

**2.24B****Administrator's progress report**

Name of Company

Emaceous Group Plc

Company number

03732607

In the  
High Court of Justice

[full name of court]

Court case number  
3014 of 2008

We

James Robert Tucker  
KPMG LLP  
8 Salisbury Square  
London  
EC4Y 8BB  
United KingdomEdward George Boyle  
KPMG LLP  
8 Salisbury Square  
London  
EC4Y 8BB  
United Kingdom

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

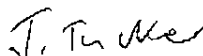
from

14 October 2009

to

13 April 2010

Signed



Joint Administrators

Dated

12 May 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 public record.

Tom Chuter

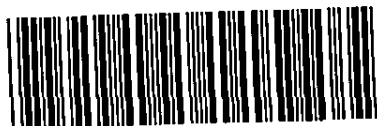
KPMG LLP  
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When you have completed and signed this form, please send it to the Registrar of Companies at -

Companies House, Crown Way, Cardiff CF14 3UZ

DX 33050 Cardiff

FRIDAY



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14/05/2010

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COMPANIES HOUSE

RECEIPTS		£
Brought forward from previous Abstract (if Any)		139,263,311 89
Shares and investments		26,127 74
Uncalled share capital		17,674 04
Rent		78,417 05
Group funding receipt		678,635 00
Floating ch VAT payable		510 54
Carried forward to		140,064,676 26
* continuation sheet / next abstract		
PAYMENTS		£
Brought forward from previous Abstract (if Any)		144,564,634 28
Rent		35,692 55
Professional fees		5,270 95
Sundry expenses		82,297 63
Administrators' fees		816,371 50
Legal fees (General)		19,259 54
Other property costs		732 60
Debtors (101)		718 84
Other property expenses		325 00
Bank charges & interest		20,030 30
Floating ch VAT rec'able		11,341 39
Floating ch VAT control		520,044 84
Carried forward to		146,076,719 42
* continuation sheet / next abstract		

\* Delete as appropriate

\* Delete as appropriate

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed

RESTRUCTURING

## **Erinaceous Group plc and certain subsidiaries – in administration**

Administrators' fourth progress report for the period from 1 October 2009 to 13 April 2010 pursuant to Rule 2.47 of the Insolvency Rules 1986

11 May 2010

ADVISORY

## Notice: About this Report

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- This report has been prepared by the Joint Administrators solely to comply with their statutory duty under rule 2.47 of the Insolvency Rules 1986 to report on the progress of the Administration in the period 14 October 2009 to 13 April 2010. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Eg plc or other companies in the group.
- Any estimated outcomes for creditors included in this report is illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this report for any purpose or in any context other than under rule 2.47 of the Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report.
- James Robert Tucker, Edward George Boyle and Richard John Hill are authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. Richard James Philpott is authorised to act as an insolvency practitioner by the Insolvency Practitioners' Association.
- The Joint Administrators act as agents of the companies and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.



## Glossary of terms

<b>Adminicos</b>	Companies placed into administration on or after 14 April 2008 (See Appendices for details of these companies)	<b>HLR</b>	HLR Holdings Limited
<b>Administrators</b>	James Robert Tucker Edward George Boyle Richard John Hill Richard James Philpott	<b>IA86</b>	The Insolvency Act 1986
<b>Banks</b>	8 Salisbury Square London, EC4Y 8BB	<b>Insurance division</b>	The sub-group of companies headed by Erineaceous Insurance Services Ltd
<b>Building Consultancy</b>	HBOS, Lloyds TSB and HSBC (secured by a debenture dated 26 July 2006)	<b>IR86</b>	The Insolvency Rules 1986
<b>Caley</b>	Erineaceous Consultancy Services Limited Caley Limited (a vehicle owned by the Banks)	<b>ISGO</b>	ISGO Limited
<b>Dormant companies</b>	See Appendix 4	<b>Operating entities</b>	See Appendix 4
<b>ECPS</b>	Erineaceous Commercial Property Services Limited	<b>Parent</b>	EG plc
<b>ECS</b>	Erineaceous Commercial Services Limited	<b>PR</b>	People Resourcing Limited
<b>EG plc</b>	Erineaceous Group plc	<b>Prescribed part</b>	A fund set aside for unsecured floating charge funds of approximately 20% of net assets
<b>EMS</b>	Erineaceous Managed Services Limited	<b>Repairs division</b>	3C Asset Management Limited, formerly Erineaceous Property Maintenance Limited
<b>EPS</b>	Erineaceous Property Services Limited	<b>Residential Management division</b>	The sub-group of companies headed by Residential Management Group Ltd, formerly Dunlop Haywards Residential Limited
<b>Group</b>	EG plc and its subsidiaries (as at 14 April 2008)	<b>SoA</b>	Statement of Affairs
		<b>Square Mile</b>	Square Mile Real Estate Services Limited

