

The Insolvency Act 1986

Administrator's progress report

Name of Company

FRC Packaging Limited

Company number

03015033

In the
High Court of Justice Manchester District Registry
(full name of court)Court case number
3001 of 2012(a) Insert full name(s) and
address(es) of
administrator(s)I / We (a)
Mark Terence Getliffe
CLB Coopers
Ship Canal House
98 King Street
Manchester
M2 4WUDiane Elizabeth Hill
CLB Coopers
Ship Canal House
98 King Street
Manchester
M2 4WU

Joint administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 23 February 2013

(b) 4 August 2013

Signed

Joint / Administrator(s)

Dated

6 August 2013.

Contact Details

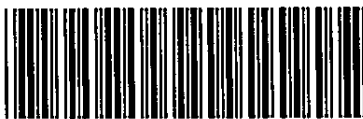
You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

	Tel
DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



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08/08/2013

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COMPANIES HOUSE

THURSDAY

**Joint Administrators' Final
Progress Report**

**For the period
23 February 2013 to 4 August
2013**

**FRC Packaging Limited
- In Administration**

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THE JOINT ADMINISTRATORS' FINAL PROGRESS REPORT

1 Statutory information

- 1 1 I was appointed as Joint Administrator of FRC Packaging Limited ("the Company") on 23 August 2012, together with my Partner Diane Hill. The appointment of Joint Administrators was made by the Director, Mr Timothy Daffurn. We are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants of England and Wales.
- 1 2 The Administration is being handled by CLB Coopers at Ship Canal House, 98 King Street, Manchester M2 4WU. The Administration is registered in the High Court Chancery Division, Manchester District Registry, under reference number 3001 of 2012.
- 1 3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the function of the Joint Administrators may be exercised by either or both, acting jointly or alone.
- 1 4 The Company manufactured bespoke wooden pallets and traded from Paradise Mill, Bell Street, Oldham, OL1 3PY. This address was previously the Registered Office which has been changed for the purposes of the Administration to c/o CLB Coopers, Ship Canal House, 98 King Street, Manchester M2 4WU. The Company's number is 03015033.
- 1 5 The Joint Administrators' Proposals approved by the Company's creditors, as at **Appendix E**, allow for the Company to exit Administration by way of a Creditors' Voluntary Liquidation which enables funds to be distributed to the unsecured creditors. Please find enclosed a copy of Form 2 34B which was circulated to all known creditors on 31 July 2012 providing formal notice to this effect.
- 1 6 I was appointed as Joint Liquidator of the Company along with my partner, Diane Hill, on registration of this notice at Companies House on 5 August 2013.

2 Progress of the Administration

- 2 1 In accordance with Rule 2 110 of the Insolvency Rules 1986 (as amended) this report provides a final report on the progress of the administration of the Company and I enclose Form 2 24B providing formal notice to that effect.

2 2 At **Appendix A**, I have provided an account of my Receipts and Payments for the period ending 4 August 2013 which provides details of the amounts realised for the Company's assets and the cost of those realisations together with remuneration charged and expenses incurred and paid by the Joint Administrators

2 3 I can comment on the progress in respect of asset realisations during the course of the Administration as follows

Sale of the Company's Business and Assets

2 4 The Company's business and assets were sold to an associated company, Factory Pallets & Cases Limited ("FPC Ltd"), immediately upon my appointment on 23 August 2012 in a pre-packaged sale

2 5 The sale was subject to an Asset Sale Agreement ("the Agreement") and full details of the sale were disclosed to creditors on 5 September 2012 in accordance with Statement of Insolvency Practice 16

2 6 The following assets were sold to FRC Ltd under the terms of the Agreement:

Assets Sold	Purchase Price (£)
Goodwill	1
Business Name & Rights	1
Office Equipment	1,998
Stock & Work In Progress	15,000
Plant & Machinery	62,000
Total	80,000

2 7 The Joint Administrators obtained a personal guarantee from the director of the Company and FPC Ltd, Mr Timothy Daffurn, for the entire balance due under the Agreement to protect the creditor's interests in the event that FPC Ltd was unable to discharge its obligations in full

2 8 Under the terms of the Agreement £8,000 was paid immediately upon completion and has been received

