

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

| | |
|--|-----------------------------|
| Name of Company A & A Groundworks Limited | Company number 4172673 |
| In the Portsmouth County Court (full name of court) | Court case number 8/2008 |

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

I (a)
Duncan Robert Beat
Tenon Recovery
Highfield Court, Tollgate,
Chandlers Ford,
Eastleigh,
Hampshire SO53 3TZ

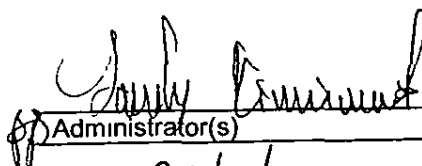
*Delete as
applicable

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

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

(b) 23 July 2008

Signed


Administrator(s)

Dated

23/7/08

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

Gareth Brown
Highfield Court, Tollgate,
Chandlers Ford,
Eastleigh,
Hampshire SO53 3TZ

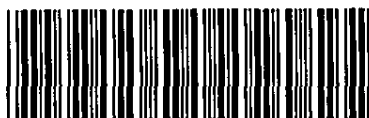
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COMPANIES HOUSE

Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

Tenon recovery

Private and Confidential

Email garth brown@tenongroup.com
Tel +44 (0) 23 8064 6529
Our ref DRB/PG/GPB3031652/8
Date 23 July 2008

To All Known Creditors

Dear Sirs

A & A Groundworks Limited ("the Company") – In Administration

This report to creditors and the proposals enclosed, together set out the information required by and to discharge the Administrator's duty pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and Rule 2.33(1) and (2) of the Insolvency Rules 1986 (as amended) ("the Rules")

1. Statutory Details

Attached as **Appendix I** are the statutory details of the Company and information regarding the appointment of the Administrator

2. Circumstances leading to the appointment of an Administrator

The Company was incorporated on 5 March 2001 and began trading soon after under its current name. Initially Andrew Howe was the sole director, with Graham Parrett subsequently being appointed as a director on 30 August 2001. The Company operated in the construction industry providing groundworks and trading from premises at Unit R, Fort Watlington Industrial Estate, Fareham, Hampshire PO16 8TT. It started with one contract in South Hampshire but grew steadily and expanded its customer base. In late 2001 the Company became a wholly owned subsidiary of Grand Holdings Limited, a company which shares common directors.

The Company had been trading profitably up until early 2008, with the financial statements for the year to 30 April 2007 reporting a profit after tax of £111,972. However, it began experiencing difficulties following a downturn in the construction sector which resulted in dates for work being put back and contracts cancelled. Bad debts totalling £540,000 were also incurred on three key contracts. The Company's cashflow suffered as a result and the directors monitored the position closely going forward. Efforts were made to reduce staffing levels and sell some of the Company's plant and machinery.

However, the position did not improve and the Company had increasing difficulty in meeting its obligations to creditors. Moreover, the Company was struggling to secure new work. Consequently the directors decided the Company could not continue and sought professional

Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire, SO53 3TZ
Tel +44 (0) 23 8064 6464 Fax +44 (0) 23 8064 6646
Email southampton@tenongroup.com
www.tenongroup.com

Tenon Recovery is a trading name of Tenon Limited. A member of Tenon Group PLC. Registered Office 66 Chiltern Street, London W1U 4GB. No 4066924 England.

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

insolvency advice On 2 June 2008, Duncan Robert Beat of Tenon Recovery was appointed as Administrator of the Company pursuant to Paragraph 12(1)(b) of Schedule B1 of the Act

2.1. Summary of recent performance

A summary of the recent trading position is shown below

| | Financial Statements Year ended 30/04/2007 £ | Financial Statements Year ended 30/04/2006 £ | Financial Statements Year ended 30/04/2005 £ |
|----------------------------|--|--|--|
| Turnover | 4,595,973 | 3,880,942 | 2,476,810 |
| Cost of Sales | (3,576,229) | (2,816,318) | (1,958,449) |
| Gross Profit | 1,019,744 | 1,064,624 | 518,361 |
| Gross Profit % | 22 | 27 | 21 |
| Administrative Expenses | (848,446) | (930,000) | (508,168) |
| Other operating income | 4 | 2,451 | |
| Operating Profit/(Loss) | 171,302 | 137,075 | 10,193 |
| Interest Receivable | | 844 | |
| Interest and charges | (7,560) | (3,215) | (3,206) |
| Profit/(Loss) before tax | 163,742 | 134,704 | 6,987 |
| Tax | (51,770) | (34,512) | (17,684) |
| Profit/(Loss) after tax | 111,972 | 100,192 | (10,697) |

3. Objectives of administration and strategy for achievement by the Administrator

The objective of the administration process is 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

The first objective for the Administration could not be met Without an immediate injection of replacement funding the Company could not be rescued as a going concern No such funding was available

The strategy for the Administration is therefore to achieve a better result for the Company's creditors than would be achieved should the Company be wound up

4. Management of Business by the Administrator following appointment

The Administrator considered the merits of continuing to trade. It was concluded that, in the absence of sufficient funding, it would not be possible to continue to trade the business. Prior to the commencement of the Administration the Company employed 19 people, all of whom were made redundant on 23 May 2008.

The assets of the Company, consisting of motor vehicles, plant and machinery and stock, were independently valued by Cuthbert & Kingsley Limited, professional valuers and debt recovery agents. Leslie Keats, quantity surveyors, were instructed to review the Company's three main debtor accounts. Cuthbert and Kingsley Limited were also instructed to review and inspect the remaining debtor ledger and retentions due to the Company consisting of a further sixteen contracts.

5. Proposed Exit Route of Administration

It is proposed that, if deemed appropriate, the Administration will end with the Company being placed into either Creditors Voluntary Liquidation ("CVL") pursuant to paragraph 83 of schedule B1 to the Act, or into Compulsory Liquidation pursuant to a petition being presented to the court by the Administrator.

Enclosed with this report are the Administrator's proposals, which include at proposal (c) that, Duncan Robert Beat be the proposed liquidator of the Company.

If the Administrator considers it appropriate to exit into a CVL, then pursuant to paragraph 83(7) of Schedule B1 to the Act and rule 2.117(3) of the Rules, the creditors may nominate a different person(s) as the proposed liquidator(s) provided that the nomination(s) is made after the receipt of the proposals but before the proposals are approved. If the Company exits into compulsory liquidation, the Administrator proposes to take the appointment as Liquidator pursuant to section 140(1) of the Act.

Alternatively, if the Joint Administrators deem exit from Administration into Liquidation is not appropriate, then it is proposed that the Company move into dissolution pursuant to paragraph 84 of Schedule B1 of the Act.

The proposed exit strategy is dependent upon whether there will be a return to unsecured creditors. It is uncertain at this time whether a distribution will be made to this class of creditor as this is dependent upon the ultimate level of realisations, the costs of the administration and the agreed level of preferential claims.

