

The Insolvency Act 1986

Administrator's progress report

Name of Company
A G Shakespeare Limited

Company number
03596139

In the
High Court of Justice Chancery Division
and Birmingham District Registry

Court case number
8520 of 2012

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

We (a) Nigel Price of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row Birmingham B2 5LG and W John Kelly of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham B2 5LG

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

(b) Insert dates

from

to

(b) 20 September 2015

(b) 1 March 2016

Signed

Joint / Administrator(s)

Dated

23/3/16

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.

Begbies Traynor (Central) LLP

3rd Floor Temple Point 1 Temple Row Birmingham B2 5LG

Tel Number 0121 200 8150

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DX Number

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

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COMPANIES HOUSE

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WEDNESDAY

Nigel Price and W John Kelly were appointed joint administrators on 2 November 2012

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

A G Shakespeare Limited (In Administration)

Progress report of the joint administrators

Period 20 September 2015 to 1 March 2016

Important Notice

This progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	A G Shakespeare Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 2 November 2012
"the administrators", "we", "our", "us"	Nigel Price of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and W John Kelly of Begbies Traynor (Central) LLP, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. STATUTORY INFORMATION

Name of Company	A G Shakespeare Limited
Trading name(s)	A G Shakespeare Limited
Date of Incorporation	9 July 1998
Company registered number	03596139
Company registered office	3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of the administrators	Nigel Price, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 3rd Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and W John Kelly, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Date of appointment	2 November 2012
Date of resignation	N/A
Court	High Court of Justice Chancery Division, Birmingham District Registry
Court Case Number	8520 of 2012
Person(s) making appointment / application	Directors of Company
Acts of the administrators	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.
Extensions of the administration period	The administration period was extended with the consent of creditors for a period of 6 months until 1 May 2014 and for a further period of 2 years by order of the court until 2 May 2016.

4. PROGRESS DURING THE PERIOD

Attached at Appendix 1 is our abstract of receipts and payments for the period from 20 September 2015 to 1 March 2016.

RECEIPTS

Bank Interest

During the period additional bank interest of £8 67 has been earned on the funds held in the Administrators bank account.

Book Debts

During the period the sum of £133 29 has been received in respect of an interim dividend payment of 7 pence in the pound from an insolvent debtor who owed the Company £1,904 14

Motor Tax Refund

The Company received the sum of £580 41 in respect of refunds for motor vehicles which were sold to M T James Limited. This refund was received in error and consequently, the amount was re paid to M T James Limited

5. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the director's statement of affairs) are as follows

Secured creditor

Barclays Bank PLC hold a fixed and floating charge dated 18 February 1999, registered at Companies House on 2 March 1999. At the date of our appointment there was no liability to the Bank as the account balance was in credit

Preferential creditors

Preferential claims of employees for arrears of wages, salary and holiday pay are estimated at £28,691

Unsecured creditors

Unsecured creditors are estimated at £1,330,481

On the basis of realisations to date, and estimated future realisations, we estimate an outcome for each class of the Company's creditors as follows

Secured creditor

There was no indebtedness to the secured creditor on appointment

Preferential creditors

The likelihood of a dividend to preferential creditors is wholly dependant on the successful collection of the outstanding contract debts and retentions

Unsecured creditors

The likelihood of a dividend to unsecured creditors is wholly dependent on the successful collection of the outstanding contract debts and retentions

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The *prescribed part of the Company's net property* is calculated by reference to a sliding scale as follows

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter,

- Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part of net property* if

- the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- the administrator applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of our knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property

Effect of administration on limitation periods under the Limitation Act 1980

As we have previously confirmed, the Limitation Act 1980 continues to apply to all debts due from the Company. Case law indicates that where a company is in administration, time does not stop running for limitation purposes pursuant to the Limitation Act 1980. If you have any concerns in relation to your claim against the Company becoming time-barred during the course of the administration, we strongly recommend that you seek independent legal advice on the options available to you to prevent this.