- 2 9 The remaining consideration was due in staged payment over the following 12 months as follows

To be paid by no later than	Sum Due (£)
5 September 2012	10,000
5 October 2012	1,500
5 November 2012	6,050
5 December 2012	6,050
5 January 2013	6,050
5 February 2013	6,050
5 March 2013	6,050
5 April 2013	6,050
5 May 2013	6,050
5 June 2013	6,050
5 July 2013	6,050
5 August 2013	6,050
Total	72,000

- 2 10 The first three payments totalling £17,550 were recovered, however, FRC Ltd ceased to trade in January 2013, on the basis that it was insolvent. The director of FPC Ltd instructed The Milner Boardman Partnership Limited to place the company into Creditors' Voluntary Liquidation and Darren Brookes was appointed as Liquidator on 31 January 2013.
- 2 11 The Joint Administrators have liaised with the Liquidator of FPC Ltd and he advises that there is no prospect of a dividend to the Company in respect of the remaining deferred consideration due under the Agreement.
- 2 12 The Joint Administrators have informed Mr Timothy Daffurn of the intention to recover payment of £54,450 from him under the personal guarantee obtained for the outstanding deferred consideration. The Joint Liquidators of the Company will pursue settlement of this debt.

Antecedent Transactions

- 2 13 Antecedent Transactions occur in the period preceding insolvency and
- a) result in one or more creditors being treated more favourably than the others, or

- b) result in a person other than a creditor benefiting from the actions conducted by the Company, or
- c) result in a transfer of benefit by way of a transaction for the disposal of an asset(s) at less than proper value

2 14 The Joint Administrators have the powers to seek to reverse these transactions or to pursue the relevant recipient to restore value to the Company

2 15 The Joint Administrators have identified transactions totalling £22,000 made to the director of the Company, Mr Timothy Daffurn, which they believe can be challenged under the provisions of section 239 of the Insolvency Act 1986 as a Preference Details have been provided to the director and the matter has not been disputed to date

2 16 The Joint Liquidators will pursue recovery of these antecedent transactions

Sundry Refunds

2 17 The Joint Administrators have recovered two credit balances from United Utilities totalling £111 28 as shown in **Appendix A**

Trade Debt Ledger

2 18 Collection of the Company's Trade Debt Ledger was undertaken directly by Bibby Financial Services Limited ("Bibby") who hold security over the debts (see Section 7 2 for further detail) with the assistance of the director and FPC Ltd The value of the Trade Debt Ledger was £298,292 56 as at the date of Administration, and the balance outstanding to them was £274,525 50

2 19 Funding For Business Limited was instructed by the Joint Administrators to carry out a review of the Trade Debt Ledger assigned to Bibby in November 2012 which confirmed that Bibby would recover the liability due to them in full It is highly unlikely that there will be any surplus for the Liquidation, after Bibby's costs and termination charges have been applied

3 Investigations

3 1 In accordance with the Company Directors Disqualification Act 1986 I have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills ("BIS") As this is a confidential report, I am not able to disclose the contents

3 2 The report requires the following as a minimum standard

- A full review of the Company's books, records and other accounting information
- Examining the Company's financial records to ensure that changes in the financial position of the Company, for example movements of assets and any unusual payments, can be satisfactorily accounted for
- Considering the trading position where there is a material deficiency since the last financial statement
- Reviewing transactions with associated companies or connected persons to ensure transactions are at arm's length
- Checking movements on directors' loan accounts or other accounts where they have given a guarantee
- Reviewing all information supplied by creditors who have expressed particular concern over the company's dealings or directors' conduct
- Considering whether the initial investigation and assessment reveals any matters that suggest there are grounds for a more detailed investigation or any rights of action against third parties

3 3 Following my appointment, I made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate and as per Section 2 15 may lead to further recoveries for the estate

4 Pre-Administration Costs

4 1 Pre-Administration Costs are time and expenses that were incurred prior to the formal appointment of Joint Administrators These costs in this matter amounted to £6,980 75, representing 32 95 hours at an average cost of £211 86 per hour

