                  | 132              |
| Corporation Tax                         | 5,604          | 5,604                | 5,604            |
| <b>Total expenses and disbursements</b> | <b>158,142</b> | <b>1,156,840</b>     | <b>1,142,628</b> |

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

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

### **Category 1 disbursements**

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

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

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

### **Category 2 disbursements**

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

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

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

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

**Sub-contracted out work**

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

**Payments to associates**

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

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

**Relationships requiring disclosure**

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

**Information for creditors and members**

Information to help creditors and members to understand their rights in insolvency and regarding officeholders' (ie administrators or liquidators) fees, and the roles and functions of committees is available via Grant Thornton's website:

<https://www.granthornton.co.uk/portal>

Alternatively, we will supply this information by post, free of charge, on request.

## C Statutory information

### Company Information

|                             |                                                                         |
|-----------------------------|-------------------------------------------------------------------------|
| Company name                | Owen Pugh Aggregates Limited                                            |
| Date of incorporation       | 15 September 1976                                                       |
| Company registration number | 01277269                                                                |
| Former trading address      | Cramlington Road<br>Dudley<br>Cramlington<br>Northumberland<br>NE23 7PR |
| Former registered office    | As above                                                                |
| Present registered office   | 4 Hardman Square<br>Spinningfields<br>Manchester<br>M3 3EB              |

### Administration information

|                                    |                                                                                                                                                                                                                |
|------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Administration appointment         | The Administration appointment in the High Court of Justice, Business and Property Court, 894 of 2017                                                                                                          |
| Appointor                          | the directors                                                                                                                                                                                                  |
| Date of appointment                | 9 October 2017                                                                                                                                                                                                 |
| Administrator's name               | Christopher J Petts                                                                                                                                                                                            |
| Administrator's address            | Rotterdam House, 116 Quayside, Newcastle upon Tyne, NE1 3DY                                                                                                                                                    |
| Purpose of the Administration      | Achieving a better result for the company's creditors as a whole than would be likely if the company were wound up                                                                                             |
| Current Administration expiry date | 9 October 2019<br>This is the date that the Administration would have expired by lapse of time, but as now explained in the report the Administration will end upon the filing of Form AM23 at Companies House |



## D Notice about this report

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

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

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

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

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

The Administrator is bound by the Insolvency Code of Ethics.

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

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



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