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## Executive summary

- This report has been prepared for the purposes of Rule 2.47 of the Insolvency Rules 1986
- This progress report covers the period from 14 October 2009 to 13 April 2010 and follows the Administrators' third six monthly report to creditors which was dated 10 November 2009
- The Administrators' Statement of Proposals was deemed approved by creditors on 19 July 2008
- Since the last report to creditors dated 10 November 2009 the Administrators have continued to progress the administrations to achieve the statutory purpose to realise assets for the secured creditors in line with the Proposals. This has included progressing the realisation of the remaining assets which are principally trade receivables
- A Court Order was obtained on 3 April 2009 to extend the initial period of all of the administrations which were to end on 13 April 2009. The administrations of the Parent company and the six Operating entities were extended until 13 October 2010, and the administrations of the other entities were extended to 13 April 2010. A further Court Order was obtained on 7 April 2010 to extend the period of administration of three dormant companies, namely People Resourcing Limited, Square Mile Real Estate Services Limited and Erinaceous Property Services Limited until 13 October 2010
- The administrations of 33 of the dormant companies were closed in April 2010
- Only 10 entities remain in administration from the original 72 group companies
- The Administrators have made distributions in full to preferential creditors in the relevant Operating entities (see page 6)
- We have finalised the Prescribed Parts which result from floating charge realisations in anticipation of declaring a first dividend and these are detailed on page 7. The Court has granted permission to distribute the Prescribed Parts to the unsecured creditors in the Administrations of the relevant entities and these will be paid out shortly
- A Distribution Scheme to deal with the £2.3m client monies held was approved by the Court on 19 March 2010 (see page 5)
- On the 22 April 2010 an order was made in the High Court removing Myles Antony Halley from office as Joint Administrator of EG plc, following his retirement from KPMG LLP. By virtue of the Order Edward George Boyle was appointed as Joint Administrator as his replacement. Creditors/members have the liberty to apply to vary or discharge this order insofar as it relates to the estate of which they are creditors/members, within 28 days of the creditors/members being given notice of this Order. In accordance with the Order, creditors/members were given notice of the Order by an advertisement in the London Gazette on 30 April 2010
- Statutory information on each of the companies is provided as Appendix 1

# Asset realisations

## Our receivables collection

activities have largely been concluded and no further material realisations are anticipated

A Distribution Scheme to deal with the £2.3m client monies held was approved by the Court on 19 March 2010

There are a number of property related matters still to be concluded  
€10,000 deferred consideration from the sale of an Irish business remains to be realised

## Trade receivables

- To date, £9.45 million has been recovered from trade receivables
- Our specialist receivables realisation team has continued to pursue debtor amounts and has exceeded our previous estimate of target realisations (£9.2 million). This result has been achieved through the sale of several rump ledgers and the settlement of several legal claims since the last report
- Further realisations are expected to be minimal from this point onwards

