

The Insolvency Act 1986

**Administrator's progress report**

Name of Company AB 2009 Limited	Company number 04279284
In the High Court of Justice, Chancery Division, Leeds District Registry <small>[full name of court]</small>	Court case number 1024/2009

(a) Insert full name(s)  
and address(es) of  
administrator(s)I / We (a) Robert Hunter Kelly and Jonathan Peter SumptonErnst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR

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

From	to
(b) <u>9 October 2009</u>	(b) <u>8 April 2010</u>

Signed

[Signature]  
Joint / Administrator(s)

Dated

22/4/10**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Rich Greenfield	
Ernst & Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR	
	Tel 0113 298 2331
DX Number	DX Exchange

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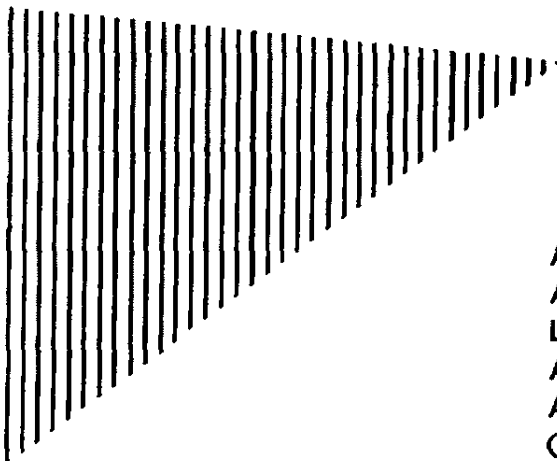
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Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff



**Allerton Group Limited  
AI 2009 Limited (Formerly Allerton Industries  
Ltd)  
AE 2009 (Formerly Allerton Engineering Ltd)  
AB 2009 (Formerly Allerton Bridges Ltd)  
(All in Administration)**

**Joint Administrators' six monthly progress report  
for the period 9 October 2009 to  
8 April 2010**

**27 April 2010**

 **ERNST & YOUNG**

TO ALL KNOWN CREDITORS

27 April 2010

Ref RHK/JPS/PCF 16

Direct line 0113 298 2331  
Direct Fax 0113 298 2206

Dear Sirs

Allerton Group Limited  
AI 2009 Limited (Formerly Allerton Industries Limited)  
AE 2009 (Formerly Allerton Engineering Limited)  
AB 2009 (Formerly Allerton Bridges Limited)  
(All in Administration)  
Together referred to as "the Group" or "the Companies"


High Court of Justice, Chancery Division, Leeds District Registry, Numbers 1021, 1022, 1023 and 1024 of 2009 Registered office address: 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR

I write, in accordance with Rule 2.47 of The Insolvency Rules 1986, to provide creditors with a report on the progress of the administrations of the Companies. This report covers the period from 9 October 2009 to 8 April 2010 and should be read in conjunction with the Joint Administrators' Proposals dated 29 May 2009 and the previous progress report dated 4 November 2009.

The Companies entered administration on 9 April 2009 and Mr R H Kelly and I were appointed to act as Joint Administrators. The appointment was made by the Company's Directors under the provisions of paragraph 22(2) of Schedule 81 to the Insolvency Act 1986. Under the terms of the appointment, any act required or authorised to be done by the Joint Administrators can be done by either of us.

A six month extension has been granted until 8 October 2010 by the secured creditors in accordance with paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986. I will report to you again in six months time or at the conclusion of the administration, whichever is sooner. Should you have any question with regards to the contents of this report, do not hesitate to contact my colleague, Rich Greenfield, on the above direct line.

Yours faithfully  
for the Company



J P Sumpton  
Joint Administrator

The Institute of Chartered Accountants of Scotland in the UK authorises RH Kelly to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986 and The Association of Chartered Certified Accountants in the UK authorises JP Sumpton to act as Insolvency Practitioner under section 390(2)(a) of the Insolvency Act 1986.

The affairs, business and property of the Company are being managed by the Joint Administrators, RH Kelly and JP Sumpton, who act as agents of the Company only and without personal liability.

## Abbreviations

The following abbreviations are used in this report:

AGL	Allerton Group Limited
Industries	AI 2009 Limited (formerly Allerton Industries Limited)
Engineering	AE 2009 Limited (formerly Allerton Engineering Limited)
Bridges	AB 2009 Limited (formerly Allerton Bridges Limited)
the Group or the Companies	Together Allerton Group Limited, AI 2009 Limited, AE 2009 Limited and AB 2009 Limited
the Bank / BOS	Bank of Scotland Plc
BoSCF	Bank of Scotland Cashflow Finance

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## **1. Summary of progress since the Joint Administrators' Progress report dated 4 November 2009**

The background, circumstances giving rise to our appointment and the conduct of the Administration up to 29 May 2009 were detailed in the Administrators statement of proposals and are not covered in this report.

