

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company A & A Joinery and Woodworking Limited	Company number 03985528
In the High Court of Justice, Chancery Division (full name of court)	Court case number 7800 of 2016

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

I/We (a)
Carl Jackson
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

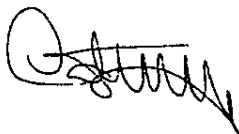
Andrew Watling
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

*Delete as
applicable

attach a copy of *my/our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) 19 January 2017



Signed

Joint / Administrator(s)

Dated

19 January 2017

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 researchers of the public record

Andrew Watling
Quantuma LLP
14th Floor, Dukes Keep
Marsh Lane
Southampton
SO14 3EX

DX Number

02380336464
DX Exchange



A09 21/01/2017 #321
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

Joint Administrators' Proposals relating to
A & A Joinery and Woodworking Limited ("the Company") – In Administration
Issued on: 19 January 2017

Quantuma

Carl Jackson and Andrew Watling of Quantuma LLP are the Joint Administrators of the Company and these are the Joint Administrators' statutory Proposals relating to the Company

STATUTORY INFORMATION

Statutory information relating to the Company is attached at **Appendix I**

CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS

The Company was incorporated on 4 May 2000. Anthony Frederick Shinton, Andrew Winwood and June Ann Shinton were the Directors and Shareholders. Prior to incorporation the Company had traded as a partnership between Anthony Shinton and Andrew Winwood. Trading consisted primarily of joinery installations and manufacture and builders carpentry.

The Company traded from leased premises at various units on Wednesbury Trading Estate, off Bilston Road, Wednesbury, West Midlands, WS10 7JN.

The Company funded its working capital requirements through a factoring agreement with Lloyds TSB Commercial Finance Limited, created on 8 March 2012. Further charges were:

- A chattel mortgage with Lloyds TSB Commercial Finance Limited, created on 8 March 2012 and satisfied on 16 January 2016.
- A debenture with Lloyds TSB Bank Plc created on 25 October 2010 and satisfied on 20 October 2015.

A summary of the Company's trading performance is shown below:

	Statutory Accts 1.6.13 to 31.5.14	Statutory Accts 1.6.14 to 31.5.15
Turnover	3,143,759	3,498,458
Costs of Sales	<u>(2,577,124)</u>	<u>(2,760,448)</u>
Gross Profit	566,635	738,010
Overheads	<u>(604,816)</u>	<u>(651,343)</u>
Net Profit/Loss after tax	<u>(51,232)</u>	<u>83,612</u>

It should be noted that the management accounts have not yet been seen but have been requested.

In January 2016 Mr Shinton and Mr Winwood sold the Company to Chainbridge SPV2 Limited and both resigned their directorships. Mr John Philip Linnell was appointed as the sole director on 14 January 2016. At this stage the Company had a good order book for work going forward, an experienced work force and were turning over approximately £250 - £270k per month.

The Company continued to fund its working capital requirements through the factoring agreement with Lloyds TSB Commercial Finance Limited and further charges were made as follows:

- A chattel mortgage and debenture with Davenham Asset Finance, created on 14 January 2016.
- A fixed and floating debenture with BCRS Business Loans Limited, created on 5 July 2016.

The Director, Mr Linnell, delegated the running of the business to the general manager and visited the premises approximately once a week. In January/February one of the largest customers at this time wanted to re-negotiate their prices, but an agreement could not be reached and the customer's business was lost. In July 2016 another large customer, who used to supply a steady stream of work

to the Company, went into liquidation. These events had a serious knock on effect and cash flow became very tight.

In October 2016 a number of suppliers stopped trading with the Company and rent arrears were accruing. The order book began to stagnate as materials could not be obtained due to the poor cash flow.

Mr Linnell resigned his directorship on 5 November 2016 and Mr David Howick was appointed as sole director on the same day.

On 17 November 2016 Quantuma were approached by the holder of a Qualifying Floating Charge, Davenham Asset Finance, to discuss the financial position of the Company. On 18 November 2016 the Director instructed that a 'Notice of intention to appoint an Administrator' be filed and this was done at Companies Court. On 23 November 2016, after further discussion with the Company's secured creditors, Davenham Asset Finance Limited decided to appoint administrators over the Company.

Prior to the commencement of the Administration, Quantuma LLP acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the Company on their personal financial affairs. Whilst not formally in office at that time, Quantuma LLP was still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

I can confirm that prior to my instruction to advise the Board on 17 November 2016, Quantuma LLP had no involvement with the Company, its Directors or Shareholders.

On 25 November 2016, Andrew Watling and I were appointed by Davenham Asset Finance Limited as Joint Administrators of the Company and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and we have been the Administrators primarily involved in dealing with the Company's affairs.

OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVEMENT

As Administrator of the Company I am an officer of the Court, and I must perform my duties in the interests of the Creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to

- (a) rescue the Company as a going concern, or
- (b) 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), or
- (c) realise property in order to make a distribution to one or more secured or preferential Creditors.

Further to an immediate review of the Company's affairs with particular regard to its financial and resource requirements, it was decided that a rescue of the Company in accordance with objective (a) was not possible given the lack of financial support.

The second objective could not be achieved as the amount due to the Company's chargeholders compared to the value of its assets means that there are only sufficient assets to make a distribution to the chargeholders and any preferential Creditors. As a result, I am seeking to achieve objective (c) for the Company, and will do this by ceasing to trade and disposing of assets.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the Creditors. If I am unable to complete the Administration of

the Company within 12 months then I will seek approval from each secured creditor. Alternatively I can apply to the Court to seek approval to extend the duration of the Administration.

ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT

The Joint Administrators decided that it was not appropriate to continue the business of the Company and that an immediate sale of the Company's assets was the best way to achieve the objective of the Administration.

We concluded that the objective of the Administration was best achieved by the Company ceasing to trade. As a result, the Company ceased trading on 28 November 2016 and its employees were dismissed on that date.

