

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Oxford Biosensors Ltd	Company number 03573970
In the High Court of Justice Chancery Division Companies Court (full name of court)	Court case number 14565/2009

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

I/We (a)
A J Pear
RSM Tenon Recovery,
3rd Floor, Lyndean House,
43/46 Queens Road,
Brighton,
East Sussex, BN1 3XB

I Cadlock
RSM Tenon Recovery
3rd Floor Lyndean House,
43-46 Queens Road,
Brighton,
East Sussex BN1 3XB

administrators of the above company attach a progress report for the period

(b) Insert date

From (b) 27 November 2009	To (b) 18 May 2010
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Signed


Joint Administrator

Dated

18/05/2010

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

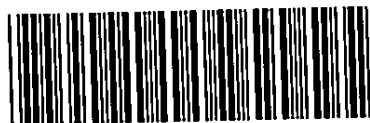
The contact information that you give will be visible to searchers of the

A J Pear
RSM Tenon Recovery
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Brighton,
East Sussex, BN1 3XB

DX Number

+44 (0) 1273 725 566
DX Exchange

THURSDAY



A13

AV66UK50

20/05/2010

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COMPANIES HOUSE

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

TO ALL KNOWN MEMBERS AND CREDITORS

RSM Tenon Recovery
3rd Floor Lydean House, 43-48 Queens
Road, Brighton East Sussex BN1 3XB
DX 2738 BRIGHTON
T +44 (0) 1273 725 566
F +44 (0) 1273 724 502
www.rsmtenon.com

Our ref AS/21
Your ref
18 May 2010

Dear Sirs

OXFORD BIOSENSORS LIMITED ("THE COMPANY") – IN ADMINISTRATION

In accordance with Rule 2 47 on the Insolvency Rules 1986 ("IR86") I would like to provide creditors with my final report following my appointment as Joint Administrator on 27 May 2009

1. Statutory Information

Statutory information relating to the Company and the appointment is attached to this report as **Appendix I**

Andrew James Pear and Ian Malcolm Donald Graham Cadlock of RSM Tenon Recovery, 3rd Floor Lydean house, 43-46 Queens Road, Brighton, East Sussex BN1 3XB were appointed Joint Administrators (the "Administrators") of the Company on 27 May 2009 by the Directors of the Company

The notice of appointment in Form 2 09B was filed at the High Court of Justice under Court reference 14565 of 2009

The Administrators' appointment specified that they would have the power to act jointly and severally. The Administrators have exercised and will continue to exercise all of their functions jointly and severally as stated in the notice of appointment

2. Administrators' Proposals

In accordance with Rule 2 110(2)(a), attached to this report as **Appendix II** is a copy of these proposals. I can confirm that during the course of the Administration there were no material amendments to or deviations from these proposals

3. Administration Strategy

The strategy of the Administration was outlined in detail in my initial report to creditors. I would summarise as follows

The objective of the Administration was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)

Upon our appointment we caused the Company to continue to trade whilst a sale of the business as a going concern was sought as this was likely to achieve a higher return to creditors in general rather than a sale on a piecemeal basis. The business was marketed for sale in trade press and a total of 84 potential purchasers were initially contacted, resulting in 38 expressions of interest for the business and/or assets

RSM Tenon Limited is a member of RSM Tenon Group

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RSM Tenon Limited (No 4056924) is registered in England and Wales. Registered Office 66 Chiltern Street, London W1U 4GB, England

Directors and staff acting as Administrative Receivers and Administrators act as agents of the company over which they are appointed and contract without personal liability



Committed to the efficient
use of natural resources

Following the provision of additional information on the intellectual property and the requirements for funding the research and development of the product to FDA approval a number of parties withdrew their interest and it became clear that a sale as a going concern was unlikely to be achievable. The Administrators therefore concentrated on a sale of the intellectual property, patents and design rights held by the Company.

After prolonged discussions with one interested party the Administrators agreed a sale of the intangible property rights, patents and trade marks of the Company for a sum of €500,000. The sale completed on 15 July 2009 and as part of the sale agreement the Administrators are not at liberty to disclose the name of the purchaser unless required to do so by law.

The purpose of the Administration was achieved since the sale of the intangible assets resulted in higher realisations than would have been achieved upon winding up.

As such the purpose of the administration as outlined in my initial report to creditors has been achieved.