6. Statement of Affairs

A summary Statement of Affairs is attached to this report as **Appendix II**

6.1. Leasehold Property

The Company traded from premises at Unit R, Military Road, Fort Watlington Industrial Estate, Fareham, Hampshire PO16 8TT, by way of an informal licence agreement. It was terminated by the landlord upon the Company entering administration and was of no value to the Company. The landlord is the holding Company, Grand Holdings Ltd.

6.2. Book Debts and Retentions

The collection of the Company's book debts is being managed by the Joint Administrators and is ongoing. As referred to above, Leslie Keats have been instructed to pursue recovery of the three main contracts and a further sixteen contracts are being pursued by Cuthbert & Kingsley Limited. The outstanding debtors amount to a book value of £636,736 and are estimated to realise £114,000. The directors consider some of the debts to be bad debts and therefore may not be realisable. In addition, significant disputes and contra claims are expected to be received. Some of the contracts are also expected to be subject to adjudication and therefore may not be settled until mid 2009. There are also retentions due to the Company totalling £115,958 which are estimated to realise £45,069. The retentions due will be subject to the cost of any remedial works and the cost of completing current contracts.

6.3. Motor Vehicles

Vehicles with a book value of £40,050 were valued at £19,450. However, the outstanding hire purchase liability to HFGL Limited amounted to £29,355. There was therefore no equitable benefit to the Company and the vehicles have been returned to HFGL Limited.

6.4. Plant and Machinery

The Company's plant and machinery with a book value of £108,300 was valued at £39,500. However, the outstanding finance liability amounts to £96,039. The Company also owned a small amount of unencumbered plant and machinery, considered to be of nil realisable value.

6.5. Cash at Bank

As shown on the estimated statement of affairs, at the date of administration the Company had cash at bank of £53,950.95. These funds have been received in full as shown on the receipts and payments account.

6.6. Other Assets

The Company also owned a small amount of office equipment and furniture and fittings, which were considered to be of nil realisable value. A small amount of stock valued at £500 was owned by the Company, but the cost of removal and sale at auction was considered prohibitive.

7. Administrator's Receipts and Payments Account

I attach at **Appendix III** a summary of the Administrator's Receipts and Payments account to the date of this report. There have been realisations totalling £53,950.95. All sums are shown net of VAT.

8. Administrator's Proposals

Pursuant to Paragraph 49 of Schedule B1 of the Act, enclosed with this report are the Administrator's proposals for achieving the purpose of the Administration as set out in Section 3 of this report

9. The Prescribed Part

A debenture was granted in favour of National Westminster Bank plc ("Natwest") on 23 May 2003. Since this charge pre-dates the commencement of the provisions of Section 176A of the Act, the Administrator is not required to set aside a "Prescribed Part" fund specifically for unsecured creditors. In any event, Natwest have advised that there is no sum owing to them under the terms of the debenture

10. Administrator's Remuneration

The Administrator is proposing that he should be remunerated by reference to time properly spent by him and his staff in attending to the matters arising from the Administration of the Company pursuant to rule 2.106(2)(b) of the Rules. The Administrator will be seeking agreement for such remuneration from the Creditors' Committee or, in the event that such a committee is not formed, from the creditors at the forthcoming meeting by way of formal resolution.

Included within this report, as **Appendix IV** is a schedule of time costs to date and supporting information as required by Statement of Insolvency Practice number 9. The Administrator has time costs to date of £8,628.50 and disbursements of £293.94. A payment of £15,000 was received from the Company prior to administration in respect of the pre-administration costs.

Enclosed with this report is a Creditors' Guide to Administrators' Fees.

11. Meeting of Creditors

A notice convening the first meeting of creditors is enclosed with this report. This meeting is due to be held on 8 August 2008 at 11.00am at Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ.

This meeting is to consider and approve (or otherwise) the Administrator's proposals.

Creditors can either attend the meeting in person or by completing the enclosed proxy form.

12. Administrator's Investigations

Under the insolvency legislation, I have a duty to consider the conduct of those who have been directors of the Company at any time within three years preceding the Administration. I am also required to consider whether any civil proceedings should be taken. Please let me know, using the attached form, if there is any matter of which you believe I should be aware when considering the directors' conduct. I would stress that this request for information forms part of my usual investigation proceedings.

13. EC Regulation on Insolvency Proceedings 2000

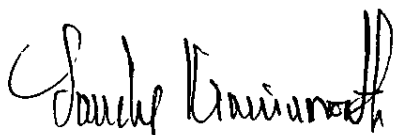
For the following reason it is considered that the EC Regulation on Insolvency Proceedings 2000 will apply. If it does apply, these proceedings will be main proceedings as defined in article 3 of the EC Regulations.

The Company's registered office and where the Company carried on its business are both situated in the United Kingdom. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom.

14. Further Information

Should you require any further information, please contact Gareth Brown on the telephone number shown at the head of this report.

Yours faithfully
For and on behalf of
A & A Groundworks Limited



Duncan R Beat
Administrator

Licensed to act as an Insolvency Practitioner by the Department of Trade and Industry

Company Information

| | |
|-----------------------|---|
| Company Name | A & A Groundworks Limited |
| Previous Name | None |
| Company Number | 4172673 |
| Date of Incorporation | 5 March 2001 |
| Trading Address | Unit R, Fort Wallington Industrial Estate, Military Road, Fareham, Hampshire PO16 8TT |
| Registered Office | Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ (Changed from 24 Picton House, Hussar Court, Waterloooville, Hampshire PO7 7SQ for the purpose of the administration) |
| Principal Activity | Ground works |

Appointment details

| | |
|--------------------------|--------------------------------------|
| Date of Appointment | 2 June 2008 |
| Appointment made by | Directors |
| Court Address | Portsmouth County Court |
| Court Reference | 8 of 2008 |
| Administrators Appointed | Duncan Robert Beat IP Number 8161 |

Directors and Shareholders

| | |
|-------------------|--|
| Company Directors | Andrew Philip Howe Graham Parrett |
| Company Secretary | Andrew Philip Howe |
| Shareholders | Grand Holdings Limited 2 Ordinary |

Share Capital

| | |
|---------------------------|---|
| Authorised | Allotted, called up and fully paid |
| 2 ordinary shares £1 each | 2 ordinary shares of £1 each |