6. PRE-ADMINISTRATION COSTS

The following amounts in respect of pre-administration costs were approved at the initial meeting of creditors held on 11 January 2013

Details of recipient	Description of services provided	Amount
Begbies Traynor	Assisting employee's with completion of redundancy forms	£713 00
Total		£713 00

7. THE ADMINISTRATORS' REMUNERATION & DISBURSEMENTS

Our remuneration has been fixed by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly charge out rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration and we are authorised to draw disbursements, including disbursements for services provided by our firm (defined as category 2 disbursements in Statement of Insolvency Practice 9) in accordance with our firm's policy, details of which accompanied the Statement of Proposals for achieving the purpose of administration and which are attached at Appendix 2 of this report.

Our time costs for the period from 20 September 2015 to 1 March 2016 amount to £6,889 50 which represents 24 9 hours at an average rate of £276 69 per hour.

The following further information in relation to our time costs and disbursements is set out at Appendix 2

- Narrative summary of time costs incurred
- Table of time spent and charge-out value for the period 20 September 2015 to 1 March 2016
- Table of time spent and charge-out value for the period 2 November 2012 to 1 March 2016
- Begbies Traynor (Central) LLP's policy for re-charging disbursements

□ Begbies Traynor (Central) LLP's charge-out rates

In addition to the table of time spent by us and our staff in attending to matters arising in the administration for the period covered by this progress report, a cumulative table of time spent and charge out value for the period from 2 November 2012 to 1 March 2016 and a description of the work undertaken by us and our staff since our appointment (contained in the narrative summary of time costs incurred) are also attached at Appendix 2. Our time costs for this period amounts to £95,564 which represents 331.8 hours at an average rate of £288.02.

To 1 March 2016 we have drawn the total sum of £9,000 plus VAT on account of our time spent.

Details of the Category 2 disbursements that have been drawn during the period of this report in accordance with the approval obtained in the total sum of £98.10 are provided in the narrative summary of time costs incurred which is at Appendix 2.

A copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

8. ADMINISTRATORS' EXPENSES

A statement of the expenses incurred by us during the period of this progress report is attached at Appendix 3. A cumulative statement of expenses also appears at Appendix 3 which details the expenses incurred since the date of our appointment.

9. ASSETS THAT REMAIN TO BE REALISED

The only assets that remain to be realised are amounts due in respect of contract debts and retentions and a potential refund from HM Revenue & Customs in respect of a claim for terminal loss relief.

We are continuing to pursue the outstanding debts with the assistance of our appointed agents, Naismiths Limited, and Mr Gretton, the director of the Company. There are two accounts which remain unresolved and we are currently in the process of arranging all party meetings to bring these accounts to conclusion.

As previously advised, the Company also had a number of debtors subject to insolvency proceedings. The liquidator of the largest debtor, Broadoak Construction (South East) Limited, confirms that a distribution to creditors should be made but they are still not able to provide information in respect of timing or quantum as they are still in the process of agreeing creditor claims. Accordingly, it will be necessary to seek a further extension of the Administration.

10. OTHER RELEVANT INFORMATION

Report on Directors conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with our duties in this respect.

Extension of administration

The administration was extended for a period of 6 months with the consent of creditors until 1 May 2014 and for a further 2 years by order of the court until 2 May 2016. We are now seeking a further extension to enable the Administrators to deal with the assets that remain to be realised as detailed in Section 9.

Proposed exit route from administration

If book debt realisations are sufficient to make a distribution to unsecured creditors we will implement the provisions of Paragraph 83 of Schedule B1 to the Act and place the Company into Creditors' Voluntary Liquidation. However, if there are insufficient funds with which to pay a dividend to unsecured creditors we will implement the provisions of Paragraph 84 of Schedule B1 to the Act and give notice to dissolve the Company.

11. CREDITORS' RIGHTS

Right to request further information

Pursuant to Rule 2.48A of the Rules, 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, including that creditor, (or an unsecured creditor with less than 5% in value of the unsecured creditors, but with the permission of the court), may request in writing that the administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been detailed in this progress report.