4 2 The Pre-Administration Costs were reported in my proposals dated 5 September 2012 and the proposals were deemed approved on 24 September 2012 Following approval £5,646 75 has been paid to CLB Coopers as an expense of the Administration No further funds will be taken in respect of these costs

4 3 In accordance with the Proposals dated 5 September 2012 I confirm that professional charges incurred prior to appointment in drafting the Asset Sale Agreement of £2,000 plus VAT have been paid to Bermans LLP In addition Agents costs incurred valuing the Company's assets of £1,225 00 have been paid to Wignall Brownlow LLP as an expense of the Administration

5 Joint Administrators' Remuneration

5 1 The Creditors approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by their staff in managing the Administration

5 2 The Joint Administrators' time costs for the period 23 February 2013 to 4 August 2013 are £4,899 30 This represents 31 30 hours at an average rate of £156 53 per hour Attached as **Appendix B** is a Time Analysis which provides details of the activity costs incurred, by staff grade, during this period in respect of the costs fixed by reference to time properly spent by me in managing the Administration Attached at **Appendix C** is a Cumulative Time Analysis which provides details of time accrued since the appointment of Joint Administrators on 23 August 2012 and totals £34,668 60 This represents 219 70 hours at an average rate of £157 80 per hour

5 3 To date, £14,383 05 has been drawn on account of costs accrued Any outstanding remuneration due to the Joint Administrators will be treated as a cost of the Liquidation

5 4 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from www.clbcoopers.co.uk by following the link to 'Business Restructuring and Insolvency' and clicking on Creditors' Guides to Fees'

5 5 Attached as **Appendix F** is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade

- 5 6 Since the date of appointment Travel costs amounting to £56 70 have been recharged to the Administration and paid as a Category 2 expense in accordance with CLB Coopers disbursement policy

6 Joint Administrators' Expenses

- 6 1 The expenses incurred by the Joint Administrators in the period from 23 August 2012 to 4 August 2013 are as follows

Supplier / Service Provider	Nature of expense incurred	Amount incurred to date (£)	Paid to date (£)	Amount Outstanding (£)
AUA Insolvency Risk Services Ltd	Professional Insurance	135 00	135 00	Nil
Funding For Business Limited	Professional Advice	500 00	500 00	Nil
Bermans LLP	Court Fee	35 00	35 00	Nil
Bermans LLP	Professional assistance in relation to the appointment of Administrators	500 00	500 00	Nil
Legal & Public Notices Advertising Agency Ltd	Statutory Advertising	135 00	135 00	Nil
National Westminster Bank Plc	Banking Charges	8 95	8 95	Nil

7 Estimated Outcome for Creditors

- 7 1 An Estimated Outcome Statement as at 4 August 2013 is attached at **Appendix D**.

Secured Creditors

- 7 2 Bibby Financial Services Limited ("Bibby") have the benefit of a debenture incorporating a fixed and floating charge over the Company's assets. This debenture was created on 15 August 2012 and registered at Companies House on 16 August 2012. As at the date of Administration the indebtedness to the secured creditor was £274,525.50, and the balance of the Trade Debt Ledger they are collecting was £298,292.56. According to the information available Bibby have made sufficient realisations to recover their indebtedness in full.

Preferential Creditors

- 7 3 Following the sale of the Company's business and assets all 24 of the Company's employees were transferred to FPC Ltd. The payroll and holiday entitlements were paid by FPC Ltd and there is therefore no preferential claim in the Administration.

Unsecured Creditors

- 7 4 I have received claims totalling £262,255.29 from 17 creditors. I have yet to receive claims from 33 creditors. The Joint Liquidators will write to all unsecured creditors to request that they submit a Proof of Debt Form together with supporting documentation before any distribution is made.

The Reserved Fund for Unsecured Creditors

- 7 5 The Prescribed Part (Section 176A to the Insolvency Act 1986) applies where a company has gone into liquidation or administration or a provisional liquidator or receiver has been appointed and the company has created a floating charge on or after 15 September 2003.
- 7 6 In this instance the Prescribed Part does not apply as the secured creditor will recover their indebtedness in full. Any funds over and above the costs incurred will therefore be for the benefit of the unsecured creditors.