Charges

Debenture dated 23 May 2003 in favour of National Westminster Bank Plc

Insolvency Act 1986

A & A Groundworks Limited
Estimated Statement Of Affairs as at 2 June 2008

| | Book Value £ | Estimated to Realise £ | £ |
|---|-----------------|---------------------------|---------------------|
| ASSETS | | | |
| Motor Vehicles | 40,050 00 | 19,450 00 | |
| HFGL Limited | (29,355 00) | (29,355 00) | |
| Deficiency c/d | | <u>(9,905 00)</u> | |
| Plant & Machinery | 108,300 00 | 39,500 00 | |
| Hire Purchase liability | (96,039 00) | (96,039 00) | |
| Deficiency c/d | | <u>(56,539 00)</u> | |
| Plant & Machinery | 5,496 00 | | NIL |
| Office Equipment | 2,110 00 | | NIL |
| Fixtures & Fittings | 888 00 | | NIL |
| Stock | 20,000 00 | | NIL |
| Book Debts | 636,736 00 | | 114,000 00 |
| Retentions | 115,958 00 | | 45,069 00 |
| Cash at Bank | 53,950 95 | | 53,950 95 |
| | | | <u>213,019 95</u> |
| PREFERENTIAL CREDITORS - | | | |
| Employee Arrears/Hol Pay | | Uncertain | NIL |
| | | | <u>213,019 95</u> |
| Estimated prescribed part of net property where applicable (to carry forward) | | | NIL |
| | | | <u>213,019 95</u> |
| DEBTS SECURED BY FLOATING CHARGE | | | |
| | | | NIL |
| | | | <u>213,019 95</u> |
| Estimated prescribed part of net property where applicable (brought down) | | | NIL |
| | | | <u>213,019 95</u> |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | | | |
| Deficiency b/d | | 66,444 00 | |
| Shortfall to preferential creditors (brought down) | | NIL | |
| Trade & Expense Creditors | | 498,084 51 | |
| Employees | | Uncertain | |
| HM Revenue & Customs | | 36,760 80 | |
| Inter-Company loans | | 162,608 75 | |
| | | | <u>763,898 06</u> |
| Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders) | | | (550,878.11) |
| | | | <u>(550,878 11)</u> |
| Issued and called up capital | | | |

Insolvency Act 1986

A & A Groundworks Limited
Estimated Statement Of Affairs as at 2 June 2008

| | Book Value | Estimated to Realise |
|-----------------------------------|------------|----------------------|
| | £ | £ |
| Ordinary Shareholders | | 2 00 |
| | | 2 00 |
| TOTAL SURPLUS/(DEFICIENCY) | | (550,880 11) |

Tenon Recovery
A & A Groundworks Limited
B - Company Creditors

| Key | Name | Address | £ |
|------|---------------------------------------|---|-----------|
| CA00 | ACS Testing Limited | The RBS Commercial Services Ltd, Smith House, P O Box No 50, Elmwood Avenue, Fulham, Middlesex TW13 7QD | 641 09 |
| CA01 | ADP Diamond Cutting Solutions Limited | Dunmere Road, Bodmin, Cornwall, PL31 2QN | 105 75 |
| CA02 | Aggregate Industries UK Ltd | c/o Claire Humphreys, Moore Stephens, Beaufort House, 94-96 Newhall Street, Birmingham B3 1PB | 1,861 50 |
| CA03 | A Healey Office Equipment Limited | 2 The Meadows, Waterberry Drive, Waterfooville, Hants PO7 7XX | 0 00 |
| CA04 | A-Plant Hire Limited | PO Box 119, Warrington, WA3 6YT | 22,213 06 |
| CA05 | Aqu-Aid South Coast | Unit 2B Heritage Business Park, Heritage Way, Gosport, Hants PO12 4BG | 35 23 |
| CA06 | Astracom Limited | 123 Foundry Lane, Shirley, Southampton, Hants SO15 3GB | 263 20 |
| CA07 | Ashtead Plant Hire Co Limited | 102 Dalton Avenue, Birchwood Park, Birchwood, Warrington, WA3 6YE | 0 00 |
| CB00 | BT Plc | Department W, TVTE, Newcastle upon Tyne, NE38 7ZF | 222 20 |
| CB01 | Brett Concrete Limited | Robert Brett House, Ashford Road, Canterbury, Kent CT4 7PP | 0 00 |
| CB02 | Bison Industrial | 123 Wickham Road, Fareham, Hants PO16 7HY | 385 07 |
| CB03 | B & Q Warehouse | Time Retail Finance Limited, Selectapost 18, Rotherham, S97 3DA | 19 98 |
| CB04 | Brandon Hire Plc | c/o Build Centre, Fitzherbert Road, Farlington, Hants PO6 1SD | 187 18 |
| CB05 | BRC Limited | Credit Control Department, Block 14, Newhouse Ind Estate, Newhouse, Motherwell ML1 5SE | 4,882 28 |
| CB06 | Brett Concrete Limited | Robert Brett House, Milton Manor Farm, Ashford Road, Canterbury, Kent CT4 7PP | 17,085 11 |
| CB07 | British Gas Business | 1500 Parkway Court, Oxford Business Park South, Garsington Road, Oxford OX4 2JY | 229 84 |
| CB08 | Buildbase Limited | Barfields Road, Portsmouth, Hants, PO3 5NA | 2,308 24 |
| CB09 | Burdens Limited | c/o AON Ltd, Alexander House, 205-207 Kings Road, Reading, RG1 4LW | 18,789 13 |
| CB0A | Business Edge Limited | 6 Dragon House, Hussar Court, Westside View, Waterlooville, Hants PO7 7SF | 517 00 |
| CB0B | Burdens Limited | c/o Atradius Collections Ltd, 3 Harbour Drive, Capital Waterside, Cardiff CF10 4WZ | 0 00 |
| CB0C | Brett Concrete Ltd | c/o AON Limited, 8 Devonshire Square, London, EC2M 4PL | 0 00 |
| CC00 | Cab Glass (Borden) Limited | Unit 3, Kingsley Business Park, Kingsley, Nr Borden, Hants GU35 9LY | 175 66 |
| CC01 | CCF Limited | 27-28 Suttons Business Park, London Road, Reading, Berks RG6 1AZ | 152 69 |
| CC02 | Cemex UK Materials Limited | Camden Maise, Clearwater Park, Thornaby, Stockton-on-Tees, TS17 6WZ | 22,541 67 |
| CC03 | Chandlers Building Supplies | Head Office & Accounts, The Broyle, Ringmer, East Sussex BN8 5NP | 5,912 72 |
| CC04 | Chimes Fabrication Limited | Unit 21, The Tanneries, Brockhampton Lane, Havant, Hants PO9 1JB | 0 00 |
| CC05 | CJH Tyres Havant Limited | 3a Brockhampton Lane, Havant, Hants PO9 1LU | 69 97 |
| CC06 | Clive Barford Limited | CBL Central South, Dumpers Drive, Horton Heath, Southampton, Hants SO50 7DP | 1,397 77 |
| CC07 | Coastline Building Products Limited | Fitzherbert Road, Farlington, Portsmouth, Hants PO6 1RU | 54 90 |