## Client monies

- Although over £2 million has been returned to clients to date, the joint administrators still hold a balance of approximately £2.3 million and there remain a number of untraced or uncooperative clients
  - The joint administrators therefore made an application to Court to seek directions in relation to the distribution of the funds. On 19 March 2010, the Court granted an order that the joint administrators distribute cash potentially held on trust for the former clients in accordance with the terms of the Distribution Scheme which the Court had approved
  - Those potential beneficiaries for which the joint administrators had contact details were sent notice of the Distribution Scheme on 25 March 2010, together with copies of the scheme document and a claim form. Notice of the Distribution Scheme was also advertised in The Times, the London Gazette and the Estates Gazette
  - The Distribution Scheme imposes a cut off date of 21 June 2010 for the submission of claims in respect of the client monies, after which no new claims will be admitted. Payments to beneficiaries will be paid as soon as possible after the cut off date. Beneficiaries who do not submit a claim by the cut-off date will be able to submit a claim in the administration as an unsecured creditor
  - The Distribution Scheme shall cease to have effect after all distributions have been made. The completion of the Distribution Scheme will have the effect of releasing the Company from any future proprietary claims by beneficiaries to the client monies
  - Any surplus funds remaining after the completion of the Distribution Scheme shall be made available to the administration estate. This will enable the joint administrators to close the administration earlier, thereby avoiding the need for a further extension and minimising further cost to the estate
- Leasehold and freehold property**
- The sale of business agreements included the interest in 78 of the Group's 154 premises. Of these, 2 are still occupied under licence by the purchasers whilst they are seeking assignments. We anticipate these matters will be resolved shortly
  - 65 leases were not included in sale of business agreements and we have agreed surrenders on 16 of these properties. Acceptance of surrender has not yet been granted by the remaining 49 landlords. These properties remain vacant. Landlords are not under any obligation to accept surrender of the leases. Therefore, some ongoing management and maintenance of public liability cover of the properties may be required until the lease liabilities are discharged or the administrations are closed
  - The joint administrators continue to seek a purchaser for EG plc's long leasehold interest in the Tewkesbury property
- Deferred consideration**
- As reported previously €230,000 of deferred consideration has been received for the sale of an Irish subsidiary and a further €110,000 has now been received in monthly instalments. €10,000 of consideration remains outstanding



# Liabilities

The administrators have repaid the Preferential Creditors in full in four of the Operating entities

## Secured creditors

- To date distributions to secured creditors total £134 million, against a debt at appointment of some £230 million

## Preferential creditors

- Preferential creditor claims have been agreed as shown in the table, and distributions were made in full in November/December 2009 totalling £445,000
- Please refer to the table below for the division of the claims between companies

Preferential creditors' claims					
£000	Building Consultancy	ECPS	EMS	ECS	Total
Redundancy payments office ('RPO')	93	39	101	20	253
Employees	102	54	17	19	192
<b>Total</b>	<b>195</b>	<b>93</b>	<b>118</b>	<b>39</b>	<b>445</b>

Source: Administrators' and company records.

- Unfortunately, the administrators still do not anticipate any return to the preferential creditors of EG plc



## Liabilities (cont.)

We currently anticipate that a Prescribed Part return will shortly be paid to the unsecured creditors in up to eight of the group entities

### Prescribed Part and unsecured creditors

- The Prescribed Part across the Group totals £1 501 million. Please refer to the table below for the division between companies
- The Prescribed Part is a fund set aside for the unsecured creditors of the Group from floating charge realisations of approximately 20% of net assets, up to a maximum of £600,000 in each estate

Prescribed part										
£000	Building	ECPS	EMS	ECS	HLR	ISGO	PR	Square Mile	Total	
Floating charge assets net of costs of administration	3,828	1 277	1 565	419	922	516	20	28	8,575	
Preferential Creditors claims	(195)	(93)	(118)	(39)	-	-	-	-	(445)	
<b>Net property</b>	<b>3,633</b>	<b>1,184</b>	<b>1,447</b>	<b>280</b>	<b>922</b>	<b>516</b>	<b>20</b>	<b>28</b>	<b>8,130</b>	
50% of first £10 000	5	5	5	5	5	5	5	5	40	
20% of net property in excess of £10,000 up to max prescribed part of £600,000	595	236	287	54	182	101	2	4	1,461	
<b>Prescribed part</b>	<b>600</b>	<b>241</b>	<b>292</b>	<b>59</b>	<b>187</b>	<b>106</b>	<b>7</b>	<b>9</b>	<b>1,501</b>	

Source: Administrators' estimates

- The administrators do not anticipate any Prescribed Part in EG plc
- On 3 April 2009 the Court granted the Joint Administrators permission to pay a dividend to the unsecured creditors from the Prescribed Parts
- It was not possible to declare a dividend until HM Revenue and Customs finalised its claim, which it has only very recently submitted
- The Joint Administrators have agreed all unsecured claims in the entities with larger Prescribed Parts and the dividends will be paid in May 2010. We are finalising creditor claims in the entities with smaller Prescribed Parts and will then declare dividends as soon as possible thereafter
- As advised in the Statement of Administrators' proposals under Paragraph 49, the Administrators do not anticipate there will be any return to unsecured creditors other than via the Prescribed Part

