Rule 2 33 Form 2 17B

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company	Company Number
Eurotek Office Furniture Limited	02086413

In the	Court case number
High Court of Justice, Chancery Division Bristol District Registry	38 of 2011

We Stuart David Maddison and Karen Lesley Dukes of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR

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

9 March 2011

Signed ______________________
Joint Administrator

Dated 9 March 2011

Contact Details.

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

Louis Hemsley	
PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR	
	Tel 01202 294621
DX Number 141500	DX Exchange Bournemouth 17

Con

MONDAY

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A17 21/03/2011 3
COMPANIES HOUSE

/e completed and signed this form please send it to the Registrar of Companies at

louse, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff

PricewaterhouseCoopers

Eurotek Office Furniture Limited – in Administration
High Court of Justice, Chancery Division, Bristol District Registry
Case No. 38 of 2011

Joint Administrators' proposals for achieving the purpose of Administration

9 March 2011

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Appendices

A Copy of the statement of affairs

B Common questions and answers -

Part I – The initial meeting of creditors and the creditors' committee

Part II – A creditors' guide to Administrators' fees (in accordance with Statement of Insolvency Practice no 9)

C The Administrators' charging and disbursements recovery policy

D Analysis of the Administrators' time costs for the period from 13 January 2011 to 11 February 2011

E Key terms

1. Purpose of this document

I wrote to you on 20 January 2011 to explain that Eurotek Office Furniture Limited ("the Company") had entered into Administration and that Karen Lesley Dukes and I had been appointed as Joint Administrators ("the Administrators") on 13 January 2011

This document will provide you with a brief history of the Company and explain why it has been put into Administration and by whom and sets out the Administrators' proposals for achieving the purpose of Administration Details of the Company's assets and liabilities are included and it will also advise you what you need to do now

Attached at appendix E is a document which explains the key terms used in the report

Our role is to manage the affairs, business and assets of the Company We will do this until our proposals for achieving the purpose of Administration have been agreed by creditors, implemented and achieved After that we will bring the Administration to an end

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

(a) rescuing the Company as a going concern, or if that is not possible
(b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were placed into liquidation (without first being in Administration), or if that is not possible either
(c) realising the Company's assets in order to make a distribution to secured or preferential creditors

In this case objective (b) is being followed as it was not reasonably practicable to rescue the company as a going concern

Our proposals for achieving the purpose of Administration are set out in Section 4 of this document and in the appendices

You are requested to vote upon the Administrators' proposals and to fix the Administrators' remuneration by returning the enclosed Form 2 25B accompanied by written details of your claim on the enclosed statement of claim form, unless these details have already been given for voting purposes We have set 23 March 2011 at 12 pm as the date and time by which these must be returned If the proposals are approved by a majority of the creditors who vote you will be bound by them Therefore please read this document carefully

You do not need to return the Form 2 25B if you do not wish to vote This will not affect your claim or your entitlement to any dividend, but it is important to let me have details of your claim, as soon as possible, regardless of whether you wish to vote

Further information about the Administration can be found on my website http //www pwc com/eurotek If you have any questions, please do not hesitate to contact my colleague, Louis Hemsley, on 01202 296 012

Signed

Stuart Maddison
Joint Administrator of Eurotek Office Furniture Limited

Stuart David Maddison and Karen Lesley Dukes have been appointed as Joint Administrators of Eurotek Office Furniture Limited to manage its affairs, business and property as its agents and act without personal liability Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales

2. Overview of current position

Estimated distribution prospects

	Amount	Forecast Timing
For secured creditors:	100 %	3 months
For preferential creditors: ie former employees (for arrears of wages up to £800 and holiday pay only) and unpaid pension contributions in certain circumstances	100%	Uncertain
For unsecured creditors: ie all other creditors which are neither secured nor preferential	Uncertain	Uncertain

Please note that the guidance on dividend prospects given in this report is indicative only It should not be used as the sole or principal basis of any bad debt provision

What do you need to do now:	If you wish to vote on the Administrators' proposals and submit a claim in the Administration you need to complete the attached form 2 25B together with a statement of claim form, if you have not previously done so, and send it to the Administrators at Hill House, Richmond Hill, Bournemouth BH2 6HR	
If you have any queries relating to your claim, please contact	Colin Somers	01202 294327

2. Overview of current position

Trading names:	Eurotek Office Furniture Limited
Former trading address:	Steyning Way, Southern Cross Trading Estate, Bognor Regis, West Sussex, PO22 9SB
What the company did:	The company designed, manufactured and installed ranges of office furniture products
What type of insolvency procedure is the company in:	Administration
Reasons for failure:	The Company's cash position had deteriorated due to poor sales in the final quarter of 2010
The Administrators:	Stuart David Maddison and Karen Lesley Dukes of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR
Administrators' website:	http //www pwc com/eurotek