Tenon Recovery
A & A Groundworks Limited
B - Company Creditors

| Key | Name | Address | £ |
|------|-------------------------------------|--|-----------|
| CC08 | Cosham Plant Hire Limited | 11 The Crest, Widley, Portsmouth, Hants PO7 5DG | 1,025 95 |
| CC09 | D Cover & Son Ltd | Sussex House, Quarry Lane, Chichester, West Sussex PO19 8PE | 124 21 |
| CC0A | CPN Construction | Unit 5, Basepoint Enterprise Centre, Anderson Road, Southampton, Hants SO14 5FE | 4,709 38 |
| CD00 | Day Group Limited | Transport Avenue, Brentford, Middlesex, TW8 9HF | 1,887 92 |
| CD01 | Deborah Services Limited | Head Office, Diamon House, Thornes Moor Road, Wakefield, West Yorkshire WF2 8PT | 580 61 |
| CD02 | Drainfast | Scarfs Farm, Selborne Road, Alton, Hants GU34 3HL | 5,499 00 |
| CD03 | Dudman Group Limited | Albion Wharf, Albion Street, Southwick, West Sussex BN42 4ED | 14,523 08 |
| CE00 | Elite Floor Repairs Limited | 7 Portfield Road, Christchurch, Dorset, BH23 2AF | 2,200 00 |
| CE01 | Earthline Limited | HSBC Invoice Finance (UK) Ltd, Farncombe Road, Worthing, West Sussex BN11 2BW | 40,480 33 |
| CE02 | Elite Floor Repairs Limited | 7 Portfield Road, Christchurch, Dorset BH23 2AF | 2,091 25 |
| CE03 | Elliott Brothers Limited | Milbank Street, Northam, Southampton, Hants SO14 5AG | 8,116 51 |
| CE04 | Elliott Group Limited | Manor Drive, Baston, Peterborough, Hants PE6 7AP | 396 27 |
| CF00 | Fuel Card Services Limited | F3 Hammerton House, 19 Hammerton Street, Burnley, Lancs BB1 1NA | 262 76 |
| CF01 | Frontier Pitts | | 278 10 |
| CG00 | GAP Plant & Tool Hire Limited | Carrick House, 40 Carrick Street, Glasgow, G2 8DS | 0 00 |
| CG01 | G & H Vehicle Services | 9 Fitzherbert Spur, Farlington, Portsmouth, Hants PO6 1TT | 0 00 |
| CG02 | G Lashly General Haulage Limited | Unit 3, Clovelly Road, Southbourne, Emsworth, Hants PO10 8PE | 558 13 |
| CG03 | Go Plant Limited | 88 Hawcliffe Road, Mountsorrel, Loughborough, Leics LE12 7AH | 540 51 |
| CG04 | Greenham Trading Limited | 671 London Road, Isleworth, Middlesex, TW7 4EX | 528 17 |
| CG05 | Greenshields JCB Limited | Gravel Hill Road, Alice Holt, Farnham, Surrey GU10 4LG | 7,121 19 |
| CG06 | Grand Holdings Limited | Unit R, Fort Wallington Industrial Estate, Fareham, Hampshire, PO16 8TT | 27,295 11 |
| CH00 | Hopkins Concrete Limited | Tythings Commercial Centre, Southgate Road, Wincanton, Somerset, BA9 9RZ | 10,000 00 |
| CH01 | HSBC Invoice Finance (UK) Limited | Insolvency Department, 21 Farncombe Road, Worthing, West Sussex, BN11 2BW | 0 00 |
| CH02 | HandyGas | 40 Bushy Mead, Widley, Waterlooville, Hants PO7 5DY | 49 51 |
| CH03 | Hanson Aggregates Limited | PO Box 1827, The Ridge, Chipping Sodbury, Bristol BS37 6AY | 62,937 68 |
| CH04 | Havant Motor Factors | Unit 25c, Brockhampton Lane, Havant, Hants PO9 1JT | 71 60 |
| CH05 | Headline Printers Limited | The Valla, Little Park House, Oakwood Avenue, Bedhampton, Havant, Hants PO9 3RB | 470 00 |
| CH06 | Health & Safety Consultants Limited | Ground Floor West, Prudential Building, 16 Guildhall Walk, Portsmouth, Hants PO1 2DD | 2,073 88 |
| CH07 | Hilbor Diamond Tools | Uni 2, Riverside, Kangley Bridge Road, London, SE26 5DA | 546 38 |
| CH08 | Hilti (Gt Britain) Limited | 1 Trafford Wharf Road, Trafford Park, Manchester, M17 1BY | 65 12 |
| CH09 | Holmwood Tractors | Norfolk Garage, Horsham Road, Holmwood, Dorking, Surrey RH5 4ER | 620 35 |
| CH0A | Hopkins Concrete Limited | Tythings Commercial Centre, Southgate Road, Wincanton, Somerset BA9 9RZ | 11,004 18 |