8 Ending the Administration

- 8 1 Based on present information, the Joint Administrators think a dividend will be paid to the unsecured creditors. The Joint Administrators have filed a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL). The Joint Administrators became the Joint Liquidators of the Company with effect from 5 August 2013.

- 8 2 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect

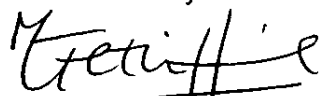
9 Creditors' rights

- 9 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 9 2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive

10 Next report

- 10 1 The Joint Liquidators will provide a progress report to creditors on the anniversary of the liquidation or earlier should the liquidation to be concluded
- 10 2 In the event you have any queries in the meantime please do not hesitate to contact Jason Evans on 0161 245 1000

Yours faithfully



Mark Getliffe
Joint Administrator

**FRC Packaging Limited
(In Administration)**

Appendix A

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 23/08/2012 To 22/02/2013 (£)	From 23/02/2013 To 04/08/2013 (£)	Total (£)
Consideration due under SPA	80,000 00	25,550 00	0 00	25,550 00
Sundry Refunds		111 28	0 00	111 28
		25,661 28	0 00	25,661 28
PAYMENTS				
Specific Bond		135 00	0 00	135 00
CLB Coopers pre-appointment costs		5,646 75	0 00	5,646 75
Joint Administrators' Remuneration		12,054 55	2,328 50	14,383 05
Agents/Valuers Fees		1,225 00	0 00	1,225 00
Professional Advice		500 00	0 00	500 00
Legal Fees		2,500 00	0 00	2,500 00
Legal Disbursements		35 00	0 00	35 00
Travel		56 70	0 00	56 70
Statutory Advertising		135 00	0 00	135 00
Bank Charges		0 00	8 95	8 95
		22,288.00	2,337 45	24,625 45
Net Receipts/(Payments)		3,373 28	(2,337 45)	1,035 83
MADE UP AS FOLLOWS				
VAT Receivable		4,350.60	(3,884 90)	465 70
Current Account		240 68	329 45	570 13
		4,591 28	(3,555 45)	1,035 83

CLB Coopers**TIME & CHARGEOUT SUMMARIES**

FRC Packaging Limited

Appendix B

From 23/02/2013 to 04/08/2013

HOURS

Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	0 80	1 50	8 90	0 00	11 20	1,770 90	158 12
Investigations	0 00	0 00	0 30	0 00	0 30	40 80	136 00
Realisation of Assets	0 00	0 30	2 20	0 00	2 50	368 20	147 28
Creditors	0 00	3 90	11 90	0 00	15 80	2,515 40	159 20
VAT / Tax Compliance	0 00	0 00	1 50	0 00	1 50	204 00	136 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	256 00	1,311 00	3,332 30	0 00		4,899 30	
Total Hours	0 80	5 70	24 80	0 00	31 30		
Average Rate	320 00	230 00	134 37	0 00			

CLB Coopers**TIME & CHARGEOUT SUMMARIES**

FRC Packaging Limited

Appendix C

To 04/08/2013

HOURS							
Classification Of work Function	Partner	Manager	Other Senior Professional	Assistants & Support Staff	Total Hours	Time Cost £	Average Hourly Rate £
Administration & Planning	6 90	8 20	45 00	5 00	65 10	9,395 10	144 32
Investigations	0 00	3 40	20 90	0 00	24 30	3,070 90	126 37
Realisation of Assets	9 65	13 10	25 20	0 00	47 95	9,350 55	195 01
Creditors	8 15	16 80	53 70	1 30	79 95	12,558 45	157 08
VAT / Tax Compliance	0 00	0 00	2 40	0 00	2 40	293 60	122 33
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Fees Claimed £	8,740 00	9,545 00	15,841 80	541 80		34,668 60	
Total Hours	24 70	41 50	147 20	6 30	219 70		
Average Rate	353 85	230 00	107 62	86 00			