### **1.1 Extension of Administration**

A six month extension of the Administration has been granted by the consent of the secured creditors of the Company on 6 April 2010 in accordance with paragraph 76(2)(b) of Schedule B1 to the Insolvency Act 1986.

The purpose of this extension is to allow the following tasks to be carried out.

- 1 Continue to pursue outstanding debts; and
2. Distribute the Prescribed Part, avoiding the additional cost of putting the Group into liquidation.

### **1.2 Book debts**

#### **Engineering debtors**

Engineering's debtors were financed via a confidential invoice discounting facility provided by BoSCF. At the date of our appointment, Engineering's sales ledger totalled £683,761 and there was c £185,000 due to BoSCF

To date, Engineering book debt realisations have totalled c £473,000, of which £279,000 has been paid directly to BoSCF and are not included in the receipts and payments summary at Appendix I. BoSCF has been repaid in full

The principal uncollected balance of £177,000 outstanding from Severfield Reeve is being disputed due to alleged poor workmanship. A counterclaim totalling £189,000 was received from Severfield Reeve in October 2009.

We have appointed DBK Group Limited (quantity surveyors) to advise on this dispute.

We have reviewed the counter claim and have requested Severfield Reeve to provide further information to substantiate their counter claim. Despite several requests, satisfactory information was not forthcoming and therefore we have instructed Walker Morris to issue a Pre-Action protocol letter. This has been acknowledged by Severfield Reeve's lawyers and we await a substantive response.

#### **Bridges debtors**

Bridges debtors comprise applications for payments on contracts and retentions. Since our last report, we have realised a further £5,500 in respect of a retention withheld on the sale of a bridge during the trading period.

We believe that c£21,000 of the retentions which remain outstanding are recoverable and we are pursuing these.

The remaining outstanding retentions are unlikely to be collectable due to problems raised by the contract employers with the work carried out by the company or due to the inability of the contract employer to rely on the company for ongoing support with technical issues.

In all, we have realised £138,000 from appointment applications and retentions that were outstanding at the date of our appointment.

#### **Other debtors**

At 9 April 2009, there was an amount of £333,000 due to the Group from Glencairn & Co in respect of a shareholder loan, the majority of which was provided during 2008. We have requested the repayment of this amount however to date it has not been repaid.

At this stage, we have not commenced legal action to recover this debt.

## **2. Outcome for Creditors**

### **2.1 Secured Creditors**

At the date of our appointment, the total amount outstanding to BoS was approximately £3.5m. Under its first ranking security the secured creditor is entitled to recover the amount outstanding from any and all Companies within the Group. To date we have repaid £1.7m to BoS but do not currently expect that BoS will be repaid in full.

There are second ranking floating charges in all companies in favour of Lawrence Ellis in respect of deferred consideration (£1m) following the share purchase agreement in September 2007. We do not believe that there will be any funds available to Mr Ellis.

### **2.2 Preferential Creditors**

We are not aware of any preferential claims against the Companies.

### **2.3 Non-preferential Creditors**

Other than through the Prescribed Part, it is not anticipated that there will be sufficient realisations to enable a payment to the non-preferential creditors of any of the Companies. However creditors' claims are being kept on file and will be passed to any subsequently appointed liquidator.

### **2.4 The Prescribed Part**

The prescribed part is an amount set aside from floating charge realisations to be made available to non-preferential creditors in the event that the floating charge realisations are called upon and is capped at £600,000. It is currently estimated that there will be a Prescribed Part in Engineering and Bridges of £25,000 and £30,000 respectively. There will be no Prescribed Part available in Group or Industries.



### **3. Receipts and Payments Account**

I enclose our receipts and payments accounts for Industries, Engineering and Bridges the period from 9 April to 8 April 2010. This does not reflect estimated future realisations or costs. There have been no receipts or payments in respect of AGL.

#### **4. Joint Administrators' Remuneration and Disbursements**

As per the Joint Administrators' Proposals, we intend to agree our remuneration with the Secured Creditors. To 8 April 2010 the Joint Administrators have incurred time costs of £418,399. Remuneration of £150,000 has been drawn to date with the approval of the secured creditors. An analysis of the time spent is attached to this report. Also attached is a statement of the Administrators' policy in relation to charging time and disbursements.