Tenon Recovery
A & A Groundworks Limited
B - Company Creditors

| Key | Name | Address | £ |
|------|------------------------------------|---|-----------|
| CH0B | Horndean Tyre Service | Units 4-5 Westfield Industrial Est, 22-24 Portsmouth Road, Horndean, Waterlooville, Hants PO8 9JX | 240 89 |
| CH0C | Howdens Joinery Ltd | Caswell House, Gowerton Road, Brackmills, Northampton, NN4 7BW | 687 39 |
| CH0D | Howe Green Limited | Marsh Lane, Ware, Hertfordshire, SG12 9QQ | 386 88 |
| CH0E | HFG Limited | Northern Cross, Basing View, Basingstoke, Hampshire, RG21 4HL | 29,355 00 |
| CH0F | Hire Purchase Liability - P & M | | 96,039 00 |
| CI00 | HM Revenue & Customs | Durrington Bridge House, Barrington Road, Worthing, West Sussex BN12 4SE | 36,760 80 |
| CI01 | Ingersoll Rand Limited | Air Centre, Unit 10 Brunswick Ind Centre, Brunswick Road, Ashford, Kent TN23 1EH | 347 31 |
| CJ00 | JE & PW Knowles (Fencing) | Brooklands Farm, Botley Road, Bishops Waltham, Southampton, Hants SO32 1DR | 0 00 |
| CJ01 | Jewson | Jewson Credit Services, 30 Oxford Road, Pen Mill Trading Estate, Yoevil, Somerset BA21 5HJ | 557 46 |
| CJ02 | John Davidson (Pipes) Limited | Townfoot, Longtown, Carlisle, Cumbria CA6 5LY | 1,818 07 |
| CJ03 | John F Hunt Hire Centres Limited | Europa Park, London Road, Grays, Essex RM20 4DB | 173 78 |
| CJ04 | J & W Waste Services Limited | c/o Bibby Financial Services Ltd, Redwood House, Brotherswood Court, Great Park Road, Bradley Stoke, Bristol BS32 4QW | 4,389 05 |
| CJ05 | JCB Finance Ltd | The Mill, High Street, Rochester, Staffordshire, ST14 5JW | 0 00 |
| CK00 | Kelland Plant Sales Limited | Salmon Parade, Bridgewater, Somerset, TA6 5JY | 552 13 |
| CK01 | Kendall Bros (Portsmouth) Limited | Kendall's Wharf, Eastern Road, Portsmouth, Hants PO3 5LY | 3,033 22 |
| CK02 | Kent Sweepers Limited | Maritime Close, Medway City Estate, Rochester, Kent ME2 4DJ | 126 90 |
| CK03 | Keyline Builders Merchants Limited | PO Box 807, Kirkintilloch, Glasgow, G66 1XL | 38,868 13 |
| CK04 | Kingfisher TMB Limited | Bournemouth Road, Eastleigh, SO53 3QD | 250 29 |
| CK05 | KRM Concrete Limited | Kendall's Wharf, Eastern Road, Portsmouth, Hants PO3 5LY | 22,882 89 |
| CL00 | Linden Plant Hire | | 0 00 |
| CL01 | Lafarge Aggregates Limited | Granite House, Syston, Leicester, LE7 1LZ | 414 82 |
| CL02 | Lift & Shift Skip Hire Limited | Farlington Redoubt, Portsdown Hill Road, Cosham, Hants PO6 1BW | 6,379 91 |
| CL03 | Linden Plant Hire Limited | The Centurian Centre, Castlegate Business Park, Old Sarum, Salisbury, Wilts SP4 6QX | 2,431 98 |
| CL04 | L Kattenhorn & Partners Limited | New Lane, Havant, Hants PO9 2NE | 0 00 |
| CM00 | MPS Builders Merchants | Unit 8, Lock Lane, Warwick, CV34 5AG | 0 00 |
| CM01 | Mabey Hire Limited | Scout Hill, Ravensthorpe, Dewsbury, WF13 3EJ | 608 72 |
| CM02 | Marsh Plant Hire Limited | New Lane, Havant, Hants PO9 3LZ | 763 75 |
| CM03 | MechElec (Fareham) Limited | 11 Bridge Industries, Broadcut, Wallington, Fareham, Hants PO16 8SX | 0 00 |
| CM04 | Meon Marketing | Railside, Northarbour Spur, Portsmouth, Hants Po6 3TU | 186 01 |

Tenon Recovery
A & A Groundworks Limited
B - Company Creditors

| Key | Name | Address | £ |
|------|---|--|------------|
| CM05 | Mercury Graphics Limited | 1a Brockhampton Lane, Havant, Hants PO9 1LU | 68 60 |
| CM06 | Merkko Enterprise Limited | Unit S12, Kingston Business Park, Kingston Bagpuize, Abingdon, Oxford OX13 5AS | 245 89 |
| CM07 | Mobile Windscreens | St Philips Road, Kingsland Trading Estate, Bristol, BS2 0JZ | 113 94 |
| CM08 | MPS Builders Merchants Limited | Lock Lane, Warwick, CV34 5AG | 5,735 46 |
| CN00 | N A P Transport Limited | Palmer's Old Filling Station, Faringdon Road, Southmoor, Oxfordshire OX13 5AA | 916 51 |
| CN01 | New Milton Sand & Ballast | Caird Avenue, New Milton, Hants BH25 5PX | 36 91 |
| CN02 | NJH Plant Repairs Limited | 92 Alma Road, Bordon, Hants GU35 0TR | 1,898 68 |
| CN03 | Navman Wireless UK Ltd | Innovation Centre 2, Keele University Science Park, Keele, Newcastle Under Lyme, Staffordshire ST5 5NH | 235 00 |
| CP00 | Power Drill Safety & Protection | c/o Maiman Supplies Ltd, Unit 12-17 Charlton Drive, Corngreaves Trading Estate, Cradley Heath, West Midlands B64 7BJ | 385 64 |
| CP01 | Parchow Limited | Unit R Military Road, Fort Wallington Industrial Estate, Fareham, Hants PO16 8TT | 135,313 64 |
| CP02 | Parker Merchandising | Unit 38, South Hampshire Ind Estate, Brunel Road, Totton, Southampton SO40 3SA | 398 88 |
| CP03 | Portsmouth Diamond Drilling | 108 Chatsworth Avenue, Cosham, Portsmouth, Hants PO6 2UJ | 235 00 |
| CP04 | Penfold Verrall Limited | The Chalk Pit, Mile Oak Road, Portland, Brighton, East Sussex BN41 2RB | 3,760 00 |
| CP05 | Phoenix Surveying Equipment Limited | Unit 4 Armstrong Court, Armstrong Way, Yate, Bristol BS37 5NG | 534 64 |
| CP06 | Pirtek Swindon | Unit 20 Bridgmead Close, Westmead Industrial Estate, Swindon, Wilts SN5 7YT | 348 94 |
| CP07 | Powdrill Safety & Protection Limited | Units 5, Bridge Industries, Broadcut, Fareham, Hants PO16 8ST | 371 56 |
| CP08 | Pressure Wash UK | 15 Hillside Avenue, Widley, Waterlooville, Hants PO7 5BB | 210 00 |
| CP09 | ProMech Limited | Unit 9, Spurlings Ind Estate, Spurlings Road, Fareham, Hants PO17 6AB | 692 32 |
| CR00 | Ramble Containers | | 0 00 |
| CR01 | Sussex Waste Recycling Limited (Rabbit) | Unit 2, Chartwell Road, Churchill Industrial Estate, Lancing, West Sussex BN15 8TU | 958 81 |
| CR02 | Ramble Recycled Materials | Unit 9, Hangar 3, Rudford Industrial Estate, Ford, Arundel, West Sussex BN18 0BS | 10,387 00 |
| CR03 | Ravenstock MSG Limited | Ravenstock House, 28 Falcon Court, Preston Farm Business Park, Stockton-on-Tees, TS18 3TN | 395 55 |
| CR04 | Raymond Brown Minerals & Recycling Ltd | 160 Christchurch Road, Ringwood, Hants, BH24 3AR | 264 69 |
| CR05 | R S Hill & Sons | 23 Bridge Industries, Broadcut, Fareham, Hants PO16 8SX | 235 01 |
| CS00 | Stanley John Limited | 92 Main Street, New Greenham Park, Newbury, RG19 6HN | 0 00 |
| CS01 | Slect Materials Limited | First Floor, Portman House, Colby Road, Walton-on-Thames, KT12 3RN | 0 00 |
| CS02 | Siteright Construction Supplies Limited | Units 30 & 44 Bridge Street, Bailey Gate Industrial Estate, Sturminster Marshall, Wimborne, Dorset BH21 4DB | 11,123 19 |
| CS03 | Site Safety Limited | 6 Lindbergh Road, Fernside Park, Ferndown Industrial Estate, Wimborne, Dorset BH21 7SP | 79 32 |