Right to make an application to court


Pursuant to Rule 2.109 of the Rules, any secured creditor or an unsecured creditor with the concurrence of at least 10% in value of the unsecured creditors including that creditor (or any unsecured creditors with less than 10% in value of the unsecured creditors, but with the permission of the court), may within 8 weeks of receipt of this progress report make an application to court on the grounds that the remuneration charged or the expenses incurred by the administrators as set out in this progress report are excessive or, in relation to the basis fixed for the administrators' remuneration, inappropriate.

12. CONCLUSION

Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding twelve months.

In order to ensure that the objective of the administration is achieved and that we have fully discharged our duties as administrators, it is necessary to further extend the period of the administration. Accordingly we seek the consent of the court to extend the period of administration for 24 months up to 2 May 2018.

We will report again in approximately six months time or at the conclusion of the administration, whichever is the sooner.


Nigel Price
Joint Administrator

Dated 23 March 2016

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 20 September 2015 to 1 March 2016

A G Shakespeare Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs	From 20/09/2015 To 01/03/2016	From 02/11/2012 To 01/03/2016
OTHER DIRECT COSTS		
Direct Labour	NIL	6,320 36
Direct Expenses	NIL	195 97
	NIL	(6,516 33)
TRADING EXPENDITURE		
Salaries	NIL	8,785 06
PAYE/NIC deductions	NIL	5,742 79
Material Purchases	NIL	7,081 58
	NIL	(21,609 43)
TRADING SURPLUS/(DEFICIT)	NIL	(28,125 76)

A G Shakespeare Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs		From 20/09/2015 To 01/03/2016	From 02/11/2012 To 01/03/2016
	ASSET REALISATIONS		
3,500 00	Furniture & Equipment	NIL	3,000 00
30,150 00	Motor Vehicles	NIL	17,499 26
502,552 00	Book Debts	133 29	28,331 38
	Retentions	NIL	28,176 04
	Rates Refund	NIL	6,747 56
	Motor Tax refund	580 41	580 41
23,950 00	Cash at Bank	NIL	23,950 00
	Client a/c balance received	NIL	181 65
	Bank Interest Gross	8 67	67 29
	Trading Surplus/(Deficit)	NIL	(28,125 76)
		<u>722 37</u>	<u>80,407 83</u>
	COST OF REALISATIONS		
	Office Holders Fees	NIL	9,000 00
	Office Holders Expenses	NIL	637 00
	Profession Fee re rates refund	NIL	936 14
	Professional Fees	NIL	1,570 00
	Agents/Valuers Fees (1)	NIL	1,634 75
	Debt Collection Fees	NIL	7,000 00
	Legal Fees and Disbursements	NIL	18,658 48
	Corporation Tax	NIL	6 60
	Motor Tax Refund to M T James Ltd	580 41	580 41
	Record destruction and storage Costs	NIL	1,212 30
	Statutory Advertising	NIL	153 10
	Insurance of Assets	NIL	5,662 69
	Bank Charges	NIL	25 00
		<u>(580 41)</u>	<u>(47,076 47)</u>
	PREFERENTIAL CREDITORS		
(28,691 00)	RPO re Arrears/Holiday Pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(911,553 00)	Trade Creditors	NIL	NIL
(166,757 00)	Employees	NIL	NIL
(112,508 00)	HMRC (PAYE & CIS)	NIL	NIL
(139,663 00)	HMRC (VAT)	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(1,000 00)	Ordinary Shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(800,020 00)</u>		<u><u>141.96</u></u>	<u><u>33,331 36</u></u>
	REPRESENTED BY		
	Bank 1 Current		33,331 36
			<u><u>33,331 36</u></u>

TIME COSTS AND DISBURSEMENTS

- a Begbies Traynor (Central) LLP's charging policy,
- b Narrative summary of time costs incurred,
- c Table of time spent and charge-out value for the period from 20 September 2015 to 1 March 2016, and
- d Cumulative table of time spent and charge-out value for the period from 2 November 2012 to 1 March 2016