## Other matters

### Costs of administrations

- The costs of the administrations paid to date are set out in the attached Receipts and Payments Accounts (see Appendix 2)
- The Administrators' time costs for the period from 14 October 2009 to 13 April 2010 are attached to this report (see Appendix 3)
- The basis for the Administrators' remuneration has been approved by the Banks and has been drawn for the period to 19 September 2008 in accordance with Rule 2 106(5b)
- Also in accordance with Rule 2 106 (5b) of the Insolvency Rules 1986, where there is a dividend to preferential creditors in a particular entity, a simple majority of these creditors voting is also required to approve the basis of the Administrators' remuneration drawn from that estate. This approval has been obtained
- Administrators' remuneration of £7,250,000 has been approved by the Banks and drawn

# Comments on Appendices

## **Appendix 1 Statutory information**

- In accordance with IR86, the prescribed statutory information is provided

## **Appendix 2 Administrators' receipts and payments account**

- The Administrators' receipts and payments account for the period from 14 October 2009 to 13 April 2010 are included. The figures on the account are shown net of VAT
- Please note, receipts and payments accounts are provided only for those entities where transactions have occurred, all entities with nil accounts are omitted

## **Appendix 3 Analysis of Administrators' time costs**

- Schedules detailing the Administrators' time costs from 14 October 2009 to 13 April 2010 are included in this report

## **Appendix 4 Company classification**

- Companies defined as Parent, Operating entities and Dormant companies

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# Appendix 1

## Statutory information



# Appendix 1

## Statutory information

Statutory information				
Company name	Erinaceous Group plc	Erinaceous Commercial Property Services Limited	Erinaceous Managed Services Limited	ISGO Limited
Company number	3732607	2540610	1166863	3645790
Date of incorporation	15 March 1999	18 September 1990	16 April 1974	7 October 1998
Registered office	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB
Trading names		NAI Erinaceous Erinaceous Commercial Property Management Dunlop Haywards PPH Commercial Douglas Duff CPAM Commercial Property Asset Management Erinaceous Facilities Management Painter Sailer Egan Lawson	Eurcal Services	
Court	High Court of Justice	High Court of Justice	High Court of Justice	High Court of Justice
Court reference	3014/08	3071/08	3058/08	3096/08
EU regulation	Main proceedings	Main proceedings	Main proceedings	Main proceedings
Administrators	Jim Tucker and Edward Boyle	Richard Philpott and Jim Tucker	Richard Hill and Jim Tucker	Richard Hill and Jim Tucker
Date of appointment	14 April 2008	14 April 2008	14 April 2008	14 April 2008
Appointor	Directors	Directors	Directors	Directors
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors (no shares in the companies are held by the directors)	Nigel Peter Davis (30,927 – personal shareholding) Nicholas Rodney Lowther Fry (20,000 – personal shareholding) The Lord David Charles Poole Lord Edward Timothy Razzall CBE (9,400 – controlled company) Dominic Lavelle Timothy John Redburn	RD Collins NP Davis	N Davis	D Lavelle
Secretary (no shares in the companies are held by the secretary)	Robin Simon Johnson	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson

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# Appendix 1

## Statutory information (cont.)

Statutory information				
Company name	Erineaceous Property Services Limited	H.L.R. Holdings Limited	People Resourcing Limited	Square Mile Real Estate Services Limited
Company number	3142678	4192518	2040364	3997848
Date of incorporation	2 January 1996	2 April 2001	24 July 1986	19 May 2000
Registered office	8 Salisbury Square London, EC4Y 8BB	8 Salisbury Square London EC4Y 8BB	8 Salisbury Square London EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB
Trading names				
Court	High Court of Justice	High Court of Justice	High Court of Justice	High Court of Justice
Court reference	3092/08	3015/08	3091/08	3107/2008
EU regulation	Main proceedings	Main proceedings	Main proceedings	Main proceedings
Administrators	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker
Date of appointment	14 April 2008	14 April 2008	14 April 2008	14 April 2008
Appointor	Directors	Directors	Directors	Directors
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors (no shares in the companies are held by the directors)	NP Davis D Lavelle	NP Davis D Lavelle	D Lavelle	D Lavelle
Secretary (no shares in the companies are held by the secretary)	JMS Bells RS Johnson	JMS Bells RS Johnson	JMS Bells, RS Johnson	JMS Bells, RS Johnson