Tenon Recovery
A & A Groundworks Limited
B - Company Creditors

| Key | Name | Address | £ |
|------------------------------|-------------------------------------|--|-------------------|
| CS04 | S Johnston & Co Limited | 24 Picton House, Hussar Court, Waterloo, Hants PO7 7SQ | 0 00 |
| CS05 | Slatek Limited | Unit 4 Tipner Wharf, Twyford Avenue, Portsmouth, Hants PO2 8PE | 639 20 |
| CS06 | Speedcrete C P Limited | | 168 07 |
| CS07 | Speedy Space Limited | Head Office, York House, York Street, Wigan WN3 4BY | 615 24 |
| CS08 | Speedy Western Hire Centres Limited | Clarence House, Clarence Road, St Phillips, Bristol BS2 0NR | 0 00 |
| CS09 | SPS Limited | 314-318 Selbourne Road, Luton, Bedfordshire, ADDRESSEE GONE AWAY, DO NOT SEND | 56 26 |
| CS0A | Stanley John Limited | Lloyds TSB Commercial Finance Ltd, PO Box 100, Banbury, Oxon OX16 1SG | 3,093 03 |
| CS0B | Southern Water | PO Box 41, Worthing, West Sussex, BN13 3NZ | 276 81 |
| CT00 | Tarmac Southern Limited | Churchward House, Kemble Drive, Swindon, Wilts SN2 2TA, DON'T SEND - ADDRESSEE GONE AWAY | 14,160 92 |
| CT01 | TJ Transport Limited | Charity Farm, 127 Wickham Road, Fareham, Hants PO17 5BP | 8,916 87 |
| CT02 | TJ Waste & Recycling Limited | Charity Farm, 127 Wickham Road, Fareham, Hants PO17 5BP | 929 54 |
| CT03 | Travis Perkins Trading Co Limited | Sales Ledger Department, PO Box 5227, Northampton, NN5 7ZE | 740 61 |
| CT04 | Turf Centre Limited | Ham Barn Farm, Farnham Road, Liss, GU33 6LG | 0 00 |
| CU00 | United Marine Aggregates Limited | Credit Control Department, Shopwhyke Road, Chichester, West Sussex PO20 2AD | 1,064 57 |
| CV01 | V D W Landscapes Limited | Brick Kiln Nursery, Bognor Road, Merston, Chichester, West Sussex PO20 1EJ | 7,018 03 |
| CV02 | Viking Direct | Office Depot, Lancer House, Scudamore Road, Leicester LE3 1UB | 1,054 09 |
| CV03 | VP Plc | Central House, Beckwith Knowle, Otley Road, Harrogate, North Yorkshire HG3 1UD | 112 80 |
| CV04 | Vodafone Ltd | PO Box 549, Banbury, OX17 3ZJ | 1,621 79 |
| CW00 | Weatherhills Limited | Park Street, Castle Cary, Somerset, BA7 7EJ | 173 90 |
| CW01 | Wessex Petroleum Limited | Wessex House, Cadland Road, Hardley Hythe, Southampton SO45 3NY | 16,568 98 |
| CW02 | Williams of Bordon Limited | Galimali, Petersfield Road, Whitehill, Bordon, Hants GU35 9AQ | 1,850 63 |
| CW03 | Wolseley UK Limited | PO Box 21, Boroughbridge Road, Ripon, HG4 1SL | 35,223 43 |
| CY00 | Yes Telecom Limited | PO Box 490, Manchester, M14 0EY | 86 11 |
| CY01 | Yell Limited | | 169 20 |
| CZ00 | ZAND Co Ltd | c/o Ford Property Services Ltd, 28 Hampshire Terrace, Portsmouth, Hampshire, PO1 2QF | 0 00 |
| 143 Entries Totalling | | | 822,848.06 |

Signature _____

A & A Groundworks Limited
(In Administration)
Administrator's Abstract of Receipts & Payments
To 23/07/2008

| S of A £ | | £ | £ |
|---------------------|----------------------------------|-----------|------------------|
| | HIRE PURCHASE | | |
| 19,450 00 | Motor Vehicles | NIL | |
| (29,355 00) | HFGL Limited | NIL | |
| 39,500 00 | Plant & Machinery | NIL | |
| (96,039 00) | Hire Purchase liability | NIL | |
| | | | NIL |
| | ASSET REALISATIONS | | |
| NIL | Plant & Machinery | NIL | |
| NIL | Office Equipment | NIL | |
| NIL | Fixtures & Fittings | NIL | |
| NIL | Stock | NIL | |
| 114,000 00 | Book Debts | NIL | |
| 45,069 00 | Retentions | NIL | |
| 53,950 95 | Cash at Bank | 53,590 95 | |
| | | | 53,590 95 |
| | PREFERENTIAL CREDITORS | | |
| Uncertain | Employee Arrears/Hol Pay | NIL | |
| | | | NIL |
| | UNSECURED CREDITORS | | |
| (498,084 51) | Trade & Expense Creditors | NIL | |
| Uncertain | Employees | NIL | |
| (36,760 80) | HM Revenue & Customs | NIL | |
| (162,608 75) | Inter-Company loans | NIL | |
| | | | NIL |
| | DISTRIBUTIONS | | |
| (2 00) | Ordinary Shareholders | NIL | |
| | | | NIL |
| (550,880 11) | | | 53,590.95 |
| | REPRESENTED BY | | |
| | Interest Bearing Current Account | | 53,590 95 |
| | | | 53,590 95 |

Appendix IV

Information relating to Administrator's Remuneration

A & A GROUNDWORKS LIMITED - IN ADMINISTRATION
Time and expense analysis

TIME SPENT

| Classification of work function | HOURS | | | | | Time cost £ | Average hourly rate £ |
|---------------------------------|---------------------------|--------------------------------------|----------------------------|----------------------------------|--------------|-----------------|--------------------------|
| | Director & assoc director | Senior manager, manager & supervisor | Other senior professionals | Administration and support staff | Total | | |
| Administration & planning | 1 00 | 0 90 | 7 40 | 0 00 | 9 30 | 1,521 50 | 163 60 |
| Realisation of assets | 0 00 | 2 00 | 4 60 | 0 60 | 7 20 | 1,060 00 | 147 22 |
| Creditors | 0 00 | 1 70 | 35 10 | 9 00 | 45 80 | 5,939 00 | 129 67 |
| Investigation | 0 00 | 0 00 | 0 80 | 0 00 | 0 80 | 108 00 | 135 00 |
| Total | <u>1 00</u> | <u>4 60</u> | <u>47 90</u> | <u>9 60</u> | <u>63 10</u> | <u>8,628 50</u> | <u>136 74</u> |