ESTIMATED OUTCOME STATEMENT AS AT 4 AUGUST 2013

ASSETS	BV £	Realised to Date £	Estimated Further Realisations £
Specifically Pledged Assets			
Trade Debt Ledger	261,000	298,293	298,293
Less Due to Bibby's	(261,000)	(274,526)	(274,526)
Balance c/d	<u>0</u>	<u>n/k</u>	<u>n/k</u>
Floating Charge Assets			
Surplus from Trade Debt Ledger		Nil	Nil
Consideration Due under SPA		25,550	54,450
Antecedent Transactions		Nil	22,000
Misc Redunds		111	Nil
Estimated total Floating charge assets		<u>25,661</u>	<u>76,450</u>
LIABILITIES & COSTS			
Costs			
Joint Administrators' Fees		(33,351)	-
Est Future Joint Liquidators' Time Costs			(12,500)
Pre-appointment costs		(9,372)	
Joint Administrators' Costs and Disbursements		(871)	(1,000)
Est Future Joint Administrators' Disbursements			(500)
Legal Fees			(5,000)
Agents and Valuers fees			Nil
Total Estimated Costs		<u>(43,593)</u>	<u>(19,000)</u>
Estimated Total Funds Available for Creditors			<u><u>39,518</u></u>
Shortfall to Bibby's b/d			Nil
Funds Available to the Unsecured Creditors			<u>39,518</u>
Estimated Unsecured Creditors			
HMRC PAYE and NIC			(75,000)
HMRC VAT			(35,000)
Trade and Expense Creditors			(234,000)
Total Unsecured Claims			<u><u>(344,000)</u></u>
Total Estimated Shortfall as regards general unsecured creditors			<u><u>(304,482)</u></u>
Estimated return to general creditors			<u><u>0.11</u></u>

FRC Packaging Limited – In Administration

Joint Administrators Proposals approved on 24 September 2012

- 1 1 It is proposed that the Joint Administrators continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that
- 1 2 The Joint Administrators will continue to collect monies due and monitor compliance under the terms of the Sale and Purchase Agreement in respect of the sale of the business and assets to Factory Pallets & Cases Ltd
- 1 3 The Joint Administrators will conduct a review of the Company's books and records and assess any queries raised by the creditors
- 1 4 If having realised the assets of the Company, the Joint Administrators think that a distribution will be made to the unsecured creditors, they propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrators to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Joint Administrators will become the Joint Liquidators of the CVL. See Section 8 below on "Exit Routes" for further information on this process
- 1 5 If the Joint Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See Section 8 below on "Exit Routes" for further information on this process
- 1 6 The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration
- 1 7 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Joint Administrators' remuneration and any proposed act on the part of the Joint Administrators without the need to report back to a further meeting of creditors

generally, to include any decision regarding the most appropriate exit route from the Administration

- 1 8 The basis of the Joint Administrators remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him
- as a percentage of the value of the assets he has to deal with, or
 - by reference to time properly spent by the Joint Administrators and his staff managing the Administration, or
 - as a set amount
- 1 9 Where no Creditors' Committee is appointed, the remuneration of the Joint Administrators shall be fixed by resolution of a meeting of creditors or where the Joint Administrators think that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2 106 of the Insolvency Rules 1986. The Joint Administrators will also seek approval for any unpaid pre-administration costs detailed in this report and their discharge from liabilities in the same manner
- 1 10 In this case, the Joint Administrators are seeking to approve the basis of their remuneration by reference to the time properly spent by the Joint Administrators and their staff in attending to matters arising in the Administration
- 1 11 The Joint Administrators be authorised to draw remuneration as and when funds are available on account of their time costs
- 1 12 The Joint Administrators be authorised to recharge their Category 2 disbursements to the Company, payable on the basis of the firm's tariff published in **Appendix E**
- 1 13 The Joint Administrators' will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect
- 1 14 The legal costs incurred prior to appointment in drafting the appointment documents and the Sale and Purchase Agreement to be met as a cost of the Administration
- 1 15 The agents costs incurred valuing the Company's assets to be met as a cost of the Administration

CLB COOPERS

CHARGING AND DISBURSEMENTS POLICY PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

Policy

CLB Coopers' policy from 30 April 2012 in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

is set out below

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, Manager, Administrator and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Administrators may be allocated to meet the demands of the case

We operate a time recording system which allows staff working on the case along with the office holders to allocate their time to the case in 6 minute units. Time costs are recorded at the individual's hourly rate in force at that time which is detailed below. The rates shown are exclusive of VAT.