# Appendix 1

## Statutory information (cont.)

Statutory information		Erinaceous Consultancy Services Limited	Erinaceous Commercial Services Limited
Company name		Erinaceous Consultancy Services Limited	Erinaceous Commercial Services Limited
Company number	2660273	2505860	
Date of incorporation	5 November 1991	25 May 1990	
Registered office	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square London EC4Y 8BB	
Trading names	Dearle & Henderson Francis Graves Leach Rhodes Walker Monaghans Nolan Associates Rose Project Services Dunlop Haywards Building Consultancy	Egan Lawson Harman Healy Mauguid Erinaceous Auctions	
Court	High Court of Justice	High Court of Justice	
Court reference	3036/08	3117/2008	
EU regulation	Main proceedings	Main proceedings	
Administrators	Richard Hill and Jim Tucker	Richard Philpott and Jim Tucker	
Date of appointment	14 April 2008	14 April 2008	
Appointor	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (no shares in the companies are held by the directors)	N Davis	N Davis D Lavelle	
Secretary (no shares in the companies are held by the secretary)	JMS Bellis RS Johnson	JMS Bellis RS Johnson	



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# Appendix 2

## Receipts and payments account



## Appendix 2

### Receipts and payments account

Receipts and payments as at 13 April 2010

£	EG Plc	Erinnaceous Consultancy Services Ltd	ECPS	ECS	EMS	Dormant subsidiaries	"Group Consolidated"
<b>Receipts</b>							
Leasehold property	950,002	-	3	2	1	242,947	1,192,955
Goodwill	202	227,515	9	21,509	5	-	249,240
Shares and investments	126,405,359	4	-	-	19,085	496,758	126,921,205
Furniture and Equipment	3,185	164,987	-	28,488	3	-	313,399
Fair Oaks	152,913	-	-	-	-	-	152,913
Floating charge distributions	4,078,635	-	-	-	-	-	4,078,635
Motor Vehicles	-	-	-	10,000	-	-	10,000
Stock / WIP	-	394,425	2	20,282	1	-	414,710
Trade debtors	13,759	3,993,001	2,244,246	758,427	1,923,146	4,435	8,937,014
Other debtors	576,491	-	236,158	-	254,990	-	1,067,639
Cash at bank	1,361	12,099	254,798	47,702	7,903	16,081	339,935
Pre-paid rent	219,123	74,496	16,779	-	-	-	310,397
Recharge of trading / payroll costs	6,777,273	-	20,274	-	-	-	6,797,547
VAT payable	642,891	0	312,769	-	-	-	955,661
Bank interest	129	48,586	39,796	6,128	43,158	28,440	166,238
Other receipts	320,896	67,464	127,805	13,476	29,853	717,584	1,277,078
<b>Total Receipts</b>	<b>140,142,219</b>	<b>4,982,577</b>	<b>3,370,113</b>	<b>906,014</b>	<b>2,278,145</b>	<b>1,506,245</b>	<b>153,185,313</b>
<b>Payments</b>							
Trading costs - see following pages for detail	9,045,640	15,551	147,678	-	-	1,531	9,210,399
Distribution to secured creditor (inc sale of Caley businesses)	129,648,055	2,600,000	398,177	-	526,723	452,325	133,625,280
Distribution to secured creditor (advisors fees)	838,265	-	-	-	-	-	838,265
Distribution to preferential creditors	-	93,036	92,455	39,138	118,219	-	342,847
Legal and professional costs	1,265,848	150,232	127,394	140,617	98,835	31,724	1,814,650
Administrators fees	3,819,648	733,283	1,721,672	417,517	557,880	-	7,250,000
Administrators expenses	55,391	8,541	6,141	4,841	4,226	-	79,140
Debt collection	496	62,815	33,974	17,962	-	-	115,247
Agents/valuers fees	-	-	-	-	-	-	-
Sundry expenses	425,397	102,060	10,519	3,458	40,866	6,437	588,737
Irrecoverable VAT	40,350	-	-	-	-	5,393	45,743
VAT receivable	818,652	7,664	331,050	558	101,471	-	1,259,396
Bank Charges	196,521	501	889	-	51	-	197,961
Corporation tax	-	-	8,073	2,196	10,627	1,873	22,769
Other payments	-	176,076	-	83,013	-	-	259,089
<b>Total Payments</b>	<b>146,154,263</b>	<b>3,949,758</b>	<b>2,878,022</b>	<b>709,300</b>	<b>1,458,899</b>	<b>499,282</b>	<b>155,649,523</b>
<b>Cash in hand / (Bank funding utilised)</b>	<b>(6,012,043)</b>	<b>1,032,819</b>	<b>492,090</b>	<b>196,715</b>	<b>819,246</b>	<b>1,006,963</b>	<b>(2,464,210)</b>