At the date of the Administration, the Company had a number of uncompleted orders at varying stages. I retained the services of the General Manager and 2 office staff to complete these orders and issue the appropriate invoices.

I agreed to pay the staff on a daily rate and their costs associated with producing the necessary paperwork amount to £4,207.90.

The Company employed 44 members of staff. Their claims for arrears of wages, arrears of holiday pay, redundancy pay and payment in lieu of notice have been logged with the Redundancy Payments office.

Sales to connected parties

There have been no sales of any of the Company's assets to connected parties since the Joint Administrators' appointment.

FINANCIAL POSITION OF THE COMPANY

I have asked the Director to prepare a summary of the Company's estimated financial position, a Statement of Affairs, as at 25 November 2016. This is yet to be received.

In the absence of a Statement of Affairs, I have prepared an estimate of the financial position of the Company as at 25 November 2016 from the records of the Company, and that is attached at Appendix 2, together with a list of names and addresses of all known Creditors and the amounts of their debts.

Comments regarding the Administrators' estimate of the financial position of the Company are as follows:

Book debts

The Company factored its book debts, and as a result they are held as security by Lloyds Commercial Finance Limited who have instructed Hilton-Baird Collection Services in collecting the book debts.

On the basis of current information, insufficient money will be received from book debts to allow the debt of Lloyds Commercial Finance Limited to be paid in full.

Plant and machinery

The majority of the Company's plant and machinery was bought on finance. This was valued by Tallon Associates Limited on an 'ex-situ' basis. On current information it is likely that there will be insufficient money from their sale to repay the finance agreements.

Preferential Creditors

The only known preferential Creditors are former employees of the Company for unpaid wages and holiday pay. Their claims are subject to a maximum limit set by the insolvency legislation.

Prescribed Part

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured Creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property". A Company's net property is that left after paying the preferential Creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside

50% of the first £10,000 of the net property, and
20% of the remaining net property,

up to a maximum of £600,000

The Company gave a floating charge to Lloyds Commercial Finance Limited on 8 March 2012 and the prescribed part provisions will apply. The Administrators' estimate of the financial position of the Company shows that the net property of the Company is £0, and I estimate that the prescribed part of the net property for unsecured Creditors is £0. However, these estimates do not take into account the costs of the Administration which will reduce the amount of the Company's net property. Since the Company's net property is likely to be less than £10,000, the insolvency legislation does not require me to distribute the prescribed part of the net property to Creditors if I think that the costs of distributing the prescribed part would be disproportionate to the benefits to Creditors. I am of the view that the costs of distribution would be disproportionate and so will not be making a distribution of the prescribed part of the net property to unsecured Creditors.

Unsecured Creditors

According to the Company's records, unsecured trade creditors are owed £546,047 at the date of the Administration.

HM Revenue and Customs are owed £183,000 in respect of VAT, PAYE and NIC outstanding since circa June 2016.

ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

I attach at **Appendix IV** a summary of the receipts and payments relating to the Company for the period from when it entered Administration, 25 November 2016, to the date of these Proposals.

PROPOSED FUTURE ACTIONS OF THE ADMINISTRATORS TO ACHIEVE THE OBJECTIVE OF THE ADMINISTRATION

In order to achieve the objective of the Administration of the Company I propose to remain in office to realise the Company's assets by way of an auction being conducted by Tallon Associates on 2 February 2017.

DIVIDEND PROSPECTS

The Company's financial position means there are insufficient assets to enable me to pay a dividend to preferential or unsecured creditors.

EXIT ROUTE

Once the asset realisations are complete, I propose to complete the Administration by moving the Company to dissolution

MEETING OF CREDITORS & APPROVAL OF PROPOSALS

I am not convening a meeting of creditors as, in the Joint Administrators' opinion, it will not be possible to achieve the following objectives of an Administration set out in the insolvency legislation, which are to

- Rescue the company as a going concern, or
- 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)

However, creditors whose debts amount to at least 10% of the total debts of the Company can require me to call a meeting. Such a request must be made to me on Form 2.21B within 8 business days of the date of the letter accompanying these proposals.

If creditors do not require me to convene a meeting of creditors within that time period, then my proposals will be deemed to have been approved.

Creditors are also entitled at a meeting of creditors to establish a Creditors' Committee should they so wish, provided that there are no fewer than three wishing to be represented on the Committee, which must be comprised of between three and five creditors.

PRE-APPOINTMENT FEES AND EXPENSES

Before a Company enters into any form of insolvency proceedings, professional costs are necessarily incurred in order to ensure that

- The most suitable form of proceedings is chosen, in the interests of Creditors
- The mechanics of initiating the proceedings and appointing an insolvency practitioner is dealt with appropriately

The basis on which these costs are to be paid varies according to the insolvency procedure adopted. In the case of a Company entering into Administration, the Administrator must make a 'Statement of Pre-Administration Costs', the content of which is prescribed by the Insolvency Rules.

As I have already indicated, a meeting of creditors is not being convened for the purpose of agreeing my Proposals. However, I will both be convening a general meeting of creditors with a view to obtaining a resolution approving pre-appointment fees and expenses, and also separately seeking the approval of the chargeholders.

My Statement of Pre-Administration Costs is set out at **Appendix IV**.

JOINT ADMINISTRATORS' FEES

As already stated, I am not convening a meeting of creditors for the purpose of agreeing my Proposals. However, I will both be convening a general meeting of creditors with a view to obtaining a resolution approving my remuneration, and also separately seeking the approval of the chargeholders.

In this case, we are seeking to fix the basis of our remuneration on a timecost basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge-out rates. Quantuma LLP's Schedule of Current Charge Out Rates & Chargeable Disbursements can be downloaded from <http://www.quantuma.com/guide/creditors-guide-fees/> and are also outlined at **Appendix V**.

When we seek timecosts approval we have to set out a fees estimate. That estimate acts as a cap on our timecosts so that we cannot draw fees of more than the estimated timecosts without further approval. I attach a Fee Estimate at **Appendix V** that sets out the work that we intend to undertake, the hourly rates we intend to charge for each part of the work and the time that we think each part of the work will take to complete. It includes a summary of that information in an average or "blended" rate for all of the work being carried out within the estimate.