3 Brief history of the Company and summary of the Administrators' actions to date

Background

The circumstances giving rise to the Administrators' appointment

The Company was incorporated in 1986 and was purchased by two of the current Directors in 1991 The principal activities of the Company were designing, manufacturing and installing ranges of office furniture products The Company operated from two leasehold factories in Bognor Regis and a leasehold showroom in London

PricewaterhouseCoopers LLP ("PwC") were introduced to the Company by HSBC Invoice Financing UK Limited ("HSBCIF") in September 2010, and were asked to carry out an Independent Business Review As part of that review it had become clear that the Company required further investment, and, following a period of engagement to attract investors PwC introduced a prospective purchaser for the business in January 2011 In the event, the prospective purchaser did not proceed with the purchase of the business The Administrators understand that the Company also engaged a third party to find new investors for the business without success

As a result of poor sales in the final quarter of 2010, the Company's cash position rapidly deteriorated and the board concluded it was not possible to continue trading Accordingly Stuart Maddison and Karen Dukes were appointed as Joint Administrators of the Company on 13 January 2011

The manner in which the Company's affairs and business have been managed and financed

Following the Administrators' appointment, a two phase approach to the Administration was adopted

The Administrators immediately took steps to reduce costs whilst they approached potential interested buyers for the Company on a going concern basis

Approximately 50% of the workforce was made redundant on the first day of the Administration

The Administrators retained a workforce capable of recommencing a full manufacturing process at short notice, if a going concern sale was likely During this time the Administrators continued to trade the business and generated sales with a value of £160,539 The Administrators are currently collecting the outstanding post appointment trading debts

Immediately following the Administrators' appointment an information pack was sent to all potentially interested parties identified by the Company, the Administrators' agent Edward Symmons & Partners LLP ("ES&P") and from the Administrators own internal research

Sales particulars were sent to twenty one parties and four interested parties visited the Company The Administrators received limited further enquiries from a number of other parties, however, despite the Administrators' best efforts, none of those parties converted their interest into an offer for the business

When it became apparent that the Administrators were unlikely to find a purchaser for the business as a going concern they initiated a wind down of the affairs of the Company in a controlled manner in order to realise the Company's remaining assets

3 Brief history of the Company and summary of the Administrators' actions to date

All manufacturing and stock assembly work ceased and a further round of redundancies was necessary, reducing the workforce to a skeleton staff, to assist with preparing the assets for sale

The remainder of the staff were made redundant on 1 February 2011 and ES&P began marketing the remaining assets of the Company which consist of the following

Plant and machinery

On appointment, ES&P attended site to carry out a review of the stock and plant and machinery ES&P's initial view was that the plant and machinery may be worth £460,000 in situ and £130,000 on a break up basis

An offer of £50,000 was received from a trade competitor for certain parts of the manufacturing capability ES&P recommended that this offer be accepted and the purchaser entered into discussions with the Landlord of the building However, the offer was later withdrawn, as we understand agreeable terms for continuing occupation could not be concluded

As a result of being unable to find a purchaser for the certain assets in situ, ES&P advised that the Administrators should dispose of the plant and machinery via an on-line auction The online auction closed on 3 March 2011 with a view to all assets being removed and the premises vacated by 18 March 2011 Details of the final realisable values will be reported in subsequent reports

Company vehicles

The Company operated 28 motor vehicles and 12 trailer units, of which 9 cars, 6 commercial vehicles and 6 trailers were owned outright The remainder of the Company's vehicles have outstanding finance agreements

ES&P valued the unencumbered vehicles at £60,000 In addition, there was estimated equity in the leased vehicles of circa £32,000 and ES&P were instructed to secure these vehicles for subsequent disposal As with the plant & machinery, details of the final realisable values will be reported once this process is completed

Upon appointment the Administrators were informed that a garage had excersised a repairer's lien over 4 vehicles and were not prepared to release them until they had been paid in full As the Administration required two of these vehicles to make deliveries, it was agreed that the garage would keep the remaining two vehicles which had a combined value of £1,750 as settlement of the outstanding account

An offer was received for various trucks and their corresponding trailer units for £8,800 On the advice of ES&P, this offer was accepted, particularly as a number of the trailer units were deemed to be not road-worthy

Stock

When manufacturing and assembly ceased on 20 January 2011, the stock had a cost value of £84,000, based on Company records

3 Brief history of the Company and summary of the Administrators' actions to date

The Administrators have contacted dealers, manufacturers and suppliers of office furniture, to generate interest in the sale of the stock as a whole A number of offers have been received for parts of the stock, however, none of these offers were acceptable to ES&P

As a result of being unable to find a purchaser for the stock, ES&P advised that the Administrators should dispose of the stock via an on-line auction The Administrators estimate that they will recover £22,000 from the sale of stock in due course

Leasehold properties

As advised above, the Company had two leasehold factories in Bognor Regis and a leasehold showroom in London ES&P have advised that the leases to the properties have no realisable value and therefore, there will be no realisations from this source