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² indicates that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- ❑ *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case and referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- ❑ *Category 2 disbursements (approval required)* - items of expenditure that are directly related to the case which include an element of shared or allocated cost and are based on a reasonable method of calculation, but which are not payable to an independent third party.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows

	Standard
	1 May 2011 –
	until further notice
	Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashiering staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units

A G Shakespeare Limited

SUMMARY OF TIME COSTS AND EXPENSES

This summary, which should be read in conjunction with the Time Costs Analysis for the period of the report attached, is intended to provide sufficient information to enable the body responsible for the approval of our fees to consider the level of our fees and expenses in the context of the case

What work has been done in the period of the report, why was that work necessary and what has been the financial benefit (if any) to creditors?

Details of the types of work that generally fall into the headings mentioned below are available on our firm's website - <http://www.begbies-traynorgroup.com/work-details> Under the following headings we have explained the specific work that has been undertaken on this case. Not every piece of work has been described, but we have sought to give a proportionate overview which provides sufficient detail to allow creditors to understand what has been done, why it was necessary and what financial benefit (if any) the work has provided to creditors.

The costs incurred in relation to each heading are set out in the Time Costs Analysis which is attached. There is an analysis for the period of the report and also an analysis of time spent on the case since the date of our appointment. The details below relate to the work undertaken in the period of the report only. Our previous reports contain[s] the costs of the work undertaken since our appointment.

General case administration and planning

General case administration incorporates different categories such as cashiering, general case administration (filing, creditor correspondence) and dealing with sundry issues as and when they arise. This time cost also comprises maintenance of case files, undertaking case reviews incorporating compliance checks and dealing with general queries. These items are not necessarily beneficial to any class of creditor, but are requirements of the statutory regulations / The Insolvency Act and Rules.

Compliance with the Insolvency Act, Rules and best practice

During the period we have undertaken the preparation of the administration progress report and the corresponding documentation. We have also undertaken periodic bond reviews. Whilst this is not of direct benefit to creditors it is a legal requirement to undertake this process in order to extend the administration to enable the continuance of asset realisations.

Realisation of assets

Asset realisation during the period comprises of book debts and bank interest. We continue to employ the services of Naismiths Limited to assist with the residual debts due to the Company. Depending on the level of future realisations from the contract debts and retentions, and future dividends from the insolvent estate of Broadoak Construction (South East) Limited, there is a potential benefit to both the preferential and unsecured creditors on this case.

Dealing with all creditors' claims (including employees), correspondence and distributions

We have sought to deal with all creditor correspondence and enquiries in an appropriate and timely manner.

Other matters which includes meetings, tax, litigation, pensions and travel

During the period we have completed a tax return on behalf of the Company. We have instructed the Company's former accountants to prepare pre appointment tax returns as it appears there may be an opportunity to make a terminal loss relief claim to HM Revenue & Customs ("HMRC"). We have also

held a number of progress meetings with Naismiths Limited in respect of book debt recoveries. Any future realisations secured from this work may benefit preferential and unsecured creditors, depending on the sums realised.

Time Costs Analysis

An analysis of time costs for the period of the report is attached showing the time spent by each grade of staff on the different types of work involved in the case, and giving the total costs and average hourly rate charged for each work type. An additional analysis is also attached which details the time costs for the entire period for which we have administered the case.

Please note that each analysis provides details of the work undertaken by us and our staff following our appointment only.

Expenses

There have been no expenses during the period.

Category 2 Disbursements

In accordance with the resolution obtained in relation to disbursements, the following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of our appointment.

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – Travel to and from company	135 00
TOTAL	135 00

I confirm the amount paid against these disbursements totals £98 10 to date.

Why have subcontractors been used?

No subcontractors have been used in this case.

What work remains to be done, why is this necessary and what financial benefit (if any) will it provide to creditors?