A description of the routine work undertaken in the Administration to date is as follows:

1 Administration and Planning

- Preparing the documentation and dealing with the formalities of appointment
- Statutory notifications and advertising
- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on IPS case management software
- Collating and collection the books and records of the company
- Review and storage
- Case bordereau
- Case planning and Administration
- Preparing reports to members and creditors

2 Cashiering

- Maintaining and managing the Administrator's cashbook and bank account
- Ensuring statutory lodgements and tax lodgement obligations are met

3 Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on IPS case management software
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors
- Dealing with employee claims and queries
- Submitting details of appointment to the Redundancy Payments Service

4 Investigations

- Review of bank statements
- Review books and records to identify any transactions or actions an Administrator may take against a third party in order to recover funds for the benefit of creditors

5 Realisation of Assets

- Liaising with the charge holders and agents regarding the online auction of assets

I estimate that the total timecosts that we will incur in undertaking the tasks outlined on the Fee Estimate will be £65,043.25.

I anticipate needing to seek approval to draw fees in excess of the estimate if this work leads to further areas of investigation, potential further asset recoveries and any associated action, such as arbitration or legal proceedings.

To date a total of 195.90 hours have been spent carrying out the work outlined above in the Administration. Total timecosts to date are £42,412 charged at an average charge out rate of £216.50. I attach at **Appendix V** a summary of timecosts incurred to date by reference to grade of staff and work done.

Please note these timecosts, which have already been incurred, are included in the Fee Estimate at **Appendix V**.

A copy of 'A Creditors' Guide to Administrators' Fees' effective from November 2015 is available on request or can be downloaded from <http://www.quantuma.com/guide/creditors-guide-fees/> This publication provides details about how Administrators' fees may be approved and challenged

Further information about Creditors' rights can be obtained by visiting the Creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>

JOINT ADMINISTRATORS' EXPENSES & DISBURSEMENTS

Expenses do not have to be approved, but when reporting to creditors during the course of the Administration, the actual expenses incurred will be compared with the original estimate provided at **Appendix V** and I will explain any material difference

The following agents or professional advisors have been utilised in this matter

Professional Advisor	Nature of Work	Fee Arrangement
Tallon Associates Limited	Valuer	Time costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them

Tallon Associates Limited have not as yet been paid

Details of Quantuma LLP's charging policy in relation to disbursements can be downloaded from <http://www.quantuma.com/guide/creditors-guide-fees/> and are also detailed at **Appendix V**.

Those expenses which are classed as Category 1 disbursements, do not have to be approved, but when reporting to the Creditors during the course of the Administration the actual expenses incurred will be compared with the original estimate provided and I will explain any material differences

I have incurred the following Category 1 disbursements since my appointment as Joint Administrator

Name of Expense	Amount incurred/accrued since appointment £	Amount paid £	Amount outstanding £
Postage	77 01	0	77 01
Postal Re-Direction	175 00	0	175 00
Bonding	135 00	0	135 00
Total	387.01	0	387 01

Disbursements classed as Category 2, require specific approval I will both be convening a general meeting of creditors with a view to obtaining a resolution approving my Category 2 disbursements, and also separately seeking the approval of the chargeholders

To date the following category 2 disbursements have been incurred/accrued

Name of Expense	Amount incurred/accrued since appointment £	Amount paid £	Amount outstanding £
Photocopying	137 41	0	137 41
Total	137 41	0	137.41

I attach a schedule at **Appendix V** outlining the expenses and disbursements that I anticipate will arise in these proceedings, which includes the expenses and disbursements outlined above

DISCHARGE FROM LIABILITY

In accordance with legislation I will seek a resolution from the general body of creditors for discharge from liability in respect of any action of the Administrators to take effect 14 days following cessation to act as Administrators

The resolution will be as follows

If the Administration ends by the Joint Administrators filing notice that the objective has been sufficiently achieved or by the Company moving into Liquidation or being dissolved, the Joint Administrators shall be discharged from liability 14 days following either the Company entering into Liquidation or filing the notice of moving from Administration to dissolution

This resolution does not form part of our Proposals

ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address are in the United Kingdom.

JOINT ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 3 above, the Joint Administrators, formally propose to Creditors that

- 1 They continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that they
 - (i) sell the Company's assets at such time, on such terms, as we consider appropriate,
 - (ii) 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, and

- (iii) do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion 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

The Administration shall end where any of the following shall occur

- 2 The Administration of the Company will end by filing notice of dissolution with the Registrar of Companies. The Company will then automatically be dissolved by the Registrar of Companies three months after the notice is registered
- 3 The Administration of the Company will end by giving notice to the Court, Creditors and Registrar of Companies that the objective of the Administration has been achieved

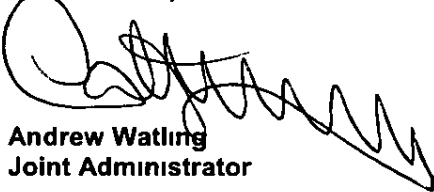
FURTHER INFORMATION

Creditors should note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Additionally the Joint Administrators are also bound by the regulations of their Licensing Bodies

To comply with the Provision of Services Regulations, some general information about Quantuma LLP, including our complaints policy and Professional Indemnity Insurance, can be found at <http://www.quantuma.com/legal-information/>

Should you have any queries in regard to any of the above please do not hesitate to contact Karen Paracchini on 023 8033 6464 or by e-mail at Karen.Paracchini@Quantuma.com.