To date, the sum of £6,433 has been incurred in respect of Category 1 and 2 disbursements. No disbursements have been drawn to date.

## Appendix A Statutory Information -AGL

### Company Information

Company Name	Allerton Group Limited
Registered Office Address:	1 Bridgewater Place Water Lane Leeds LS11 5QR
Registered Number	05646461
Trading Name(s)	Allerton Group Limited
Trading Address(es)	Allerton House Thurston Road Northallerton DL6 2NA

### Details of the Administrators and of their appointment

Administrators: RH Kelly and JP Sumpton

Date of Appointment: 9 April 2009

By Whom Appointed: The appointment was made by the Company's Directors

Court Reference: Leeds District Registry 1022/2009

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally.

### Statement concerning the EC regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State

### Share Capital

Class	Authorised		Issued & Fully paid	
	Number	£	Number	£
A	2,000,000	2,000,000	240,325	240,325

### Directors and secretary and their shareholdings

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
Glencairn & Co	Company Secretary	6 December 2006	1 April 2009	200,001 (83.2%)
Stuart Beales	Managing director	11 February 2009	N/A	N/A
Lawrence Ellis	Non-exec Director	3 August 2007	N/A	N/A
Douglas Graham	Non-exec Director	29 January 2009	N/A	N/A
Richard Kilner	Chairman	6 December 2006	N/A	20,162 (8.4%)
Giles Penn	Finance Director	29 January 2009	N/A	N/A

## Appendix B Statutory Information - Industries

### Company Information

**Company Name:** AI 2009 Limited (formerly Allerton Industries Limited)  
**Registered Office Address** 1 Bridgewater Place  
 Water Lane  
 Leeds  
 LS11 5OR  
**Registered Number.** 04066546  
**Trading Name(s).** Allerton Industries Limited  
**Trading Address(es)** Allerton House  
 Thurston Road  
 Northallerton  
 DL6 2NA

### Details of the Administrators and of their appointment

**Administrators:** RH Kelly and JP Sumpton  
**Date of Appointment:** 9 April 2009  
**By Whom Appointed:** The appointment was made by the Company's Directors  
**Court Reference.** Leeds District Registry 1023/2009

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally

### Statement concerning the EC regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

### Share Capital

Class	Authorised		Issued & Fully paid	
	Number	£	Number	£
A	1,000,000	1,000,000	630,000	630,000

### Directors and secretary and their shareholdings

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
Glencairn & Co	Company Secretary	25 July 2006	1 April 2009	N/A
Lawrence Ellis	Non-exec Director	18 October 2000	N/A	N/A
Richard Kilner	Chairman	3 August 2007	N/A	N/A

## Appendix C Statutory Information - Engineering

### Company Information

**Company Name:** AE 2009 Limited (formerly Allerton Engineering Limited)  
**Registered Office Address:** 1 Bridgewater Place  
 Water Lane  
 Leeds  
 LS11 5QR  
**Registered Number:** 01451804  
**Trading Name(s):** Allerton Engineering Limited  
**Trading Address(es):** Allerton House  
 Thurston Road  
 Northallerton  
 DL6 2NA

### Details of the Administrators and of their appointment

**Administrators:** RH Kelly and JP Sumpton  
**Date of Appointment:** 9 April 2009  
**By Whom Appointed:** The appointment was made by the Company's Directors  
**Court Reference:** Leeds District Registry 1021/2009

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally.

### Statement concerning the EC regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

### Share Capital

Class	Authorised		Issued & Fully paid	
	Number	£	Number	£
A	50,000	50,000	1,000	1,000

### Directors and secretary and their shareholdings

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
Glencairn & Co	Company Secretary	25 July 2006	1 April 2009	N/A
Lawrence Ellis	Non-exec Director	12 October 2000	N/A	N/A
Richard Kilner	Chairman	3 August 2007	N/A	N/A
John Riddle	Director	25 July 2006	N/A	N/A

## Appendix D Statutory Information - Bridges

### Company Information

**Company Name** AB 2009 Limited (formerly Allerton Bridges Limited)  
**Registered Office Address** 1 Bridgewater Place  
 Water Lane  
 Leeds  
 LS11 5QR  
**Registered Number** 04279284  
**Trading Name(s)** Allerton Bridges Limited  
**Trading Address(es)** Allerton House  
 Thurston Road  
 Northallerton  
 DL6 2NA

### Details of the Administrators and of their appointment

**Administrators:** RH Kelly and JP Sumpton

**Date of Appointment:** 9 April 2009

**By Whom Appointed:** The appointment was made by the Company's Directors

**Court Reference:** Leeds District Registry 1024/2009

Any of the functions to be performed or powers exercisable by the administrators may be carried out/exercised by any one of them acting alone or by any or all of them acting severally.