Charge out rates per hour for grade (reviewed w e f 1st Jan)

| | | | | |
|-----------------|---------|---------|--------|-------|
| current range £ | 375-400 | 145-305 | 95-135 | 75-90 |
| 2007 range £ | 240-400 | 135-230 | 90-125 | 70-85 |

Total fee drawn to 23 July 2008

0 00

DISBURSEMENTS

Disbursements incurred and paid by the office holder or his firm, and the basis on which they are calculated, are as follows

| | | | Incurred | Paid |
|---|-------------|-----------------------------------|---------------|-------------|
| Category 1 Disbursements | | | £ | £ |
| Company searches | Cost | Basis | 4 00 | 0 00 |
| Advertising | | actual | 202 18 | 0 00 |
| Bordereau insurance | | actual | 12 00 | 0 00 |
| Postage | | actual 1st or 2nd class | 43 18 | 0 00 |
| | | | <u>261 36</u> | <u>0 00</u> |
| Category 2 Disbursements | | | £ | £ |
| Stationery | Cost | Basis | 13 53 | 0 00 |
| Photocopying | 4p, 3p, 35p | per envelope, letterhead or label | 19 05 | 0 00 |
| | 5p | per page | <u>32 58</u> | <u>0 00</u> |
| Total disbursements drawn to 23 July 2008 | | | <u>293 94</u> | <u>0 00</u> |

The above costs exclude VAT

A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

Where Petition Presented or Appointment Made On or After 15 September 2003

1 Introduction

- 1.1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees and explains the basis on which fees are fixed.

2 The nature of administration

- 2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:
- > rescuing the company as a going concern, or
 - > achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration, or, if the administrator thinks neither of these objectives is reasonably practicable
 - > realising property in order to make a distribution to secured or preferential creditors

3 The creditors' committee

- 3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator's fees

- 4.1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed either:
- > as a percentage of the value of the property which the administrator has to deal with, or
 - > by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration.

It is for the creditors' committee (if there is one) to determine on which of these bases the remuneration is to be fixed, and if it is fixed as a percentage fix the percentage to be applied. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- > the complexity (or otherwise) of the case,
- > any responsibility of an exceptional kind or degree which falls on the administrator,
- > the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- > the value and nature of the property which the administrator has to deal with.

- 4.2 If there is no creditors' committee, or the committee does not make the requisite determination, the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as the committee would. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator.

- 4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.

In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of:

- > each secured creditor of the company, or
- > if the administrator has made or intends to make a distribution to preferential creditors:
 - > each secured creditor of the company, and
 - > preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,

having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

- 4.4 A resolution of creditors may be obtained by correspondence.

5 What information should be provided by the administrator?

5 1 When seeking fee approval

5 1 1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on

- > the nature of the approval being sought
- > the stage during the administration of the case at which it is being sought, and
- > the size and complexity of the case

5 1 2 Where, at any creditors' or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case

5 1 3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfill certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4 1 above

5 1 4 To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent

- > Administration and planning
- > Investigations
- > Realisation of assets
- > Trading
- > Creditors
- > Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- > Partner
- > Manager
- > Other senior professionals
- > Assistants and support staff

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator's own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain

- > Any significant aspects of the case, particularly those that affect the amount of time spent
- > The reasons for subsequent changes in strategy
- > Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make
- > The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement
- > Any existing agreement about fees
- > Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases

5 1 5 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff

5 2 After fee approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution. Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 5 1 3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 5 1 4 above regarding work which has been sub-contracted out.

5.3 Expenses and disbursements

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements. However, professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

6 What if a creditor is dissatisfied?

- 6.1 If a creditor believes that the administrator's remuneration is too high he may, if at least 25 per cent in value of the creditors (including himself) agree, apply to the court for an order that it be reduced. If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing. Unless the court orders otherwise, the costs must be paid by the applicant and not as an expense of the administration.

7 What if the administrator is dissatisfied?

- 7.1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient he may request that it be increased by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient, he may apply to the court for it to be increased. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

8 Other matters relating to fees

- 8.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 8.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

9 Provision of information – additional requirements

In any case where the administrator is appointed on or after 1 April 2005 he must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company.

The information which must be provided is –

- > the total number of hours spent on the case by the administrator or staff assigned to the case,
- > for each grade of staff, the average hourly rate at which they are charged out,
- > the number of hours spent by each grade of staff in the relevant period.

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office.

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office.

10. Tenon Recovery's remuneration and disbursement policy

10.1 Remuneration

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

| | £ |
|--|---------|
| Directors | 375-400 |
| Senior manager, manager and supervisor | 145-305 |
| Other senior professionals | 95-135 |
| Admin and support staff | 75-90 |

10.2 Basis of Charging Disbursements and Expenses

- 10.2.1 Certain costs may be incurred in relation to a case and in the first instance, paid by Tenon Recovery, and then recharged to the case. The amount recharged is the exact amount incurred. Examples are statutory bond, statutory advertising, land registry searches, insurance, travel and subsistence, archiving and storage costs.
- 10.2.2 Other costs which may be charged to the case are room hire for meetings held at the offices of Tenon Recovery and the cost of sending out reports to creditors, if material. The costs recharged are based upon the actual cost of the materials used or the costs which would have been incurred if that service had been sourced externally.
- 10.2.3 The current level of costs recharged are detailed on the attached appendix.

**TENON RECOVERY
EXPENSES AND DISBURSEMENTS**

In keeping with best practice and in accordance with SIP 9, I herewith provide details of the basis for recovery of expenses and disbursements incurred. These are categorised as follows:

Category 1 expenses and disbursements

Category 1 expenses and disbursements relate to specific expenditure to an independent third party for which an invoice will normally be payable. Examples of such include company searches, postage, advertising, courier costs, external room hire etc.

Category 1 disbursements are recoverable in full without the need for creditor approval.

Category 2 expenses and disbursements

Category 2 expenses and disbursements for which there will be no third party invoice may include shared or allocated costs. Examples of these include stationery, photocopying, faxes etc.