General case administration and planning

Case administration and planning will continue for the duration of this assignment. This involves dealing with general correspondence and continuing file management. In addition, regular cashiering tasks and banking will continue to be undertaken for the duration of the case.

There is no financial benefit to creditors as this is part of general case administration.

Compliance with the Insolvency Act, Rules and best practice

We regularly conduct compliance and bond reviews to ensure that sufficient insurance is held and to ensure that statutory requirements are met. Statutory progress reports are also prepared during the administration to provide updates to all creditors; these reports are a statutory requirement.

There is no financial benefit to creditors as this is all part of compliance with the Insolvency Act, Rules and best practice.

Investigations

It is considered that all investigatory matters in respect of this case are now complete

Realisation of assets

The administrators will continue to deal with the collection of the contract debts and the potential refund from HMRC in respect of a terminal loss relief claim. Further recoveries will benefit the preferential and unsecured creditors.

Dealing with all creditors' claims (including employees), correspondence and distributions

We shall continue to deal with creditors enquiries in an appropriate and timely manner.

Other matters which includes meetings, tax, litigation, pensions and travel

We will continue to deal with the submission of post appointment tax returns and liaise with HMRC regarding the potential claim for terminal loss relief.

How much will this further work cost?

The cost of further work is estimated to be in the region of £11,000 to £15,000.

Expenses

Details of the expenses that we expect to incur in connection with the work that remains to be done referred to above are as follows:

- Legal costs for dealing with the Administration extension - £1,500
- Debt collection costs - £11,033
- Professional Fees for completion of tax returns - £750
- Storage and destruction of Company records - £120
- Administrators' disbursements - £300

It may also prove necessary to incur additional legal fees in respect of debt collection work. Unfortunately, until we have held our scheduled meetings we are unable to determine what, if any, legal assistance will be required. Accordingly, we are unable to estimate any future expenses in this regard.

Staff Grade	Partner	Director	Sr Mngr	Mngr	Asst Mngr	Sr Admin	Admin	Jr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning												0.00
	Case planning											
	Administration	0.2	0.6	3.5						4.3	1 192.50	277.33
	Total for General Case Administration and Planning	0.2	0.6	3.5						4.3	1,192.50	277.33
Compliance with the Insolvency Act Rules and best practice	Appointment											0.00
	Banking and Bonding								1.6	1.6	176.00	110.00
	Case Closure											0.00
	Statutory reporting and statement of affairs	0.3	0.6	6.0						6.9	1 894.50	274.57
Investigations	Total for Compliance with the Insolvency Act, Rules and best practice	0.3	0.6	6.0					1.6	8.5	2,070.50	243.59
	CDDA and investigations											0.00
	Total for Investigations											0.00
	Debt collection	2.2	3.6	4.5						10.3	3 177.50	308.50
Realisation of assets	Property business and asset sales											0.00
	Retention of Third/Third party assets											0.00
	Total for Realisation of assets	2.2	3.6	4.5						10.3	3,177.50	308.50
	Trading											0.00
Dealing with all creditors claims (including employees) distributions	Total for Trading											0.00
	Secured											0.00
	Others			0.3						0.3	79.50	285.00
	Creditors committee											0.00
Other matters which includes meetings, tax litigation pensions and travel	Total for Dealing with all creditors claims (including employees), correspondence and distributions			0.3						0.3	79.50	285.00
	Meetings	0.1								0.1	39.50	395.00
	Other											0.00
	Tax	0.4		0.4					0.6	1.4	330.00	235.71
	Legislation											0.00
	Total for Other matters	0.5		0.4					0.6	1.5	369.50	246.33
	Total hours by staff grade	3.2	4.8	14.7					2.2	24.9		
	Total time cost by staff grade	1,264.00	1,488.00	3,895.50					242.00		6,889.50	
	Average hourly rate £	395.00	310.00	265.00	0.00	0.00	0.00	0.00	110.00		276.66	
	Total fees drawn to date £										9 000.00	