4. Administrators' accounts

Attached as **Appendix III** is the Administrators' account for the period 27 November 2009 to 19 May 2010. I would comment specifically as follows:

4.1 Leasehold Land and Property

As you may recall from the previous report to creditors the landlord had orally agreed to pay the sum of £10,000 to the Administrators upon surrender of the lease. This was originally based on the expectation that there would be surplus funds from the rent deposit deed (the "deposit") held by the Landlord.

The Administrators were subsequently advised that as at 7 March 2010 there was the sum of £8,802 remaining in the deposit. Following the passing of the March quarter rent period a further deduction was made from the deposit resulting in there being no residual balance remaining. In discussions with the landlord's agent it was therefore agreed that the sum of £2,500 be paid to the Administrators in respect of their legal costs and time costs in dealing with the surrender of the lease.

The sum of £2,500 is payable 14 days from the date of the surrender of the lease and the Administrators are awaiting confirmation as to the date the lease is to be surrendered.

Finally, there may be some additional amounts due for utility services provided to the premises although final meter readings will be required upon surrender of the lease.

4.2 Furniture, Equipment Plant and Machinery

As you will recall from my previous report the sum of £116,360 was realised from the sale of the plant and equipment.

The Administrators realised a further sum of £1,340 from the sale of the assignment of a number of Microsoft licences held in the name of the Company.

4.3. VAT to be reclaimed

The administrators are expecting to receive the sum of £1,735 in respect of reclaimable VAT. In addition the Administrators are awaiting copy invoices from the Landlord in order to reclaim the VAT paid from rental and service charges deducted from the rent deposit deed as referred to above. It is estimated that this may result

in approximately £15,000 of VAT being reclaimable although the final figure will depend upon the receipt of these invoices

5. Outcome to creditors

5.1. Secured Creditors

A first ranking debenture was granted in favour of Hemocue AB on 20 April 2009 and registered at Companies House on 1 May 2009 in respect of funds amounting to £250,000 in advance to the Company during pre-administration sale negotiations. Including accrued charges this amounted to £260,446.

As outlined in the Receipts and Payments account a distribution has been made in the sum of £260,446 in respect of the Hemocue fixed charge over the intellectual property of the Company.

East Hill Venture Fund LP Series 2008A and East Hill Venture Fund LP Series 2008B ("East Hill") have also been granted fixed and floating charges on 9 March 2009 and registered at Companies House on 17 March 2009 in respect of convertible secured loan note instruments amounting to £4,829,934 and £190,636 respectively inclusive of interest and costs.

The Administrators will shortly be making an initial distribution amounting to £6,293 to East Hill in respect of its fixed charge over the intellectual property of the Company. It is estimated there may be a further distribution to East Hill under its fixed charge of approximately £2,000 although this is dependant on the recovery of legal fees from the purchaser in respect of assistance provided in assigning certain patents.

No distribution is expected to be made to East Hill from floating charge realisations.

5.2. Preferential creditors

As a result of the closure of the business all 47 employees of the Company were made redundant, resulting in a number of preferential claims relating to outstanding holiday pay and arrears of wages.

The Redundancy Payments Office has made a number of payments, subject to the statutory weekly limits for outstanding holiday pay and arrears of wages and it has submitted a preferential claim amounting to £35,936.

In addition the Administrators have calculated there to be 42 claims for outstanding holiday pay and arrears of wages over and above the statutory limits paid by the Redundancy Payments Office. These preferential claims are estimated to amount to £46,610.

Finally, there is also a preferential claim for unpaid pension contributions amounting to £766.

No distributions were made during the Administration to preferential creditors as it was considered that a subsequently appointed liquidator could better deal with this. It is envisaged that preferential creditors will receive a small distribution although the final amount will depend on future realisations and the ongoing costs of the administration and subsequent liquidation.

5.3. Unsecured creditors and the Prescribed Part

The statement of affairs submitted by the directors of the Company indicated there to be 95 unsecured creditors amounting to £5,876,681.

To date 42 creditors have formally submitted a claim against the Company amounting to unsecured claims of £5,387,028

In addition the Redundancy Payments Office has submitted a subrogated claim for payments made to employees for payment in lieu of notice and redundancy payments amounting to £128,089

It is also estimated that employees' unsecured claims in relation to contractual pay in lieu of notice and redundancy pay will amount to £232,441

The Company has granted two debentures which were registered following the commencement of the provisions of Section 176A of the Insolvency Act 1986 (the "Act")

The Administrators are required to set aside a "Prescribed Part" fund specifically for unsecured creditors although this would not apply should the Company's net property amount to less than £10,000 or the Joint Administrators consider the costs of making such a distribution would be disproportionate to the benefits. The prescribed part is calculated at 50% of the first £10,000 of net property, and 20% of the net property that exceeds this amount