Objective of the Administration

For the reasons outlined above, it was not possible for the Administrators to achieve objective (a) which is to rescue the Company as a going concern as a buyer could not be found for the business

Therefore the Administrators will pursue objective (b) which is achieving a better result for the Company's creditors as a whole than would be likely if the Company were placed into liquidation (without first being in Administration)

Dividend prospects

Secured creditors

1) HSBC Bank Plc ("the Bank") has a floating charge over the company's assets dated 8 January 1997 In addition the Bank has a fixed charge dated 1 August 1997

As at the date of Administration, the Administrators understand that the indebtedness to the Bank was c £10k This debt relates to the payment of wages in the week of the Administration appointment Further details of of this are given under the preferential creditor' section below

2) HSBCIF provided debt factoring services to the Company and has a fixed and floating charge dated 29 May 2009 under an agreement for the purchase of debts As at the date of Administration HSBCIF was owed approximately £640,000 by the Company Company records reported that the debtor ledger stood at c £981,000 as at the date of appointment It is anticipated that HSBCIF will recover its debt in full

3) Zurich Assurance Limited has a rent deposit deed dated 14 July 2009 in the sum of approximately £34,000 plus interest in relation to the London showroom For the deposit to be returned, a new tenant for the property would need to be found to take an assignement of the current lease The Administrators have been advised by ES&P that, as the cost of leasehold property has fallen significantly since the inception of the lease, it is very unlikely any tenant would take the property at the current rent Therefore, the Administrators do not expect any realisation from the rent deposit

3 Brief history of the Company and summary of the Administrators' actions to date

Preferential creditors (mainly employees)

If you were an employee of the Company you can make a preferential claim for arrears of wages (up to certain limits) and holiday pay that you are owed (see employee section below which tells you what you need to do).

The directors estimated in their Statement of Affairs that preferential creditors' claims, comprising mainly outstanding wages and holiday pay, would amount to £55,437

The Bank may also have a subrogated preferential claim of approximately £10,000 in respect of wages paid by the Bank prior to the Administrators' appointment Further details of this will be provided in our subsequent reports

Based on current information, it is likely that preferential creditors will be paid in full

Unsecured creditors

Unsecured creditors' claims are estimated to amount to £2,016,673, according to the directors' Statement of Affairs

It is currently estimated that HSBCIF will recover its lending in full from realisations subject to its fixed charge and that funds may be available to pay a dividend to unsecured creditors However, due to the uncertain level of realisations and the costs of the administration, it is too early to provide creditors with a realistic estimate of any dividend that may be paid

If there are insufficient recoveries from fixed charge assets HSBCIF would rely on floating charge assets to recover its lending In those circumstance the prescribed part would apply and floating charge realisations, net of costs, would be set aside for unsecured creditors This applies only if there are floating charges created on or after 15 September 2003

What do you need to do now?

Employees

If you were an employee of the Company you should have already received a letter from us providing full details of what you may be entitled to and how to claim Enclosed with that letter was the Insolvency Service's booklet 'Redundancy and Insolvency, A Guide for Employees' containing form RP1, which will enable you to claim outstanding monies due to you including

- Arrears of pay (wages)
- Holiday pay

- Compensatory notice pay and

- Statutory redundancy pay

If you have not already done so, please return your fully completed RP1 form to Mr Peter Smith at PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth BH2 6HR, for submission to the Redundancy Payments Office ("RPO") on your behalf

As we have previously advised you, the RPO is responsible for agreeing and paying your statutory claims Any elements of your claim that are not paid by them will be notified to us by the RPO and we will then write to you to determine how these potential claims will be treated in the Administration or subsequent liquidation

Other creditors

If you have not already done so, you should complete and return the attached statement of claim form to the Administrators as soon as possible

You may also claim VAT bad debt relief once six months have elapsed following the due date of any unpaid invoices, and providing you have written the debt off in your books

Creditors are entitled to receive a dividend on the total amount of their claim, including VAT However, if creditors receive a dividend they are required to account to HM Revenue and Customs for the VAT element of that dividend

If you believe you either own or have a charge on any of the assets in the Company's possession, please contact Colin Somers at the Administrators' office so that the claim can be resolved as quickly as possible

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved, the Company will be placed into creditors' voluntary liquidation following which the Company will be dissolved or an application to court will be made for permission for the Administrators to distribute to the unsecured creditors in the Administration If permission is granted, following the distribution to unsecured creditors, the Administrators will file notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later If permission is not granted the Administrators will place the Company into Company Voluntary liquidation or will otherwise act in accordance with any order of the Court or the Administrator will make an application to Court for the Administration to be ended, accompanied by a petition for the Company to be wound up

4 Proposals for achieving the purpose of Administration

The Administrators make the following proposals for achieving the purpose of Administration

i) The Administrators will continue to manage and finance the Company's business, affairs and assets from trading revenues and asset realisations in such manner as they consider appropriate with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were placed into liquidation (without first being in Administration)

ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have In addition, the Administrators will exercise all their powers as Administrators as they consider appropriate in order to achieve the purpose of Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals

iii) If the Administrators think that funds will become available for unsecured creditors they may but shall not be obliged to establish in principle the claims of unsecured creditors to be agreed by a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement The costs of so doing may be met as a cost of the Administration, as part of the Administrators' remuneration This will be done where the Administrators think there will be sufficient funds for a distribution to unsecured creditors other than the prescribed part or out of the prescribed part as costs associated with the prescribed part (where the Administrators think that funds will become available to the unsecured creditors via the prescribed part only)

iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may but shall not be obliged to make an application to court for permission to make distributions to unsecured creditors

v) If the Administrators consider that an extension of the Administration beyond the statutory duration of one year would be advantageous the Administrators will consult with the creditors' committee prior to applying to the court or seeking consent from the appropriate classes of creditors for that extension

vi) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue either of the following options as being the most cost effective and practical in the present circumstances -

(a) Once asset disposals are complete, the Administrators will place the Company into creditors' voluntary liquidation In these circumstances, it is proposed that Stuart David Maddison and Karen Lesley Dukes be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them Creditors may before these proposals are approved nominate a different person or persons as liquidator(s) in accordance with Paragraph 83 (7)(a) of Schedule B1 to the Insolvency Act 1986 and Rule 2 117A(2)(b) of the Insolvency Rules 1986,

OR

(b) Once asset disposals are complete, the Administrators will apply to the Court to allow them to distribute any surplus funds, to unsecured creditors If this permission is given, the Administration will be brought to an end by filing a notice with the Registrar of Companies and the Company will be dissolved three months after the notice has been registered If permission is not granted the Administrators will place the Company into creditors' voluntary liquidation or otherwise act in accordance with the provisions of any court order

4 Proposals for achieving the purpose of Administration

vii) The Administrators shall be discharged from liability in respect of any of their actions as Administrators at a time resolved by the Creditors Committee, or if there is no Creditors Committee 14 days after they cease to be joint administrators of the Company or at a time determined by the court

viii) It is proposed that the Administrators' fees be fixed by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No 9) be charged in accordance with the Administrators' firm's policy as set out in Appendix C

Creditors are asked to vote upon the following matters -

- The approval of the Administrators' proposals for achieving the purpose of Administration
- The basis of the Administrators' fees
- Category 2 disbursements
- The timing of the Administrators' discharge from liability

5 Statement of affairs

A statement of affairs of the Company ("SOA") was delivered to the Administrators on 15 February 2011 The statement was signed by Mr Robert Lee, a director of the Company

Please note that on page 1 of the SOA funds available are £487,605 and are not £768,161 as calculated

The Administrators make the following comments on the statement of affairs -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Company's assets or the costs of the Administration
- The Administrators have not carried out anything in the nature of an audit on the information
- Given the commercial sensitivity, it is inappropriate for the Administrators to comment on the potential realisable values attributed by the directors to the Company's assets

The statement of affairs is copied at Appendix A, the addresses and names of creditors have been removed The Administrators recognise that creditors may wish to contact each other to discuss certain aspects of the case and should you need further information to help facilitated this please send you request in writing to Louis Hemsley, PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth

6 Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division, Bristol District Registry, Case 38 of 2011
Full name:	Eurotek Office Furniture Limited
Trading name:	N/A
Registered number:	02086413
Registered address:	C/o PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR
Company directors:	Mr Mark Gregory, Mr Andrew Gwennap, Mr Terence Kuhler, Mr Robert Lee Ms Ann Roberts, Mr Robert Vasey
Company secretary:	Mr Robert Lee
Shareholdings held by the directors and secretary:	Mr Robert Lee – 1 Ordinary share of £1
Date of the Administration appointment:	13 January 2011
Administrators' names and addresses:	Stuart David Madison and Karen Lesley Dukes of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR
Appointor's / applicant's name and address:	Mr Robert Lee, 2 Friary Close, Middleton-on-Sea, Bognor Regis, West Sussex, PO22 6PB
Objective being pursued by the Administrators:	(b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were placed into liquidation (without first being in Administration
Division of the Administrators' responsibilities:	In accordance with to paragraph of Schedule B1 of the Insolvency Act 1986, Robert Lee states that all functions are to be exercised by any one or all of the Joint Administrators
Proposed end of the Administration.	CVL followed by dissolution
Estimated dividend for unsecured creditors:	Uncertain
Estimated values of the prescribed part and the company's net property:	Unknown
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	N/A
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings

7 Receipts and payments account

Asset realisations	As at 3 March 2011 £	Less: Cost of realisation	As at 3 March 2011 £
Post appointment trading sales	63,190	Wages/NIC/staff costs	42,102
VAT	12,514	Cleaning and site clearance	420
		Purchases	104
		Bank charges	44
Total asset realisation	**75,704**	**Total cost of realisation**	**42,670**
		Funds in hand	**33,034**

Appendix A - Copy of the statement of affairs

Rule 2 29

Form 2 14B

Statement of affairs

Name of company Eurotek Office Furniture Limited	Company number 02086413
In the High Court of Justice, Chancery Division Bristol District Registry	Court case number 38 of 2011

(a) Insert name and address of registered office of the company

Statement as to the affairs of Euroteck Office Furniture Limited,

(b) Insert date

on the 13 January 2011, the date that the company entered administration

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at 13 January 2011 the date that the company entered administration.