## Appendix 2

### Receipts and payments account (cont.)

#### Receipts and payments as at 13 April 2010 – trading payments

£000	EG Plc	Ernaceous Consultancy Services Ltd	ECPS	ECS	EMS	Other subsidiaries	Group Consolidated
<b>Payments</b>							
Labour	7,642	-	-	-	-	-	7,642
Direct expenses	22	-	-	-	-	-	23
Sub contractors	206	-	78	-	-	-	284
Consumable	1	-	-	-	-	-	1
Rent	377	15	59	-	-	-	451
Heat and light	37	-	1	-	-	1	39
Telephone/relex/fax	235	-	-	-	-	-	235
Repairs and maintenance	6	-	-	-	-	-	6
Water rates	2	-	-	-	-	-	2
Travel	5	-	1	-	-	-	7
Insurance	346	-	-	-	-	-	346
Advertising	-	-	-	-	-	-	-
IT costs	25	-	-	-	-	-	25
Professional fees	90	-	-	-	-	-	90
Stationery and postage	44	-	-	-	-	-	44
Sundry expenses	7	-	9	-	-	-	16
<b>Total payments</b>	<b>9,046</b>	<b>16</b>	<b>148</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>9,210</b>

Source Administrators records

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# Appendix 3

Administrators' time costs from 14 October 2009 to 13 April 2010

## Appendix 3

### Administrators' time costs (cont.)

Erinaceus Group plc (consolidated)							Average	
£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	hourly rate	
Cashiering/Client monies	9 00	245 90	33 00	7 20	295 10	132,124 50	447 73	
General	3 50	4 00	91 50	0 60	99 60	24,504 00	246 02	
Shareholders	-	2 00	9 30	-	11 30	2,826 00	250 09	
Statutory and compliance	15 40	57 10	80 65	14 95	168 10	57,450 25	341 76	
Tax	0 50	46 00	10 40	-	56 90	23,036 50	404 86	
Creditors and claims	10 00	159 70	238 05	-	407 75	127 892 00	313 65	
Employees	0 50	12 60	19 90	-	33 00	10,218 50	309 65	
Directors	-	-	10 75	-	10 75	2,365 00	220 00	
Investigations	3 60	7 50	-	-	11 10	5,946 00	535 68	
Asset realisation	7 50	80 50	124 15	-	212 15	73,679 00	347 30	
Residual trading issues	-	9 00	-	-	9 00	3,730 00	414 44	
<b>Total in period</b>	-	-	-	-	<b>1,314 75</b>	<b>463,771 75</b>	<b>352 75</b>	
<b>Disbursements description</b>								
Travel						4 80		
Accommodation and food						-		
Telecoms						14 53		
Bordeau and court fees						3 00		
Subcontracted staff						-		
Other						-		
<b>Total disbursements</b>						<b>22 33</b>		

Note All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators records

## Appendix 3

### Administrators' time costs

#### Erinaceous Group plc (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering/Client monies	9 00	15 60	21 30	-	45 90	16,936 00	368 98
General	3 50	4 00	79 45	0 20	87 15	21,807 00	250 22
Shareholders	-	2 00	9 30	-	11 30	2 826 00	250 09
Statutory and compliance	14 40	52 70	79 90	14 95	161 95	54,544 24	336 80
Tax	-	41 90	7 85	-	49 75	20,100 00	404 02
Creditors and claims	8 00	26 90	58 10	-	93 00	31,117 00	334 59
Employees	0 50	4 50	16 60	-	21 60	6 113 50	283 03
Investigations	3 60	7 50	-	-	11 10	5,946 00	535 68
Asset realisation	6 40	27 50	97 50	-	131 40	42,931 50	326 72
Residual trading issues	-	2 00	-	-	2 00	1 000 00	500 00
<b>Total in period</b>					<b>615 15</b>	<b>203,321 25</b>	<b>330 52</b>