Staff Grade	Partner	Director	Sr Mng	Mng	Asst Mng	Sr Admin	Admin	Jnr Admin	Support	Total Hours	Time Cost £	Average hourly rate £
General Case Administration and Planning	Case planning			3.0						3.0	795.00	265.00
	Administration	2.0	8.1	36.6					13.6	80.3	14,496.00	240.40
	Total for General Case Administration and Planning	2.0	8.1	36.6					13.6	83.3	15,291.00	241.96
	Appointment	0.3	1.8	13.0						15.1	4,121.50	272.95
Compliance with the Insolvency Act, Rules and best practice	Banking and Bonding	0.2	1.8	2.0					13.7	17.7	2,674.00	151.07
	Case Closure											0.00
	Statutory reporting and statement of affairs	7.4	22.0	39.2	0.2	0.5			0.5	69.8	20,314.50	291.04
	Total for Compliance with the Insolvency Act, Rules and best practice	7.9	25.6	54.2	0.2	0.5			14.2	102.6	27,110.00	264.23
Investigations	GDAA and investigations	0.4		1.5						1.9	555.50	292.37
	Total for investigations	0.4		1.5						1.9	555.50	292.37
Realisation of assets	Debt collection	24.2	45.6	9.3						79.1	26,159.50	330.71
	Property business and asset sales	1.4	5.6	2.3						9.3	2,698.50	311.67
	Retention of Title/Third party assets											0.00
	Total for Realisation of assets	25.6	51.2	11.6						88.4	29,058.00	328.71
Trading	Trading	0.1	4.1	2.0						6.2	1,840.50	296.85
	Total for Trading	0.1	4.1	2.0						6.2	1,840.50	296.85
Dealing with all creditors claims (including employees) correspondence and distributions	Secured		0.8							0.8	248.00	310.00
	Others	3.9	17.3	19.3						40.5	12,018.00	296.74
	Creditors committee											0.00
	Total for Dealing with all creditors claims (including employees), correspondence and distributions	3.9	18.1	19.3						41.3	12,266.00	297.00
Other matters which includes meetings tax litigation, penalties and travel	Meetings	14.7	3.4							18.1	6,860.50	379.03
	Other	0.4	1.4							1.8	592.00	328.89
	Tax	1.5	1.6	2.2					2.9	8.2	1,990.50	242.74
	Legal fees											0.00
	Total for Other matters	16.6	6.4	2.2					2.9	28.1	9,443.00	336.05
	Total hours by staff grade	56.5	113.5	130.4	0.2	0.5			30.7	331.8		
	Total time cost by staff grade	22,317.50	35,185.00	34,556.00	41.00	87.50			3,377.00		95,564.00	
	Average hourly rate £	395.00	310.00	265.00	205.00	175.00	0.00	0.00	110.00			288.02
	Total fees drawn to date £										9,000.00	

STATEMENT OF EXPENSES

There have been no expenses paid during the period of this report

CUMULATIVE STATEMENT OF EXPENSES

Type of expense	Name of party with whom expense incurred	Amount Paid £	Amount Outstanding
Professional Fees (Rates Refund)	Colliers International	936 14	Nil
Professional Fees (Employee matters)	Insol Employee Solutions Limited	1,570 00	Nil
Agents Fees		1,634 75	Nil
Debt Collection Fees	Naismiths Limited	7,000 00	Nil
Legal Fees and disbursements	DLA Piper	18,658 48	Nil
Storage Costs	L & R Storage Limited	1,212 30	Nil
Statutory Advertising	Courts Advertising	153 10	Nil
Insurance of Assets	Insolvency Risk Services	5,662 69	Nil
Total expenses (excluding disbursements)		<u>36,827 46</u>	
Begbies Traynor Disbursements			
Travel	Car park	11 20	
Court swearing fee	Birmingham Court	10 00	
Company Searches	Companies House	3 00	4 00
Insolvency Bond	Insolvency Risk Services	315 00	
Postage	Royal Mail	199 70	302 13
Mileage		98 10	36 90
Total		<u>637 00</u>	<u>343 03</u>