Yours faithfully



Andrew Watling
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales

Enc

The Joint Administrators are agents of the Company and act without personal liability

The affairs, business and property of the Company are currently being managed by the Administrators

Statutory Information**Company Information**

Company name	A & A Joinery and Woodworking Limited
Previous name	n/a
Trading name	n/a
Company number	03985528
Date of incorporation	04/05/2000
Trading address	Unit 12 Wednesbury Trading Estate, Off Bilston Road, Wednesbury, WS10 7JN
Current registered office	14th Floor, Dukes Keep, Marsh Lane, Southampton, SO14 3EX
Former registered office	6 Great Cornbow, Halesowen, West Midlands, B63 3AB
Principal trading activity	Joinery installations

Appointment Details

Administrators	Carl Jackson and Andrew Watling
Administrators' address	Quantuma LLP 14th Floor, Dukes Keep, Marsh Lane, Southampton, SO14 3EX
Date of appointment	25 November 2016
Court name and reference	High Court of Justice, Chancery Division 7800 of 2016
Appointment made by	Daverham Asset Finance
Actions of Administrators	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

Officers of the Company

Directors	David Roy Howick	Shareholding	0%
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Share capital

Authorised	Allotted, called up and fully paid
100 ordinary shares £1 each	100 ordinary shares of £1 each
Held by CHAINBRIDGE SPV2 Limited	100%

Charges

Name of Chargeholder	Nature of Charge	Date of Charge
Lloyds TSB Commercial Finance Ltd	All asset Debenture	8 3 2012
Davenham Asset Finance Ltd	Fixed and Floating	14 1 2016
BCRS Business Loans Ltd	Fixed and Floating	5 7 2016

Appendix II

Appendix II

A & A Joinery and Woodworking Limited

Estimated Statement Of Affairs as at 25 November 2016

	Book Value £	Estimated to Realise £	£
ASSETS			
Plant & Machinery	205,000 00	105,000 00	
Daverham Asset Finance (Created 14 01 2016)	Uncertain	(145,293 65)	
Deficiency c/d		<u>(40,293 65)</u>	
Book Debts	547,031 00	200,000 00	
Lloyds Commercial Finance (Created 8 3 2012)		(317,152 00)	
Deficiency c/d		<u>(117,152 00)</u>	
BCRS Business loans Ltd (Created 5 7 2016)		(45,612 18)	
Deficiency c/d		<u>(45,612 18)</u>	
Other Encumbered Plant & Machinery	Uncertain	40000	
Finance Companies		(53,872 58)	
Deficiency c/d		<u>(13,872 58)</u>	
Plant & Machinery	42,500.00		5,000 00
Stock/WIP	86,000 00		Uncertain
			<u>5,000 00</u>
LIABILITIES			
PREFERENTIAL CREDITORS -			
DE Arrears & Holiday Pay		48,184 54	
Employee Arrears/Hol Pay		1,628 91	
			<u>49,813 45</u>
			(44,813 45)
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003			
Deficiency b/d		203,057 83	
			<u>203,057 83</u>
			(247,871 28)
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Deficiency b/d		13,872 58	
Shortfall to preferential creditors/F C's pre 15 Sept 2003 (brought down)		44,813 45	
Trade & Expense Creditors		546,047 69	
Employees		4,290 20	
DE		242,886 02	
Banks/Institutions		8,198 20	
HMRC		<u>183,000 00</u>	

		1,043,108.14
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)		(1,043,108 14)
Shortfall in respect of F C's post 14 September 2003 (brought down)		203,057 83
		(1,246,165 97)
Issued and called up capital Ordinary Shareholders	100	100
TOTAL SURPLUS/(DEFICIENCY)		(1,246,265 97)

NOTES TO THE JOINT ADMINISTRATORS' ESTIMATE OF THE FINANCIAL POSITION OF THE COMPANY

As at 25 November 2016

- The Joint Administrators' estimate of the Financial Position of the Company does not take into account the costs of the Administration
- The figures contained in the Joint Administrators' estimate of the Financial Position of the Company reflects information obtained from the Company's records
- Tallon Associates Limited carried out a valuation of the assets of the company
- Preferential creditors represent liabilities to employees

A & A Joinery and Woodworking Limited
(In Administration)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

	Statement of affairs £	From 25/11/2016 To 17/01/2017 £	From 25/11/2016 To 17/01/2017 £
RECEIPTS			
Plant & Machinery	105,000 00	0 00	0 00
Daverham Asset Finance	(145,293 65)	0 00	0 00
Book Debts	200,000 00	0 00	0 00
Other Encumbered Plant & Machinery	40,000 00	0 00	0 00
Plant & Machinery	5,000 00	0 00	0 00
Stock/WIP	Uncertain	19,000 80	19,000 80
		<u>19,000 80</u>	<u>19,000 80</u>
PAYMENTS			
Daverham Asset Finance	(145,293 65)	0 00	0 00
Lloyds Commercial Finance	(317,152 00)	0 00	0 00
BCRS Business loans Ltd	(45,612 18)	0 00	0 00
Finance Companies	(53,872 58)	0 00	0 00
Legal Fees (1)		2,479 20	2,479 20
Alarm System costs		1,480 00	1,480 00
Statutory Advertising		79 40	79 40
Computer Download		461 00	461 00
Wages & Salaries		4,207 90	4,207 90
DE Arrears & Holiday Pay	(48,184 54)	0 00	0 00
Employee Arrears/Hol Pay	(1,628 91)	0 00	0 00
Trade & Expense Creditors	(546,047 69)	0 00	0 00
Employees	(4,290 20)	0 00	0 00
DE	(242,886 02)	0 00	0 00
Banks/Institutions	(8,198 20)	0 00	0 00
HMRC	(183,000 00)	0 00	0 00
Ordinary Shareholders	(100 00)	0 00	0 00
		<u>8,707 50</u>	<u>8,707 50</u>
Net Receipts/(Payments)		<u>10,293 30</u>	<u>10,293 30</u>
MADE UP AS FOLLOWS			
Bank 1 Current		13,189 38	13,189 38
VAT Receivable / (Payable)		(2,896 08)	(2,896 08)
		<u>10,293 30</u>	<u>10,293 30</u>

A & A Joinery and Woodworking Limited ("the Company") – In Administration**Statement of Pre-Administration Costs**

Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered administration but with a view to its doing so