Disbursements description	
Travel	4 80
Accommodation and food	-
Telecoms	14 53
Borderau and court fees	-
Subcontracted staff	-
Other	-
<b>Total disbursements</b>	<b>19 33</b>

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators records

# Appendix 3

## Administrators' time costs (cont.)

### Erinaceous Commercial Property Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering/Client monies	-	204 90	5 70	7 00	217 60	103,822 50	477 13
General	-	-	2 50	0 20	2 70	573 00	212 22
Statutory and compliance	-	1 70	0 00	-	1 70	828 00	487 06
Tax	-	-	1 35	-	1 35	297 00	220 00
Creditors and claims	-	11 70	41 75	-	53 45	14,793 00	220 00
Employees	-	0 40	1 00	-	1 40	376 00	220 00
Asset realisation	-	8 50	26 45	-	34 95	11,099 00	220 00
<b>Total in period</b>					<b>313 15</b>	<b>131,788 50</b>	<b>420 85</b>
<b>Disbursements description</b>							
Travel						-	-
Accommodation and food						-	-
Telecoms						-	-
Borderau and court fees						3 00	-
Subcontracted staff						-	-
Other						-	-
<b>Total disbursements</b>						<b>3 00</b>	

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors all reputable firms experienced in insolvency matters were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators' records

# Appendix 3

## Administrators' time costs (cont.)

### Erinaceous Consultancy Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	7 60	1 60	-	9 20	3,420 00	371 74
General	-	-	8 15	-	8 15	1,793 00	220 00
Statutory and compliance	-	0 20	-	-	0 20	78 00	390 00
Tax	0 50	1 50	-	-	2 00	1,097 50	548 75
Creditors and claims	1 00	80 50	99 90	-	181 40	55,817 00	548 75
Employees	-	4 20	2 00	-	6 20	2,243 00	548 75
Asset realisation	1 10	27 00	0 20	-	28 30	12,658 50	548 75
Trading	-	7 00	-	-	7 00	2,730 00	390 00
<b>Total in period</b>					<b>242 45</b>	<b>79,837 00</b>	<b>329 29</b>

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators' records

### Erinaceous Commercial Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering/Client monies	-	211 10	7 90	7 00	226 00	106,724 50	472 23
General	-	-	3 40	0 40	3 80	794 00	208 95
Statutory and compliance	1 00	1 90	-	-	2 90	1,601 00	552 07
Tax	-	-	2 45	-	2 45	539 00	220 00
Creditors and claims	-	21 20	49 75	-	70 95	20,478 00	288 63
Employees	-	1 50	1 00	-	2 50	805 00	322 00
Asset realisation	-	20 50	26 45	-	46 95	15,889 00	338 42
<b>Total in period</b>					<b>355 55</b>	<b>146,830 50</b>	<b>412 97</b>

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators' records



## Appendix 3

### Administrators' time costs (cont.)

#### Erinaceous Managed Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	5 70	1 50	-	7 20	2,553 00	354 58
General	-	-	0 50	-	0 50	110 00	220 00
Statutory and compliance	-	0 20	0 50	-	0 70	188 00	268 57
Tax	-	23 50	30 30	-	53 80	16,326 00	303 46
Creditors and claims	-	1 80	-	-	1 80	702 00	390 00
Employees	-	-	10 75	-	10 75	2,365 00	220 00
Asset realisation	-	5 50	-	-	5 50	2,200 00	400 00
<b>Total in period £</b>					<b>80 25</b>	<b>24,444 00</b>	<b>304 60</b>

Note All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators' records

#### ISGO Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	1 50	-	-	1 50	585 00	390 00
Statutory and compliance	-	1 70	-	-	1 70	828 00	487 06
Tax	-	2 40	-	-	2 40	1,200 00	500 00
Creditors and claims	-	0 60	-	-	0 60	234 00	390 00
<b>Total in period</b>					<b>6 20</b>	<b>2,847 00</b>	<b>459 19</b>

Note All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators' records

## Appendix 3

### Administrators' time costs (cont.)

#### Erinaceous Property Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	1 40	0 50	0 20	0 70	133 00	190 00
Creditors and claims	1 00	2 20	-	-	3 20	1,718 00	536 88
Employees	-	0 60	-	-	0 90	355 00	394 44
<b>Total in period £</b>					<b>4 80</b>	<b>2,206 00</b>	<b>459 58</b>

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection tax pensions and statutory issues.