The net property is calculated at the amount of the company's assets which, but for section 176A of the Act would be available for satisfaction of claims from the holders of debentures secured by, or holders of, any floating charge created by the Company. The calculation therefore is the realisations made by the Administrators on floating charge assets less the costs of these relations and payment in full of preferential creditor claims

As the Net property of the Company amounted to less than the prescribed minimum no prescribed part was set aside for the unsecured creditors. As such there has been and will not be any distribution to unsecured creditors

6. End of Administration

The Administrators' proposals, approved by creditors at the initial meeting held pursuant to paragraph 49 of Schedule B1 of the Act, included the provision to end the Administration through a move into Creditors' Voluntary Liquidation. Furthermore, no nominations for the appointment as liquidator were received and as such in accordance with paragraph 83(7) of Schedule B1 of the Act the current Administrators will become the liquidators

Enclosed with this report is a Form 2 34B, Notice of move from Administration into Creditors' Voluntary Liquidation. The Administration will cease to be effective from the date the above form is filed at Companies House. In accordance with the resolution passed by creditors at the initial meeting, the Administrators' release from liability will take effect within 14 days of the filing of Form 2 35B

7. Remuneration

At the initial meeting of creditors held pursuant to paragraph 49 of Schedule B1 of the Act it was resolved that the Administrators' proposals relating to their remuneration be approved. This provided for the Administrators to be remunerated with reference to time properly spent in dealing with this matter

The Administrators' and their staff have spent a total of 423 hours up to 18 May 2010 at a cost of £98,079 plus disbursements of £2,250. In accordance with Statement of Insolvency Practice 9 I have attached at **Appendix IV** a breakdown of these time costs. Of these costs the sum of £88,915 in remuneration and £2,250 in

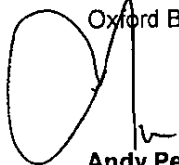
disbursements have been drawn to date Further costs will be incurred in bringing the Administration to a conclusion

A copy of the creditors guide to Administrators' fees has previously been circulated to creditors and is available free of charge upon request Alternatively creditors may view this guide on the RSM Tenon website at www.rsmtenton.com/creditorguides

8 Further Information

Should you have any queries please do not hesitate to contact Andy Simpson on the number below

Yours faithfully
For and on behalf of
Oxford Biosensors Limited



Andy Pear

Joint Administrator

*Licensed in the United Kingdom to act as an insolvency practitioner by the Association of Chartered Certified Accountants
The affairs, business and property of the Company are being managed by the Administrators*

When telephoning or emailing please contact Andy Simpson on 01273 725566 or andrew.simpson@rsmtenton.com

Appendix I – Statutory Information

Company Information

Company Name	Oxford Brosensors Ltd
Company Number	03573970
Registered Office	3rd Floor, Lyndean House, 43-46 Queens Road, Brighton, BN1 3XB
Trading Address	Unit 15 Oxford Industrial Estate, Mead Road, Kidlington, Oxfordshire OX5 1QU

Appointment details

Administrators	Andrew James Pear and Ian Malcolm Donald Graham Cadlock of RSM Tenon Recovery
Administrators' address	3rd Floor, Lyndean House, 43-46 Queens Road, Brighton, East Sussex BN1 3XB
Date of appointment	27 May 2009
Court	High Court of Justice
Court Reference	14565/2009
Appointed by	Directors
Functions	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone
EC Regulations	The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation as
Extensions	The Administrators have not sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment

Oxford Biosensors Ltd – In Administration

Statement of Joint Administrators' proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and The Insolvency Rules 1986 ("the Rules"), A J Pear and I Cadlock the Joint Administrators ("Administrators") of Oxford Biosensors Ltd ("the Company"), make the following proposals for achieving the purpose of the Administration

These proposals and the attached report to creditors together set out the information required by and discharge the Administrators' duty pursuant to Paragraph 49 of Schedule B1 of the Act and Rule 2.33 of the Rules.