Full name ROBERT CHARLES LEE

Signed

Dated 11/02/2011

A – Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Trade debtors with HSBC IF		
HSBC IF	981,574	883,416
	(639,811)	(639,811)
Assets subject to floating charge:		
Plant & Machinery	674,024*	130,000
Company Vehicles	111,386*	92,000
Stock & Raw Materials	615,825*	22,000
Office Equipment	21,154 *	0
Uncharged assets.		
Estimated total assets available for preferential creditors	1,764,152	768,161

Signature [signature] Date 11/02/2011

* AS OF 31ST DECEMBER 2010

A1 – Summary of Liabilities

		Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)		£ 768,161
Liabilities Preferential creditors -	£ (55,437)	
Estimated deficiency/surplus as regards preferential creditors		£ 712,724
Estimated prescribed part of net property where applicable (to carry forward)	£ 0	
Estimated total assets available for floating charge holders		£ 712,72
Debts secured by floating charges	£ 0	
Estimated deficiency/surplus of assets after floating charges		£ 712,72
Estimated prescribed part of net property where applicable (brought down)	£ 0	
Total assets available to unsecured creditors		£ 712,724
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	* £ (2,016,67)	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		£ (1,303,94
Shortfall to floating charge holders (brought down)	£ 0	
Estimated deficiency/surplus as regards creditors		£ (1,303,94
Issued and called up capital	£ (1,238,719)	
Estimated total deficiency/surplus as regards members		£ (2,542,668,

Signature [signature] Date 11/02/2011

* AS OF 31ST DECEMBER 2010 [initials]

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
	Please see attached schedule(s)				

Signature Ali

Date 11/02/2011

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

Part I The initial meeting of creditors and the creditors' committee

Am I obliged to vote at the meeting that is being conducted by correspondence - "(postal) meeting"

No If you do not vote your claim and entitlement to dividend is not affected

How do I ensure that my vote counts?

In order to be counted, a creditors' vote must be received by the Administrators by 12 00 hours on the closing date specified on Form 2 25B and must be accompanied by written details of the creditor's claim, unless these details have already been given for voting purposes

If any vote is received without written details of the creditor's claim, or the Administrators decide that the creditor is not entitled to vote, that vote shall be disregarded

The closing date shall be set at the discretion of the Administrators In any event, it must not be set less than 14 days from the date of issue of Form 2 25B

Who decides whether my claim ranks for voting purposes?

The Administrator has the power to accept or reject the whole or any part of your claim If he is in doubt whether your claim should be admitted, he should mark it as 'objected to' and allow you to vote If however, the objection is sustained, then your vote will be declared invalid If your vote was critical to the outcome of the meeting, this could change the resolutions that were passed and/or result in a further meeting

What happens if I disagree with the Administrator's decision ?

You are entitled to appeal to the court for an order reversing the Chairman's / Administrator's decision on your claim provided you do so within 21 days of the meeting If the court does reverse the Chairman's / Administrator's decision it can order that another meeting be held or make such other order as it decides

Creditors also have the right to appeal to the court if they believe that the administration unfairly harms their interests

We recommend that you seek legal advice if you believe that these circumstances may apply

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

How do I calculate my claim for voting purposes?

Votes are calculated according to the amount of a creditor's claim as at the date on which the Company entered administration, less any payments that have been made to him after that date, in respect of his claim Any set-off adjustments applied after the date of administration will also be taken into consideration, as if they applied at that date

What majorities are needed to approve resolutions?

A resolution to approve the proposals or any modification to them is passed at the meeting held by correspondence if supported by a majority (ie over 50% in value) of the creditors voting on the resolution

Any resolution is invalid if more than 50% in value of the creditors to whom notice of the meeting was sent and who are not, to the best of the Chairman's / Administrator's belief, connected with the Company, vote against it

What happens if I cannot yet quantify my claim with certainty?

A creditor cannot vote in respect of a debt for an unliquidated amount or any debt whose value is not ascertained, unless the Chairman / Administrator agrees to put an estimated minimum value on the debt for voting purposes

What happens if my debt is wholly or partly secured?