We have not utilised the services of any subcontractors in this case

Professional advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Bermans LLP (legal advice)	Hourly rate & disbursements
AUA Insolvency Risk Services (insurance)	Scale rate & disbursements
Wignall Brownlow (Agents & Valuers)	Time costs, commission and disbursements

Disbursements

Category 1 disbursements do not require approval. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 1 disbursements are charged as follows -

- Company and other Search costs are charged at cost
- Case related travel and accommodation is charged as a reimbursement of the actual cost incurred
- Statutory Advertising is charged as a reimbursement of the actual cost incurred
- All other disbursements are charged at cost
- VAT is added to disbursement charges as necessary

Where we propose 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 us then they must be disclosed and authorised by those responsible for approving the office holders remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis and are believed to be in line with the cost of the external provision.

Category 2 disbursements are charged as follows -

- Business mileage for case related travel is charged at standard rates which comply with Inland Revenue limits. This rate is currently 45p per mile
- Internal Photocopying - A charge of 10 pence per sheet is charged for reports and circulars issued to creditors, shareholders, employees and general contacts. No additional charge is made for individual items of correspondence
- Postage will be charged in accordance with the current Royal Mail Price Guide for first class post dependent upon the size and weight of the item as amended from time to time. By way of illustration as at 1 May 2012 these rates are -

	Stamps	Franking
Weight	Price	Price
Letter		
0-100g	60p	44p
Letter Large		
0-100g	90p	66p
101-250g	£1 20	92p
251-500g	£1 60	£1 24
501-750g	£2 30	£1 76

- Meeting Room Facilities – Where statutory meetings of shareholders and or creditors are held at one of CLB Coopers offices a charge of £75 is made
- Storage of CLB Coopers files including confidential destruction costs £75 00 for up to 8 files
- Storage Boxes £2 25 per box
- Storage of books and records will be charged at a rate of 25 pence per box per month Collection and delivery of boxes will be charged at £10 per consignment
- Destruction of the books and records will be charged at the rate of £3 95 per box
- VAT is added to disbursement charges as necessary

No Category 2 disbursements have been charged since my last report

Charge-out rates

Charge out rates of the partners and staff of CLB Coopers effective from 6 June 2011 are shown below

Grade of Staff	Rate per hour £
Partner	320 -375 00
Manager	230 00
Administrator	136 00
Assistants and Support Staff	95 00

A copy of the guide to fees is available on request from CLB Coopers or can be downloaded from our website clbcoopers.co.uk Follow the link to Business Restructuring and Insolvency and click on Creditors' Guides to Fees

**ADDITIONAL INFORMATION IN RELATION TO OFFICE HOLDERS' FEES
PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9**

1 Policy

Set out in **Appendix F** is CLB Coopers' policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

2 Activities Undertaken

The standard activities – administration and planning, Investigations, realisation of assets, trading, creditors and other case matters which make up the classification of work function provide creditors with a summary of the work carried out by the Office Holders and their staff. Full details of the time and charge out summary are set out in the attached table. The classification of work with further examples of work carried out is as follows -

Standard Activity	Examples of Work
Administration & Planning	Case strategy
	Case planning
	Administrative set up
	Appointment notification and formalities
	Maintenance of records
	General accounting
	Statutory reporting & meetings
	Bonding and bordereau
	Fees and WIP
	General cashiering
	Reconciliations
	Periodic reviews

Standard Activity	Examples of Work
Investigations	CDDA reports
	Questionnaires and checklists
	Antecedent transactions
Realisation of Assets	Identifying, securing, insuring assets
	Retention of Title
	Debt collection
	Property, business and assets sales
	Leasehold property issues
	Stock and WIP issues
	Sale of Goodwill / business
	Health and safety
Trading	Management of operations
	Accounting for trading
	On-going Employee issues
Creditors	Creditor queries
	Creditor correspondence
	Reporting
	Legal claims
	Creditor claims (all categories)
	Employees
	Pre Appointment VAT/PAYE/CT
Other Case Matters	Non specific items not included in other categories
VAT & Tax Compliance	Post appointment VAT, PAYE and Tax issues