Proposals


The Administrators propose that:

- (a) they continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that:
 - (i) they dispose of the Company's ownership of such assets at such time(s) on such terms as they consider expedient;
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company.
 - (iii) in addition, they do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals; and
- (b) the Administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Administrators. At this stage the Company shall be dissolved or placed into liquidation as outlined above. If necessary, the Joint Administrators propose to seek an extension of their appointment as Administrators from the creditors and/or the Court pursuant to paragraph 76 of Schedule B1 to the Act.
- (c) In the event that the Administrators are of the view that it is appropriate for the Company to move from Administration into Liquidation, whether compulsory or voluntary, the Joint Administrators be authorised to take steps to place the Company into whichever liquidation process they, at their discretion, deem appropriate. In either circumstance, it is proposed that the Joint Administrators would take the appointment as joint liquidators of the Company and that they will act jointly and severally in

their duties. In relation to moving into creditors' voluntary liquidation, and in accordance with paragraph 83(7) and Rule 2.117 (3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before those proposals are approved.

- (d) If the Administrators consider that there will be no distribution to creditors who are neither secured nor preferential, and if they also consider that an exit from the Administration into compulsory liquidation is not appropriate, then the Administrators be authorised to take the necessary procedural steps to bring about the end of the Administration and move the Company into dissolution pursuant to paragraph 84 of Schedule B1 to the Act
- (e) Upon the Company either proceeding into Liquidation or dissolution as set out above, the Joint Administrators discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution.
- (f) They be at liberty to incur and pay such costs and expenses, including professional fees, as considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Joint Administrators' statutory duties
- (g) The Administrators propose to be remunerated by reference to time properly spent both for their services as Administrators and also for their staff in attending to the matters arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. The Administrators' remuneration will be agreed by the Creditors' Committee or in the event that no Committee is formed by creditors at the first meeting of creditors, by way of resolution for the acceptance of these proposals.
- (h) Tenon's costs and expenses relating to the appointment of Administrators as would fall within the definition of Rule 2.67(1)(c) be treated as an expense of the Administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates prevailing at the time the work is undertaken.
- (i) They be at liberty to recharge disbursements as detailed in the circulated Creditors guide to Administrators' fees
- (j) They be at liberty to pay costs and remuneration in relation to proposals (g), (h) and (i) above when funds become available.
- (k) They consult with the Creditors' Committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these proposals and where they consider it expedient obtain the sanction of that Committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the Administrators.

11



A/J Pear
Joint Administrator

08 June 2009

Oxford Biosensors Ltd
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs	From 27/11/2009 To 18/05/2010	From 27/05/2009 To 18/05/2010
OTHER DIRECT COSTS		
Direct Labour	NIL	27,653 38
	NIL	(27,653 38)
TRADING EXPENDITURE		
Phlebotomist & Blood Donations	NIL	190 00
Rents	NIL	8,091 78
Rates	NIL	5,469 20
Heat & Light	502 91	5,535 81
Travel	NIL	12 40
Telephone	NIL	434 25
Repairs & Maintenance	NIL	102 68
Sundry Expenses	NIL	184 23
Postages	NIL	70 48
Payroll Services	NIL	375 90
IT Support and Internet	NIL	4,250 00
	(502 91)	(24,716 73)
TRADING SURPLUS/(DEFICIT)	(502.91)	(52,370.11)

Oxford Biosensors Ltd
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 27/11/2009 To 18/05/2010	From 27/05/2009 To 18/05/2010
NIL	SECURED ASSETS		
	Leasehold Land & Property	NIL	NIL
	Intellectual Property	NIL	422,298 46
		NIL	422,298 46
	COSTS OF REALISATION		
	Legal Fees	2,304 88	59,142 88
	Agents/Valuers Fees	NIL	43,214 50
	Patent Application Fees	NIL	2,782 69
	IT & Staff Costs for IP Sale	NIL	8,189 00
		(2,304 88)	(113,329 07)
	SECURED CREDITORS		
(250,000 00)	Hemocue AB	NIL	260,446 10
(4,746,567 00)	East Hill	NIL	NIL
		NIL	(260,446 10)
	HIRE PURCHASE		
	Finance Company(1)	NIL	9,361 00
		NIL	(9,361 00)
	ASSET REALISATIONS		
705,000 00	Plant & Machinery	NIL	116,859 98
13,800 00	Furniture & Equipment	NIL	NIL
50,000 00	Tooling	NIL	NIL
80,000 00	Stock	NIL	NIL
	Assignment of Software Licenses	1,340 00	1,340 00
22,145 00	VAT Refund	NIL	NIL
72,743 00	Cash at Bank	NIL	73,816 66
	Petty Cash	NIL	407 83
	Computer Equipment	NIL	5,000 00
	Bank Interest Gross	20 98	87 38
	Trading Surplus/(Deficit)	(502 91)	(52,370 11)
		858 07	145,141 74
	COST OF REALISATIONS		
	Specific Bond	NIL	528 00
	Office Holders Fees	15,000 00	88,915 00
	Office Holders Expenses	209 80	763 23
	Agents/Valuers Fees (1)	NIL	19,882 83
	Legal Fees (1)	7,566 00	20,288 50
	Tax on Interest	4 17	17 43
	Irrecoverable VAT	NIL	NIL
	Stationery & Postage	NIL	156 44
	Creditor's Meeting Room	NIL	169 57
	Storage Costs	669 07	775 72
	Re-Direction of Mail	NIL	26 00
	Statutory Advertising	NIL	293 04
	PAYE & NI	NIL	22,047 18
	Bank Charges	20 00	50 00
		(23,469 04)	(153,912 94)
	PREFERENTIAL CREDITORS		
(777 00)	Pension Schemes	NIL	NIL