A secured creditor whose debt is wholly or partly secured is entitled to vote only in respect of the balance of his debt, if any, after deducting the value of his estimated security However, if the Administrators have made a statement under Paragraph 52(1)(b) Sch B1 IA86 and an initial creditors' meeting has been requested by creditors, a secured creditor is entitled to vote in respect of the full value of this debt without any deduction for the value of his security

What happens if I hold a negotiable instrument?

A creditor shall not vote in respect of a debt on /or secured by a current bill of exchange or promissory note unless he is willing -

a) to treat the liability to him on the bill or note of every person who is liable on it antecedently to the Company and against whom a bankruptcy order has not been made (or in the case of a company, which has not gone into liquidation) as security in his hands, and
b) to estimate the value of the security and, for the purpose of his entitlement to vote (but not for dividend), to deduct it from his claim

What happens if I am a creditor under a hire-purchase, conditional sale agreement or leasing agreement?

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

An owner of goods under a hire-purchase or chattel leasing agreement, or a seller of goods under a conditional sale agreement is entitled to vote in respect of the amount of the debt due and payable to him by the Company on the date the Company entered Administration

In calculating the amount of any debt for this purpose, no account shall be taken of any amount attributable to the exercise of any right under the relevant agreement, so far as the right has become exercisable solely by virtue of -

- the making of an administration application
- a notice of intention to appoint an administrator or any matter arising as a consequence, or
- of the Company entering administration

Am I bound by the Administrators' proposals if they are approved at the meeting?

The Administrators' proposals, when approved by the creditors' meeting, will dictate how the Company's affairs will be conducted in future and how creditors' claims will be addressed

Once approved the proposals are binding on all creditors, including those] who did not vote at the postal meeting For this reason, it is important that creditors properly consider the proposals and decide whether and how they wish to vote

What are the functions of the creditors' committee? Note not usually applicable for postal meetings

The creditors' committee has a duty to agree the basis of the Administrator's remuneration and approve the payment of unpaid pre-administration costs The committee may also be asked to assist the Administrator in carrying out his role, if agreed

How is the creditors' committee formed? Note not usually applicable for postal meetings

If the creditors decide that a committee is required, a creditors' committee of between three and five members may be established at a creditors' meeting

As long as a creditor's claim has not been wholly disallowed or rejected or the claim is not fully secured, any creditor of the company is eligible to be a member of the committee A company can be a member of the committee acting through its appointed representative

Members of the committee must agree to be appointed in person, by proxy or, for a company, through its appointed representative

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

Once the committee is formed, someone else may represent a member at meetings as long as he holds a signed letter of authority

No member may be represented by

- another member of the committee
- a person who is at the same time representing another committee member
- a body corporate
- an undischarged bankrupt
- a disqualified director, or
- a person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking

No person on the committee shall act as representative of more than one committee member

The creditors' committee does not come into being, and accordingly cannot act, until the Administrator has issued a certificate of its due constitution

Part II A creditor's guide to administrators' fees (in accordance with Statement of Insolvency Practice No.9)

The following information about the Administrators' fees is from Statement of Insolvency Practice No 9 ("SIP 9") produced by the Association of Business Recovery Professionals, Appendix C A Creditors' Guide to Administrators' Fees (England and Wales) (Revised with effect from 6 April 2010)

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, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive

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

Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

- achieving a better result for the creditors as a whole than would be likely if the company were placed in liquidation (without first being in administration), or,
- selling the company's assets 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 of between 3 and 5 members One of the duties of the committee is to agree 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 remuneration

4 1 The basis of the administrator's remuneration shall be fixed

- as a percentage of the value of the assets which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount In arriving at its decision the committee shall take into consideration the following

- 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 assets which the administrator has to deal with

4 2 If there is no creditors' committee, or the committee does not make the required decision (and provided the circumstances described in paragraph 4 3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors, having considered the same matters that should be taken into consideration by the committee, referred to above If the remuneration is not fixed in any of these ways, it will be fixed by the court on an application by

the administrator The administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and the application cannot be made later than 18 months after his appointment

4 3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient assets to make a distribution 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 decision, 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,

taking into consideration the same matters that the committee would

Note that there is no requirement to hold a creditors' meeting in these circumstances unless a meeting is requested 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 Review of remuneration

5 1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request that it be changed The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval

6. Approval of pre-administration costs

6 1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preliminary work incurred before the company went into administration but which remain unpaid Such costs may relate to work done either by the administrator or by another insolvency practitioner Details of such costs must be included in the administrator's proposals

6 2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment If there is no committee or the committee does not make the necessary decision, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors Where the circumstances described in paragraph 4 3 apply, the decision may be made by the same creditors as approve the administrator's remuneration

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

6 3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs If there is no decision under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a decision

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

7 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, taking into consideration 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

7 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

7 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 taking into consideration 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 taking into consideration 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

7 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

7.2 After remuneration 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 (see further paragraph 8 1 below) 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

Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

7 1 3 Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7 1 4 above regarding work which has been sub-contracted out

7 3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below 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

8 Progress reports and requests for further information

8 1 The administrator is required to send a progress report to creditors at 6-monthly intervals The report must include

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8 2, and their right to challenge the administrator's remuneration and expenses

8 2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the agreement of at least 5% in value of unsecured creditors (including himself) or the permission of the court

8 3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or

Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

• the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

9. Provision of information – additional requirements

The administrator 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

10 What if a creditor is dissatisfied?

10 1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

10 2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above) 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

10 3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration

Appendix B Common questions and answers (references to "Rules" are to the Insolvency Rules 1986)

11 What if the administrator is dissatisfied?

11 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed 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

12 Other matters relating to remuneration

12 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

12 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

12 3 If a new administrator is appointed in place of another, any decision, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further decision, resolution or court order is made

12 4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a decision of the amount that should be paid to the outgoing administrator The application must be made to the same body as approved the remuneration Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them

13 Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date

Appendix C The Administrators' charging and disbursements recovery policy

Summary of legal and other professional firms

The Administrators have instructed the following professionals / subcontractors -

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	Bond Pearce LLP	Industry knowledge	Time costs
Chattel agents and valuers	Edward Symmons & Partners LLP	Industry knowledge	Time costs

All third party professionals are required to submit time costs analyses and narrative in support of invoices rendered The Administrators undertake the following steps to review professional firms' costs

Third party professionals are selected on the basis of their industry knowledge and their previous performance

It is the Administrators' policy to review the time cost narrative supplied by third party professionals to ensure that the work undertaken corresponds with the time incurred and that the costs incurred correspond with the hours spent completing the task

The Administrators also ensure that the appropriate grade of staff have been used in relation to the complexity of the task

The Administrators' charging and disbursement policy

The time charged to the Administration is by reference to the time properly given by the Administrators and their staff in attending to matters arising

It is the Administrators' policy to delegate tasks in the Administration to appropriate members of staff considering their level of experience and any necessary specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Administrators themselves

Set out below are the relevant maximum charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment Time is charged by reference to actual work carried out on the assignment There has been no allocation of any general costs or overhead costs

Grade	Rate per hour £
Partner	495
Director	415
Senior Manager	365
Manager	285

Appendix C The Administrators' charging and disbursements recovery policy

Senior associate	215
Associate	135
Support staff	72

Specialist departments within the Administrators' firm such as Tax, VAT, Assets and Pensions may charge a small number of hours if and when the Administrators require their expert advice Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour

Grade	Maximum rate per hour £
Partner	980
Director	890
Senior Manager	830
Manager	605
Senior associate – qualified / consultant	370
Senior associate – unqualified	265
Associate	215
Support staff	105

In common with all professional firms, the scale rates used by the Administrators from PricewaterhouseCoopers LLP may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration Any material amendments to these rates will be advised to the creditors and / or the creditors' committee in the next statutory report

The Administrators' firm's expenses policy allows for all properly incurred expenses to be recharged to the case Disbursements are charged to the assignment as follows -

Disbursements for services provided by the Administrators' own firm(s) (Category 2 disbursements)

Photocopying	At 3 pence per sheet copied, only charged for circulars to creditors and other bulk copying
Mileage	At a maximum of 64 pence per mile (up to 2,000cc) or 81 pence per mile (over 2,000cc)

Narrative of work carried out for the period to 13 January 2011 to 11 February 2011

The key areas of work have been

Appendix C The Administrators' charging and disbursements recovery policy

- Strategy and planning issues,
- Negotiations for a sale of the business,
- Trading the company,
- Dealing with a large amount of Retention of title creditors which has created a large amount of correspondence in reviewing and finalising their claims
- Compliance and statutory matters,
- Employee matters

Eurotek Office Furniture Limited in Administration

Appendix D

Analysis of the Administrators' time costs for the period from 13 January 2011 to 11 February 2011

Category of work		Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Practice support	Total Hours	Time costs £	Average hourly rate £
Strategy, planning and general administration		-	-	39 50	1 40	20 60	24 10	7 20	92 80	23,017 40	248 03
Asset realisations	- freehold / leasehold property	-	-	0 10	0 50	-	-	-	0 60	179 00	298 33
	- retention of title	-	-	3 00	12 70	8 50	41 30	0 60	66 10	12,160 70	183 97
	- chattel assets	-	-	-	0 40	15 00	-	-	15 40	3,339 00	216 82
	- book debts	-	-	4 00	6 05	0 20	1 95	1 80	14 00	3,620 10	258 58
	- sale of business	-	-	0 50	-	42 60	0 40	-	43 50	9,395 50	215 99
Investigation		-	-	-	-	0 30	-	-	0 30	64 50	215 00
Creditors' claims / distributions		-	-	13 50	45 70	54 45	18 35	6 50	138 50	32,604 00	235 41
Accounting and treasury		-	-	3 50	-	11 05	29 75	1 60	45 90	7,784 70	169 60
Reporting to appointor / committee / creditors		-	-	7 50	0 60	94 50	4 20	0 40	107 20	23,821 80	222 22
Statutory and compliance		-	-	0 30	3 90	19 20	24 30	5 50	53 20	9,025 50	169 65
Tax / VAT / Pensions (specialist)		-	-	0 85	0 30	6 35	4 05	0 20	11 75	2,388 65	203 29
Case Specific - trading		-	-	17 00	1 60	55 90	-	4 70	79 20	19,017 90	240 13
Total for period to 11 February 2011		**-**	**-**	**89.75**	**73.15**	**328.65**	**148 40**	**28.50**	**668 45**	**146,418 75**	219 04