Category 2 expenses and disbursements are recoverable in full with the approval of creditors subject to the basis of the charges being disclosed. The basis of these charges is as follows:

| Category | Cost | Basis |
|--------------------|-------------|-----------------------------------|
| Stationery | 4p, 3p, 35p | Per envelope, letterhead or label |
| Photocopying | 5p | Per page |
| Faxes | 50p | Per page |
| Storage | £7.20 | Per box per year |
| Internal room hire | £100 | Fixed charge |

CREDITORS QUESTIONNAIRE
INVESTIGATION INTO THE AFFAIRS OF
A & A GROUNDWORKS LIMITED
IN ADMINISTRATION

| | |
|-----------------------------|--|
| Creditor's name and address | |
| 1 | Estimated Claim |
| 2 | If the estimated claim exceeds the credit limit, on what basis or terms was the additional credit allowed? |
| 3 | Please provide details of any comfort, security or assurance given to you to allow continuance of credit |
| 4 | When were you first aware that there were difficulties in getting payment and what was the evidence of this? e g extended credit, lump sum payments, dishonoured cheques |

| | |
|-----------|--|
| 5 | Please provide details of any cheques which were dishonoured, including dates and amounts |
| 6 | Please provide details, including dates, of any writs, summons, decrees or other legal action you took to recover your debt. |
| 7 | Are there any particular matters you feel should be reviewed? If so, please provide brief details |
| | |
| Name | |
| Signature | |
| Position | |
| Date | |

Should there be insufficient space on this form, please use a separate piece of paper clearly indicating which question the continuation sheet refers to

Rule 2.35

Notice of a meeting of Creditors

| | |
|---|-----------------------------|
| Name of Company A & A Groundworks Limited | Company number 4172673 |
| In the Portsmouth County Court (full name of court) | Court case number 8/2008 |

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

Notice is hereby given by (a)
Duncan Robert Beat
Tenon Recovery
Highfield Court, Tollgate,
Chandlers Ford,
Eastleigh,
Hampshire SO53 3TZ

(b) Insert full name and
address of registered
office of the company

that a meeting of creditors of (b)
A & A Groundworks Limited
Highfield Court, Tollgate,
Chandlers Ford,
Eastleigh,
Hampshire SO53 3TZ

(c) Insert details of place
of meeting

is to be held at (c)
(c) Highfield Court, Tollgate, Chandlers Ford, Eastleigh, Hampshire SO53 3TZ

(d) Insert date and time
of meeting

on (d) 8 August 2008 at 11 00am

The meeting is

*Delete as applicable

~~*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')~~
~~*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
~~*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
~~*(4) a further creditors' meeting under paragraph 56 of the Schedule~~
~~*(5) a creditors' meeting under paragraph 62 of the Schedule~~

I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed

[Signature]
Administrator

Dated

23/7/08

*Delete as applicable

A copy of the ~~*proposals/ revised proposals~~ is attached

A & A Groundworks Limited – In Administration

Statement of Administrator's proposals Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986

In accordance with Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and the Insolvency Rules 1986 ("the Rules"), Duncan Robert Beat the Administrator of A & A Groundworks Limited ("the Company"), make the following proposals for achieving the purpose of the Administration

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

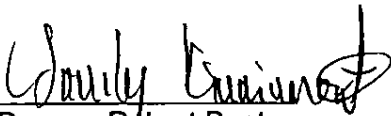
Proposals

The Administrator proposes that

- (a) He continues to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that
 - (i) He disposes of the Company's ownership of such assets at such time(s) on such terms as they consider expedient,
 - (ii) he investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company
 - (iii) In addition, he do all such things and generally exercise all his powers as Administrator as he in his discretion considers desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals, and
- (b) The Administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Administrator. At this stage the Company shall be dissolved or placed into liquidation as outlined above. If necessary, the Administrator proposes to seek an extension of his appointment as Administrator from the creditors and/or the Court pursuant to paragraph 76 of Schedule B1 to the Act
- (c) In the event that the Administrator is of the view that it is appropriate for the Company to move from Administration into Liquidation, whether compulsory or voluntary, the Administrator be authorised to take steps to place the Company into whichever liquidation process he, at his discretion, deems appropriate. In either circumstance, it is proposed that the Administrator would take the appointment as liquidator of the Company. In relation to moving into creditors' voluntary liquidation, and in accordance with paragraph 83(7) and Rule 2.117 (3), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before those proposals are approved
- (d) If the Administrator considers that there will be no distribution to creditors who are neither secured nor preferential, and if he also considers that an exit from the Administration into compulsory liquidation is not appropriate, then the Administrator be authorised to take the

necessary procedural steps to bring about the end of the Administration and move the Company into dissolution pursuant to paragraph 84 of Schedule B1 to the Act

- (e) Upon the Company either proceeding into Liquidation or dissolution as set out above, the Administrator's discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution
- (f) He be at liberty to incur and pay such costs and expenses, including professional fees, as considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrator's statutory duties
- (g) The Administrator proposes to be remunerated by reference to time properly spent both for his services as Administrator and also for his staff in attending to the matters arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. The Administrator's remuneration will be agreed by the Creditors' Committee or in the event that no Committee is formed by creditors at the first meeting of creditors, by way of resolution for the acceptance of these proposals
- (h) Tenon's costs and expenses relating to the appointment of Administrator as would fall within the definition of Rule 2.67(1)(c) be treated as an expense of the Administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates prevailing at the time the work is undertaken
- (i) He be at liberty to recharge disbursements as detailed in the circulated Creditors guide to Administrators' fees
- (j) He be at liberty to pay costs and remuneration in relation to proposals (g), (h) and (i) above when funds become available
- (k) He consult with the Creditors' Committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these proposals and where he considers it expedient obtain the sanction of that Committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the Administrator


Duncan Robert Beat
Administrator

23 July 2008

A & A Groundworks Limited
In Administration

Name of Creditor _____

Address _____

Name of Proxy Holder

1 _____

2 _____

3 _____

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting. If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well.

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion.

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 8 August 2008 at, or at any adjournment of that meeting. The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

Voting Instructions for resolutions

For Against

*Please tick as appropriate

1 For the acceptance of the Joint Administrators' proposals/revised proposals as circulated (excluding paragraph (e) as covered in resolution 3 and paragraphs (g) to (j) as covered by resolution 2 below)

☐☐☐☐

2 For the acceptance of the Joint Administrators' proposals relating to remuneration and disbursements as outlined in paragraphs (g) to (j)

☐☐

3 That upon the Company either proceeding into Liquidation or dissolution, the Joint Administrators discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into liquidation or filing the notice of moving from Administration to dissolution

4 For the appointment of _____ (name)

of _____ (firm)

as liquidator of the company

CONTINUED ON NEXT PAGE

A & A Groundworks Limited
In Administration

- 5 If you wish to appoint a member of the creditors committee, please complete the following -

For the Appointment of _____ (name of individual)
of _____ (company/organisation name)
representing _____ (name of creditor)
as a member of the creditors committee

**This form must be
signed**

Signature _____ **Date** _____

Name in CAPITAL LETTERS _____

Only to be completed if
the creditor has not
signed in person

Position with creditor or relationship to creditor or other authority for signature