This statement shows those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds

Summary of the Joint Administrators' Pre-Administration Costs

The following summary sets out the pre-appointment fees and expenses incurred

	Total cost incurred	Amount already Paid	Identify of party who made payment	Amount Outstanding
	£	£		£
Administrators' pre-administration Remuneration	18,002 50			18,002 50
Administrators' Pre-administration Disbursements				
Category 1	200 00			200 00
Category 2	12 00			12 00
Total	18,214 50			£18,214 50

Information relating to Quantuma LLP's current charge out rates and policy regarding chargeable disbursements will be provided upon request of can be downloaded from <http://www.quantuma.com/guide/creditors-guide-fees/>

Further information on each category of pre-administration cost is given below

Pre-Administration Time Costs of the Joint Administrators

The Joint Administrators' unpaid pre-appointment time costs total £18,002 50

The balance of the Joint Administrators' pre-appointment time costs totals £212 00 and relates to costs incurred specifically with a view to administration. These costs were all incurred on or after 16 November 2016 and in relation to the following activities

- > confirming that one of the statutory objectives of administration could be achieved
- > liaising with secured creditors, key stakeholders and major creditors
- > carrying out all necessary steps in order to place the Company into administration

I attach at a detailed time cost table showing the pre-appointment time costs incurred by Quantuma LLP

The Board of the Company instructed me to assist them in placing the Company into Administration on 16 November 2016. The agreement under which we incurred the pre-administration costs was Minutes of a meeting of the Board dated 16 November 2016

They agreed that I should be paid my pre-appointment fees and expenses on a timecosts basis

None of these costs has been paid

Pre-Administration Expenses

Details of pre-administration expenses which have been incurred with a view to the Company's administration are

Advisor and Nature of Work	Date of Engagement	Fees £
Solicitors Appointment	16 11 2016	<u>2,479 20</u> 2,479 20
Total		£2,479.20

RM Legal Solicitors were instructed to produce the Appointment paperwork and file them in court. Their costs, which does not require specific approval from creditors to be drawn, pursuant to Rule 2.67A of the Insolvency Rules 1986 are detailed above and have been drawn from realisations.

We instructed Tallon Associates Limited to carry out an inventory and valuation of the Company's assets on going concern (in situ and ex situ) bases and a forced sale basis, and to advise us with respect to the offer received by the Company for its business and assets from the purchaser. These pre-administration expenses have been incurred by Tallon Associates Limited on a time cost basis, plus disbursements.

None of these expenses have been paid.

Pre-Administration Disbursements

We have incurred pre-administration disbursements as follows -

Category 1	£ 200 00
Total	£200.00
Category 2	12 00
Total	£212 00

Quantuma LLP has paid the service provider but no charges have been made to the estate.

Work Done

The time expended prior to the commencement of the Administration related to meetings with the board of directors, discussions with the secured creditors, review of the outstanding contracts and work in progress and assisting the directors with the formalities of making the employees of the Company redundant.

Other Persons Entitled to Claim

We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any such claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

Not Part of the Administrators' Proposals

Please note that our request for the payment of unpaid pre-administration costs as an expense of the administration is subject to approval under Rule 2.67(A) of the Insolvency Rules 1986 and does not form part of our proposals to creditors for the conduct of the administration

Approval

Whilst I have scheduled above all the unpaid pre-appointment costs and expenses, I am only seeking to recover the following out of the assets of the company, namely

- Time costs less travel time - £13,600

If a committee is appointed, then I will initially seek approval from the committee for payment of the pre-appointment fees and expenses that have not yet been paid. If the committee does not approve those fees, or it approves the fees at a level that I feel is insufficient, I may seek approval from a further meeting of creditors or failing that, from the Court.

If a committee is not appointed, then since the pre-appointment fees and expenses that have not yet been paid cannot be approved within these proposals, I will be seeking a separate resolution from the general body of creditors to approve them.

Time Entry - Detailed SIP9 Time & Cost Summary

6001635 - A & A Joinery and Woodworking Limited
To 19/01/2017
Project Code PRE

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
100 Administration & Planning	32 20	0 00	27 80	0 00	59 80	16 919 00	282 93
104 General Administration	0 00	0 00	5 10	0 00	5 10	909 50	178 33
105 Case strategy / Review	0 00	0 00	0 40	0 00	0 40	70 00	175 00
Admin & Planning	32 20	0 00	33 10	0 00	65 30	17,898 50	274 10
600 Cashiering	0 00	0 00	0 00	0 30	0 30	37 50	125 00
Cashiering	0 00	0 00	0 00	0 30	0 30	37 50	125 00
671 Setting up case on IPSVC	0 00	0 00	0 00	0 70	0 70	66 50	95 00
Pre Appointment	0 00	0 00	0 00	0 70	0 70	66 50	95 00
Total Hours	32 20	0 00	33 10	1 00	66 30	18,002 50	271 53
Total Fees Claimed						0 00	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursements

6001635 - A & A Joinery and Woodworking Limited
Project Code PRE
To 19/01/2017

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
17/11/2016	AML Electronic Identification Search Jordans AML Electronic Identification Search	12 00
Total		12 00

Appendix V

A & A Joinery and Woodworking Limited (In Administration)

Information relating to Joint Administrators' Remuneration and Expenses and Fee Estimate

A & A Joinery and Woodworking Limited

Information relating to the Joint Administrators' Fees and Expenses

1. Overview of Case

1.1. Appointment

We were appointed Joint Administrators on 25 November 2016 following an application by Davenham Asset Finance Ltd

1.2. Strategy

As detailed in the main body of the report, the Joint Administrators decided that it was not appropriate to continue the business of the Company and that an immediate sale of the Company's assets was the best way to achieve the objective of the Administration

1.3 Staffing

The staff that it is anticipated will be used on this assignment together with their current hourly charge out rates are outlined on the attached Fee Estimate

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

1.4 Existing fee arrangements

There are no existing fee arrangements

1.5. Anticipated return to creditors

It is anticipated that there will be no return to preferential or unsecured creditors