Oxford Biosensors Ltd
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

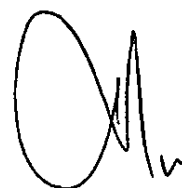
Statement of Affairs		From 27/11/2009 To 18/05/2010	From 27/05/2009 To 18/05/2010
		NIL	NIL
	UNSECURED CREDITORS		
(262,905 02)	Trade & Expense Creditors	NIL	NIL
(5,271,687 00)	Banks/Institutions	NIL	NIL
(98,312 00)	Inland Revenue	NIL	NIL
(243,777 52)	Boehringer Ingelheim Mircoparts	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(35,731 93)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(9,966,069.47)		(24,915.85)	30,391.09

REPRESENTED BY

Vat Receivable
Administration Current Account
Vat Payable

31 49
31,023 50
(663 90)

30,391.09



Andrew James Pear
Joint Administrator

Office Holder Remuneration

Case Name	Oxford Biosensors Ltd	
Court	High Court of Justice Chancery Division Companies Court	
Court reference	14565/2009	
Office Holders	A J Pear	IP Number 9016
	I Cadlock	IP Number 8174
Firm	RSM Tenon Recovery	
Address	3rd Floor, Lyndean House, 43/46 Queens Road, Brighton, East Sussex, BN1 3XB	
Type of Appointment	Administration	
Date of Appointment	27 May 2009	

1. Overview of Case

1.1. Appointment

We were appointed Joint Administrators on 27 May 2009 following an application by the Directors

On 24 June 2009 the following resolutions were passed with respect the drawing of fees and disbursements by the Administrators

- > The Administrators propose to be remunerated by reference to time properly spent both for their services as Administrators and also for their staff in attending to the matters arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. The Administrators' remuneration will be agreed by the Creditors' Committee or in the event that no Committee is formed by creditors at the first meeting of creditors, by way of resolution for the acceptance of these proposals
- > RSM Tenon's costs and expenses relating to the appointment of Administrators as would fall within the definition of Rule 2.67(1)(c) be treated as an expense of the Administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates prevailing at the time the work is undertaken
- > They be at liberty to recharge disbursements as detailed in the circulated Creditors guide to Administrators' fees

2 Explanation of office-holders charging and disbursement recovery policies

2.1. Time recording

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time
The current hourly charge out rates are outlined below

	£
Director and licensed Insolvency Practitioner	330-380
Senior Manager	270
Manager	230
Assistant Manager	210
Senior Administrator	170
Administrator	120-150
Cashier	140
Secretarial	65-75

2.2. Disbursement recovery

Certain costs may be incurred in relation to a case and in the first instance, paid by RSM Tenon Recovery, and then recharged to the case. The amount recharged is the exact amount incurred. Examples are statutory bond, statutory advertising, land registry searches, insurance, travel and subsistence, archiving and storage costs.

Other costs which may be charged to the case are room hire for meetings held at the offices of RSM Tenon Recovery and the cost of sending out reports to creditors, if material. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.

The current level of costs recharged are detailed below

3. Description of work carried out

Section 4 of this appendix outlines the time costs to date in relation to activities undertaken during this matter. These matters can be summarised as follows:

3.1. Pre-appointment

Time spent in this category comprises the activities required to obtain an Administration Order, a site visit and meetings with various parties regarding the impending administration order.