Charge out rate per hour (up to)	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Practice support
- Insolvency from 1 July 2010	495 00	415 00	365 00	285 00	215 00	135 00	72 00
- Specialist from 1 September 2010	-	-	625 00	-	260 00	145 00	-

Rule 2 48 | Form 2 25B

Notice of conduct of business by correspondence

Name of Company	Company Number
Eurotek Office Furniture Limited	02086413

In the	Court case number
High Court of Justice, Chancery Division, Bristol District Registry (full name of court)	38 of 2011

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

Notice is hereby given by Stuart David Maddison and Karen Lesley Dukes of PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR

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

Eurotek Office Furniture Limited in Administration, c/o PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR

(c) Insert number of resolutions enclosed

that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are 5 resolutions for consideration Please indicate below whether you are in favour or against each resolution

(d) Insert address to which form is to be delivered

This form must be received at PricewaterhouseCoopers LLP, Hill House, Richmond Hill, Bournemouth, BH2 6HR

(e) Insert closing date

by 12 00 hours on 23 March 2011 in order to be counted It must be accompanied by details in writing of your claim Failure to do so will lead to your vote(s) being disregarded

Repeat as necessary for the number of resolutions attached

Resolution (1)	I am *in Favour / Against
Resolution (2)	I am *in Favour / Against
Resolution (3)	I am *in Favour / Against
Resolution (4)	I am *in Favour / Against
Resolution (5)	I am *in Favour / Against

TO BE COMPLETED BY CREDITOR WHEN RETURNING FORM

Name of creditor ______________________________

Signature of creditor ______________________________
(If signing on behalf of creditor, state capacity e g director/solicitor)

If you require any further details or clarification prior to returning your votes, please contact me at the address above

Signed ______________________________
Joint Administrator

Dated 9 March 2011

1 That the administrators' proposals dated 9 March 2011 be accepted
2 That the administrators' fees be fixed by reference to the time properly given by the administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that the administrators be authorised to draw such fees from time to time
3 That the administrators be authorised to draw disbursements for services provided by their own firm (Category 2 disbursements) as follows Photocopying - charged for circulars to creditors and other bulk copying only at 3p per sheet
4 Mileage - at a maximum of 64p per mile (up to 2,000 cc) or 81p per mile (over 2,000cc) from time to time These rates may periodically rise (for example to cover annual inflationary cost increases) over the period of the administration
5 That the administrators be discharged from liability pursuant to Paragraph 98(1) of Schedule B1 to the Insolvency Act 1986 in respect of any action of theirs as administrators 14 days after they cease to be joint administrators of the company

Eurotek Office Furniture Limited - in Administration – statement of claim – D355E

Creditor's name and address	
Total amount of your claim, including any VAT at the date the administration commenced	£
Please provide details of any documents that substantiate your claim including where applicable, details of any reservation of title in respect of goods to which the debt relates If relevant, please attach a statement of account	
What goods or services did you provide?	
Is all or part of your claim preferential as defined in the Insolvency Act 1986? (see footnote) If so, please provide details where indicated, otherwise leave this section blank	Category Amount (s) claimed as preferential £
If you have security for your debt, please provide details of the type and value of the security, the date it was given, and provide details of how you have valued your security If no security held, leave this section blank	
We have a duty as administrators to consider the conduct of the directors prior to our appointment Are there any particular matters relating to the purchase of goods and services from yourselves, or any other matters that you feel should be reviewed? If so, please provide brief details on this form, or on a separate sheet if there is insufficient room	
Signature of creditor or person authorised to act on behalf of the creditor	Date
Name in block capitals	
Position with or relation to the creditor (e g director, company secretary, solicitor)	

/D355E

Categories of preferential creditors are defined in section 386 of the Insolvency Act 1986 (amended by the provisions of section 251 of the Enterprise Act 2002) as contributions to occupational pension schemes, remuneration and accrued holiday pay of employees, amounts due in respect of monies advanced to pay remuneration and accrued holiday pay, amounts ordered to be paid under the Reserve Forces (Safeguard of Employment) Act 1985 and levies on coal and steel production