Explanation of office-holders charging and disbursement recovery policies

1.6. Time recording

As confirmed in Quantuma LLP's Schedule of Current Charge Out Rates & Chargeable Disbursements ("the Schedule"), work undertaken on cases is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. The current hourly charge out rates can be found at the end of this document

1.7 Disbursement recovery

Disbursements are categorised as either Category 1 or Category 2

Category 1 disbursements

External supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Quantuma LLP and then recharged to the estate, approval from creditors is not required

Examples of category 1 disbursements include specific bond insurance, insurance of assets, travel (other than mileage), external room hire, stationery, storage retrieval and postage

Quantuma LLP Registered in England & Wales Registered Office: 14th Floor, Dukes Keep, 1 Marsh Lane, Southampton, SO14 3EX
Registration Number: OC379411 VAT Number: 144 2175 34

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Partners and Staff act and advise without personal liability

Category 2 disbursements

These include elements of shared or allocated costs incurred by Quantuma LLP and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full, subject to the basis of the disbursement charge being approved by creditors in advance.

Category 2 disbursements charged by Quantuma LLP can be found at the end of this document.

2 Description of work carried out

2.1. Pre-appointment

Full details of our pre-appointment costs are set out separately in Appendix V.

2.2 Post-appointment

To date a total of 195.90 hours have been spent carrying out the work outlined above in the Administration. Total timecosts to date are £42,412.00 charged at an average charge out rate of £216.50.

I attach a summary of timecosts incurred to date by reference to grade of staff and work done.

Please note these timecosts, which have already been incurred, are included in the following Fee Estimate which outlines the work that it is anticipated will be carried out on this assignment.

3. Fee & Expense Estimate

When we seek timecosts approval we have to set out a fees estimate. That estimate acts as a cap on our timecosts so that we cannot draw fees of more than the estimated timecosts without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should allow those being asked to approve the basis of our remuneration to understand:

- The work the Joint Administrators anticipate will be done and why that work is necessary,
- The anticipated cost of that work, including any expenses expected to be incurred in connection with it.

Sufficient information about the insolvency appointment should be provided to enable an informed judgement about the reasonableness of the request for fees. Payments to the Joint Administrators and expenses incurred should be fair and reasonable reflections of the work necessarily and properly undertaken.

There are certain tasks that must be carried out on all Administrations. Although they are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not produce any direct benefit for creditors, but still have to be carried out.

Examples of such tasks that it is anticipated will arise on this Administration are as follows:

Administration and Planning

Administration & Planning -
Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
Obtaining a specific penalty bond
Recovering & Scheduling the company's books and records
Setting up electronic case files and electronic case details on IPS
General Administration - Dealing with all routine correspondence and emails relating to the case
Case strategy & completing file reviews at 1 month, 3 months & 6 months
VAT & Corporation Tax matters and returns

Creditors

Creditors
ERA - completing documentation for submission to the Redundancy Payments Office ("RPO") and liaising with the RPO regarding employee claims
Employees - obtaining information from records about employee claims and dealing with employee correspondence/calls regarding their claims
Dealing with creditor correspondence, emails and telephone conversations
Final Reports
Creditors' Meeting
Secured Creditor Reports/Claims
Annual/Progress Reports
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors
Para 49 Administrators' Proposals
Para 53 Report of Initial Meeting/Deemed Approval Documentation

Investigations

CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act

Cashiering

Opening, maintaining and managing the office holders' cashbook and bank account
Dealing with cheque requisitions
Dealing with deposit forms
Bank Reconciliations
Preparing & Filing statutory Receipts & Payments accounts

Closing Procedures

Filing final statutory returns at Companies House/Court

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate, any additional work undertaken, or proposed to

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be undertaken, the hourly rates proposed for each part of the work, and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

We have also provided details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

Schedule of Current Charge Out Rates and Chargeable Disbursements

Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active Partner involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma LLP, exclusive of VAT.

Grade of Staff	Rate from 1 June 2016
Partner	£295 00 - £495 00
Director	£250 00 - £450 00
Senior Manager	£225 00 - £375 00
Manager	£200 00 - £250 00
Assistant Manager	£185 00 - £265 00
Senior Administrator	£175 00 - £215 00
Administrator	£150 00 - £175 00
Assistant Administrator	£100 00
Case Accountant	£125 00
Junior Administrator	£75 00 - £100 00
Support Staff/Executive Assistant	£95 00 - £125 00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. There has been no allocation of any general or overhead costs.

Time spent on casework is recorded directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase. The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

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Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged

Direct Expenses (Category 1 Disbursements)

Category 1 disbursements, as defined by SIP 9, are expenses which are directly referable both to the appointment in question and a payment to an independent third party at cost and without uplift.

These expenses, which do not require the prior approval of creditors, include but are not limited to the following examples

Category	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Stationery	At cost incurred
Storage Retrieval	At cost incurred
Postage	At cost incurred (other than for reports to creditors scheduled below)

Indirect Expenses (Category 2 Disbursements)

These are expenses that are directly referable to the appointment in question but which are not to an independent third party and may include shared or allocated costs that can be apportioned to the appointment on a proper and reasonable basis

They may also include payment to an individual with whom a practice or individual within a practice has a business or personal relationship. Included within the list below is the cost per hour of Mr Mick Brunning, who is the husband of an individual within the practice. It is considered that the services of Mr Brunning represent best value.

Other payments made to individuals of businesses with whom the practice or individual within the practice has a business or personal relationship will be disclosed to creditors and an appropriate resolution for approval will be proposed.

Specific approval for Category 2 Disbursements is required from creditors before they can be paid.