3.2. Administration and planning

The following activities have been undertaken:

- > Statutory duties associated with the appointment including the filing of relevant notices,
- > Notification of the appointment to creditors, members, employees and other interested parties,
- > Setting up case files,
- > Reviewing available information to determine appropriate strategy,
- > Setting up and maintaining bank accounts,
- > 6 monthly progress review of the case

Staff of different levels were involved in the above activities depending upon the experience required

3.3. Investigations

The time spent comprises

- > Corresponding with the former directors and management,
- > Review of questionnaires and comments provided by interested parties,
- > Review of company documentation, and
- > Completion of statutory returns to the Department of Business, Innovation and Skills

Due to the complex nature and importance of the investigations, the staff utilised to conduct such work involved experienced members of staff

3.4. Realisation of assets

I would refer creditors to main body of report on the realisations of assets

3.5. Trading

The business continued to trade for a short period of time in order to enable a possible sale as a going concern

Trading activities included,

- > Planning appropriate trading strategy,
- > Liaison with employees,
- > Dealing with suppliers,
- > Authorisation of commitments,
- > Review of trading position,
- > Paying suppliers
- > Close down of business and premises

Staff were chosen depending upon the appropriate level of experience required for the activity they were required to undertake

3.6 Creditors

The time spent includes the following matters

- > Recording and maintaining the list of creditors,
- > Dealing with reservation of title claims,
- > Recording creditor claims
- > Reporting to creditors,
- > Meetings of creditors,
- > Dealing with creditor queries,
- > Reviewing and evaluating creditor claims,

3.7. Employees

Since the date of the administration all employees have been made redundant and are entitled to submit claims for unpaid wages, holiday pay, payment in lieu of notice and redundancy pay. Time spent in this category includes liaising with employees and the redundancy payments office regarding employees calculations of claims and queries

4 Time and chargeout summary

To date a total of 423 15 hours have been spent at an average charge out rate of £231 78 bringing the total cost to date to £98,078 75 excluding pre-appointment time costs

A summary table is shown below

Classification of work function	Insolvency Practitioner/ Director/ Associate Director	Manager	Hours Other senior professionals	Assistants and support staff	Total	Time cost £	Average Hourly rate £
Pre-appointment	14 30	8 50	2 70	-	25 50	5,959 50	233 71
General Admin	7 70	8 10	34 60	1 00	51 40	9,990 50	194 37
Review & Planning	9 50	5 00	14 30	-	28 80	6,818 00	236 74
Statutory	-	-	1 60	-	1 60	256 00	160 00
Cashiering	-	-	9 40	8 95	18 35	2,302 75	125 49
Total Administration & Planning	17 20	13 10	59 90	9 95	100 15	19,367 25	193 38
Investigations	0 70	0 50	11 40	-	12 60	2,122 50	168 45
IP/Goodwill	54 00	5 00	25 50	-	84 50	25,057 50	296 54
Leasehold	10 40	1 10	10 00	-	21 50	5,704 00	265 30
Plant & Machinery	15 00	3 50	4 50	-	23 00	6,834 50	297 15
Other	7 60	2 40	6 30	-	16 30	4,276 00	262 33
Total Asset Realisations	87 00	12 00	46 30	-	145 30	41,872 00	288 18
Trading	8 50	0 70	31 30	-	40 50	8,292 50	204 75
Employees/Pref Claims	6 60	3 30	33 00	-	42 90	8,359 50	194 86
Secured Creditors	14 00	0 80	10 20	-	25 00	7,071 50	282 86
Retention of Title	0 70	0 30	3 00	-	4 00	797 50	199 38
Reporting & Meetings	5 60	-	10 00	2 30	17 90	3,779 00	211 12
General Correspondence	3 60	3 80	27 40	-	34 80	6,417 00	184 40
Total Creditors	30 50	8 20	83 60	2 30	124 60	26,424 50	212 07
Total hours	143 90	34 50	232 50	12 25	423 15		
Total fees claimed £	53,049 50	6,856 00	37,052 00	1,121 25		98,078 75	231 78

The above costs exclude VAT

5. Disbursements

5.1 Category 1

Category 1 disbursements incurred are outlined below

	Incurred £	Paid £
Travel	87 00	87 00
Courier Charges & Storage	747 78	747 78
Specific penalty bond	528 00	528 00
Advertising	293 04	293 04
Subsistence	49 63	49 63
Postage	172 64	172 64
Total	<u>1,878 09</u>	<u>1,878 09</u>

The above costs exclude VAT

5.2. Category 2 disbursements

Details of the Category 2 disbursements (amounts payable or paid to RSM Tenon Recovery or to any party in which the officeholder or RSM Tenon Recovery has an interest) are as follows

Description/explanation	Incurred	Paid
	£	£
Photocopying	193 60	193 60
Travel	178 80	178 60
Total	<u>372 40</u>	<u>372 40</u>