Freshfields LLP Ashursts LLP and Lawrence Graham LLP solicitors all reputable firms experienced in insolvency matters were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators records

#### Square Mile Real Estate Services Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	1 70	0 50	0 20	1 70	663 00	390 00
Employees	-	2 10	-	-	2 10	984 00	468 57
<b>Total in period</b>					<b>3 80</b>	<b>1,647 00</b>	<b>433 42</b>

Note All staff who have worked on this assignment including support staff have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection tax, pensions and statutory issues.

Freshfields LLP Ashursts LLP and Lawrence Graham LLP solicitors all reputable firms experienced in insolvency matters were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source Administrators records



## Appendix 3

### Administrators' time costs (cont.)

#### HLR Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	1 40	0 2	-	1 60	585 00	376 88
Statutory and compliance	-	0 20	-	-	0 20	78 00	390 00
Tax	-	0 10	-	-	0 10	39 00	390 00
Creditors and claims	-	0 60	-	-	0 60	234 00	390 00
<b>Total in period</b>					<b>2 30</b>	<b>954 00</b>	<b>381 60</b>

*Note* All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Source Administrators' records

#### People Resourcing Limited (in administration)

£	Partner/director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering	-	1 30	0 2	-	1 30	507 00	390 00
Statutory and compliance	-	0 20	0 25	-	0 45	133 00	295 56
Tax	-	0 10	0 10	-	0 20	61 00	305 00
Creditors and claims	-	2 10	-	-	2 10	984 00	468 57
<b>Total in period</b>					<b>4 05</b>	<b>£1,685 00</b>	<b>£416 05</b>

*Note* All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Source Administrators' records

# Appendix 4

## Company classifications

## Appendix 4

### Company classifications

Company classifications	
<b>Parent</b>	
Erinaceous Group plc	
<b>Operating entities</b>	
Erinaceous Consultancy Services Limited	
Erinaceous Commercial Property Services Limited	
Erinaceous Managed Services Limited	
Erinaceous Commercial Services Limited	
HLR Holdings Limited	
JSGO Limited	
<b>Dormant companies</b>	
Erinaceous Property Services Limited	
People Resourcing Limited	
Square Mile Real Estate Services Limited	

Company classifications (cont.)	
<b>Dormant companies - administration now closed</b>	
Alexander Millar Kitching Limited	
Balancegrove Homes Limited	
CPM Lettings Limited	
Deacon Insurance Services (Holdings) Limited	
Dunlop Heywood Lorenz Executive Board Limited	
Dunlop Heywood Residential Limited	
Entente Consulting Limited	
Entente Group Ltd	
EP2 Management Resources Ltd	
Francois Graves Ltd	
GOS Worldwide Limited	
Graves Holdings Ltd	
H P S Property Limited	
Harman Healy Limited	
Haywards Property Services (Kennedy Haywards) Ltd	
Haywards Property Services (WMS Haywards) Ltd	
Interior Furniture Services Limited	
John Nolan Associates Ltd	
JSSP Ltd	
Lea Valley Business Centres Limited	
Leach Rhodes Walker CDM Limited	
Leaf ID Limited (Previously LRW Interior Design Limited)	
Leaf Mesh Limited (Previously Mesh Media Limited)	
Leaf One Limited (Previously Leach Rhodes Walker Limited)	
Mainguild Limited	
Millar Kitching Limited	
Millar Kitching Management (Bloombsbury) Limited	

Company classifications (cont.)	
<b>Dormant companies - closed administration (cont.)</b>	
Millar Kitching Management (Services) Limited	
Millar Kitching Management Limited	
Monaghans Holdings Limited	
Morrison Street Management Limited	
Painter Salter Limited	
Taskline Management Limited	

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