The following indirect disbursements (Category 2 Disbursements, as defined by SIP 9) are charged to cases where appropriate on the following basis:

Category	Cost £
Photocopying, scanning and faxes (per side)	0 10
File Set Up (per file)	7 00
Company Search	10 00
Postage per Report to Creditors and Members (per report)	0 50
Reports to Members and Creditors (published on line – per report per member/creditor)	0 25
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	0 45
Internal Meeting Room Hire (outside London)	65 00
Internal Meeting Room Hire (in London)	95 00
Mick Brunning – collection and listing of books and records (per hour)	10 00
Box Storage (per box for life of case)	50 00
Electronic Anti-Money Laundering Identification Search (per case) (from 1/9/16)	12 00

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. The fee arrangement for each will be disclosed in reports to creditors and these will be reviewed on a regular basis, together with the recovery or relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and disbursements invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees/>. Alternatively hard copies of these documents may be requested free of charge from Quantuma LLP, Floor 14, Dukes Keep, 1 Marsh Lane, Southampton SO14 3EX.

Time Entry - SIP9 Time & Cost Summary

6001635 - A & A Joinery and Woodworking Limited
All Post Appointment Project Codes
To 17/01/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	29 70	0 70	75 70	8 80	114 90	25 382 00	220 73
Case Specific Matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Cashiering	0 00	0 00	0 00	5 70	5 70	840 50	112 37
Closing Procedures	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	1 60	0 50	50 00	1 30	53 40	9 899 50	185 38
Investigations	2 20	0 00	0 40	0 00	2 60	844 00	324 62
Pre Appointment	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisation of Assets	8 70	0 00	6 60	0 00	15 30	4 266 00	278 82
Trading	4 00	0 00	0 00	0 00	4 00	1 400 00	350 00
Total Hours	46 20	1 20	132 70	15 80	195 90	42 412 00	216 50
Total Fees Claimed						0 00	
Total Disbursements Claimed						0 00	

Time Entry - SIP9 Time & Cost Summary

Category 2 Disbursements

6001635 - A & A Joinery and Woodworking Limited

To 17/01/2017

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest

Transaction Date	Type and Purpose	Amount
05/12/2016	Photocopying Postage of initial letter to creditors	137.41
Total		137.41

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

6001635 - A & A Joinery and Woodworking Limited
To 17/01/2017
Project Code POST
Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£Average Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
100 Administration & Planning								
N/A N/A	25 90	0 50	38 40	0 00	64 80	16 145 00	64 80	16 145 00
100A Initial Statutory & General Notifications & Filing	0 00	0 00	7 40	0 00	7 40	1 369 00	7 40	1 369 00
N/A N/A	0 00	0 00	25 10	0 50	25 80	4 576 00	25 80	4 576 00
102A Recovering & Scheduling books and records	0 00	0 00	1 80	0 10	1 90	342 50	1 90	342 50
103 IPS Case / File set up/ Filing	0 00	0 20	2 20	8 20	10 90	1 339 00	10 90	1 339 00
N/A N/A	3 50	0 00	0 80	0 00	4 30	1 590 50	4 30	1 590 50
104 General Administration								
N/A N/A								
105 Case strategy / Review								
N/A N/A								
Admin & Planning	29 70	0 70	75 70	8 80	114 90	25 362 00	114 90	25 362 00
600 Cashiering								
N/A N/A	0 00	0 00	0 00	5 70	5 70	640 50	5 70	640 50
Cashiering	0 00	0 00	0 00	5 70	5 70	640 50	5 70	640 50
201 Creditors								
N/A N/A	0 00	0 00	3 50	0 30	3 80	676 00	3 80	676 00
202 ERA	0 00	0 00	4 50	0 00	4 50	832 50	4 50	832 50
N/A N/A	1 00	0 00	29 40	0 00	30 40	5 663 00	30 40	5 663 00
202A Employees	0 60	0 50	4 40	0 00	5 50	1 116 00	5 50	1 116 00
N/A N/A	0 00	0 00	0 90	0 00	0 90	166 50	0 90	166 50
203 Creditor correspondence / Call	0 00	0 00	1 20	0 00	1 20	222 00	1 20	222 00
N/A N/A								
204 Unsecured Creditors claims								
N/A N/A								
207C Dealing with HMRC/RPO Claims								
N/A N/A								
208 Retention of Title								
N/A N/A								
212 Initial Appointment Notifications to Creditors								
N/A N/A								
215 Para 49 Administrators' Proposals								
N/A N/A								
Creditors	1 60	0 50	50 00	1 30	53 40	9 899 50	53 40	9 899 50
300 Investigations								
N/A N/A	2 00	0 00	0 40	0 00	2 40	774 00	2 40	774 00
302 Pursuing Antecedent Transactions	0 20	0 00	0 00	0 00	0 20	70 00	0 20	70 00
N/A N/A								
Investigations	2 20	0 00	0 40	0 00	2 60	844 00	2 60	844 00

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

6001635 - A & A Joinery and Woodworking Limited
To 17/01/2017
Project Code POST
Including Sub-Analysis Codes

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£Average Hourly Rate (£)	Hours Cum (POST Only)	Time Costs Cum (POST Only)
400 Realisation of Assets								
N/A N/A	6 30	0 00	4 20	0 00	10 50	2,982 00	10 50	2,982 00
401 Freehold / Leasehold Property								
N/A N/A	0 30	0 00	0 00	0 00	0 30	105 00	0 30	105 00
404 Financed assets								
N/A N/A	0 20	0 00	0 40	0 00	0 60	144 00	0 60	144 00
405 Debtors								
N/A N/A	1 90	0 00	0 40	0 00	2 30	739 00	2 30	739 00
412 Arranging & Monitoring Insurance								
N/A N/A	0 00	0 00	1 60	0 00	1 60	296 00	1 60	296 00
Realisation of Assets	8 70	0 00	6 60	0 00	15 30	4,266 00	15 30	4,266 00
500 Trading								
N/A N/A	4 00	0 00	0 00	0 00	4 00	1,400 00	4 00	1,400 00
Trading	4 00	0 00	0 00	0 00	4 00	1,400 00	4 00	1,400 00
Total Hours	46 20	1 20	132 70	15 80	195 90	42,412 00	195 90	42,412 00
Total Fees Claimed						0 00		

** - Denotes codes included in cumulative data that are not present in the period

A AND A JOINERY AND WOODWORKING LIMITED - IN ADMINISTRATION

FEE ESTIMATE

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

The sum of all the estimates for the different categories of work is the total estimated time costs to undertake the necessary work on the case. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for this period of the case's administration.

Note This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

The hourly charge out rates that will be used on the case are

	£
Partner	495
Director	350
Senior Manager	250
Manager	225
Assistant Manager	185
Senior Administrator	175
Administrator	165
Assistant Administrator	95
Case Accountant	125
Junior Administrator	100
Support Staff/Executive Assistant	100

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase

ADMINISTRATION & PLANNING - Note 1

Description of the Work to be undertaken

Administration & Planning - case specific matters
Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
Obtaining a specific penalty bond
Recovering & Scheduling the company's books and records
Setting up electronic case files and electronic case details on IPS

Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
--	---	--

General Administration - Dealing with all routine correspondence and emails relating to the case
Case strategy & completing file reviews at 1 month, 3 months & 6 months
VAT & Corporation Tax matters and returns

TOTAL	150 00	32887 50	219 25
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CREDITORS - Note 2

Description of the Work to be undertaken

Creditors
ERA - completing documentation for submission to the Redundancy Payments Office ("RPO") and liaising with the RPO regarding employee claims
Employees - obtaining information from records about employee claims and dealing with employee correspondence/calls regarding their claims
Preparing the documentation and dealing with initial appointment notification to creditors
Dealing with creditor correspondence, emails and telephone conversations
Final Reports
Reviewing and adjudicating creditors' claims - adjudicating claims & requesting additional information in support of claims
Dealing with HMRC/RPO claims
Retention of Title - issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors
Creditors' Meeting
Secured Creditor Reports/Claims
Annual/Progress Reports
Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors
Interim Fee Report to Creditors
Para 49 Administrators' Proposals
Para 53 Report of Initial Meeting/Deemed Approval Documentation

TOTAL	75 00	16443 75	219 25
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INVESTIGATIONS - Note 3

Description of the Work to be undertaken

Investigations
SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc
CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act
Investigating & Pursuing Antecedent Transactions

TOTAL	20 00	4385 00	219 25
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REALISATION OF ASSETS - Note 4

Description of the Work to be undertaken	Estimated value of	
	the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)

Realisation of Assets
Freehold/Leasehold Property
Plant & Machinery
Motor Vehicles
Financed Assets
Debtors
Stock
Arranging & Monitoring Insurance

TOTAL	30 00	6577 50	219 25
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CASHIERING

Description of the Work to be undertaken	Estimated value of	
	the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)

Opening, maintaining and managing the Office Holders' cashbook and bank account
Dealing with cheque requisitions
Dealing with deposit forms
Bank Reconciliations
Preparing & Filing statutory Receipts & Payments accounts

TOTAL	15 00	3097 50	206 50
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CLOSING PROCEDURES

Description of the Work to be undertaken	Estimated value of	
	the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)

Advertising the final meeting
Holding the final meetings & preparing minutes
Filing final statutory returns at Companies House/Court

TOTAL	8 00	1652 00	206 50
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OVERALL SUMMARY OF WORK CATEGORIES

Estimated total value of the time costs to be taken to undertake the work (£)	Estimated total value	
	of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)

ADMINISTRATION AND PLANNING	150 00	32887 50	219 25
CREDITORS	75 00	16443 75	219 25

INVESTIGATIONS			
ASSET REALISATIONS			
CASHIERING			
CLOSING PROCEDURES			
	20 00	4385 00	219 25
	30 00	6577 50	219 25
	15 00	3097 50	206 50
	8 00	1652 00	206 50
OVERALL TOTAL	298 00	65043 25	218 27

Note 1 Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their managers. It does not give direct financial benefit to the creditors, but ensures that the case is managed in a professional and methodical manner and has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow

Note 2 Creditors Employees - The office holder needs to deal with the ex-employees in order to ensure that their claims are processed appropriately by the Redundancy Payments Office (RPO). That work will include dealing with queries received from both the ex-employees and the RPO to facilitate the processing of the claims. The office holder is required to undertake this work as part of his statutory functions. Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions

Note 3 Investigations - The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions eg where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary. The office holders are also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors. The work to enable them to comply with these statutory obligations may also identify potential recovery actions

Note 4 Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors

Note 5 Cashiering - The office holders must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court

Note 6 Closing Procedures - The office holders are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that where applicable final meetings are advertised and held and final reports are filed at Companies House and Court

Estimate of expenses to be incurred

		Estimated amount of expense to be incurred £
Category of work	Nature of expense to be incurred	
Administration & Planning		
	Specific penalty bond	135 00
	Gazette notice of appointment	60 20
	Redirection of post	175 00
	Collection of books and records	450 00
	Download records	461 00
	Storage of books and records	300 00
		<hr/>
		1,581 20
Sub total for administration		
Creditors		
	Copying *	250 00
	Postage	150 00
		<hr/>
Sub total for reporting to creditors		400 00
Investigations		
	Solicitors' advice costs	1,500 00
		<hr/>
Sub total for investigations		1,500 00
Realisation of assets		
	Insurance	500 00
	Valuation agents fees	2,500 00
	Agents' realisation fees	2,500 00
	Agents' realisation expenses	500 00
	Alarm System costs	2,000 00
Sub total for realisation of assets		<hr/>
		8,000 00
Closing		
	Gazette notice of final meeting	60 20
		<hr/>
Sub total for closing		60 20
Case specific matters (specify)		
	Statement of Affairs Fee	-
		<hr/>
Sub total for case specific matters		-
		<hr/>

Total.

11,541 40

Note Category 2 Disbursements are marked with an asterisk *

Note This estimate has been provided to creditors at an early stage of the case Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and so does not take into account any unknown complexities or difficulties If this estimate is exceeded, or is likely to be exceeded, the office holders will provide an explanation to the creditors in the first report to creditors and provide a revised estimate