### Statement concerning the EC regulation

The EC Council Regulation on Insolvency Proceedings does apply to this administration and the proceedings are main proceedings. This means that this Administration is conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union Member State.

### Share Capital

Class	Authorised		Issued & Fully paid	
	Number	£	Number	£
A	1000	1000	100	100

### Directors and secretary and their shareholdings

Name	Director or Secretary	Date Appointed	Date Resigned	Current Shareholding
Glencairn & Co	Company Secretary	25 July 2006	1 April 2009	N/A
Lawrence Ellis	Non-exec Director	2 October 2001	N/A	N/A
Richard Kilner	Chairman	3 August 2007	N/A	N/A
John Riddle	Managing Director	2 October 2001	N/A	N/A

## Appendix E Industries - Receipts and Payments from 9 April 2009 to 8 April 2010

	9 April 2009 to 8 October 2009 £	9 October 2009 to 8 April 2010 £	Total £	SoA amounts £
<b>Receipts</b>				
Sale of freehold property	1,400,000	-	1,400,000	1,750,000
Licence fee	25,000	-	25,000	
Bank interest	167	48	215	
	<u>1,425,167</u>	<u>48</u>	<u>1,425,215</u>	
			-	
<b>Payments</b>				
			-	
Secured creditor - Bank of Scotland	1,300,000	90,000	1,390,000	
Legal fees	10,027	-	10,027	
Administrators remuneration		10,000	10,000	
Agents fees		6,000	6,000	
	<u>1,310,027</u>	<u>106,000</u>	<u>1,416,027</u>	
			-	
<b>Funds Held</b>	<u>115,140</u>	<u>(105,952)</u>	<u>9,188</u>	

## Appendix F      Engineering - Receipts and Payments from 9 April 2009 to 8 April 2010

	9 April 2009 to 8 October 2009	9 October 2009 to 8 April 2010	Total	SoA amounts
	£	£	£	£
<b>Receipts</b>				
Trading Sales	464,185	-	464,185	108,974
Inter-company sales	219,421	-	219,421	
Inter company loan for fees	-	2,000	2,000	
Book debts held on behalf of BOSCF	193,618	-	193,618	492,809
Plant, Machinery & Fixtures	99,996	-	99,996	48,000
Other debtors	21,182	487	21,669	32,064
Stock	1	-	1	100,000
Goodwill	1	-	1	
Bank Interest	293	129	422	
	<b>998,697</b>	<b>2,616</b>	<b>1,001,313</b>	<b>781,847</b>
<b>Payments</b>				
Payment to BOSCF re book debts held	193,618	-	193,618	
Secured creditor	-	25,000	25,000	
Payroll Costs	363,221	-	363,221	
Inter-company purchases	85,285	-	85,285	
Materials and consumables	51,029	-	51,029	
Hire of equipment	12,840	-	12,840	
Rent, rates and utilities	30,586	-	30,586	
Repairs and renewals	18,011	-	18,011	
Other trading costs	15,430	2,595	18,025	
Insurance	11,939	-	11,939	
Agents Fees	10,430	-	10,430	
Legal fees	25,059	3,500	28,559	
Advertising	2,690	-	2,690	
Specific Bond	618	-	618	
Bank Charges	30	-	30	
Sundry	905	-	905	
Administrators remuneration	-	70,000	70,000	
Corporation tax	-	28	28	
	<b>821,691</b>	<b>101,123</b>	<b>922,814</b>	
<b>Funds Held</b>	<b>177,006</b>	<b>(98,507)</b>	<b>78,499</b>	



## Appendix G      Bridges - Receipts and Payments from 9 April 2009 to 8 April 2010

	9 April 2009 to 8 October 2009	9 October 2009 to 8 April 2010	Total	SoA amounts
	£	£	£	£
<b>Receipts</b>				
Trading Sales	406,487	5,580	412,067	20,000
Pre-appointment debtors	137,893	-	137,893	250,000
Inter-company sales	85,285	-	85,285	
Bank Interest	337	183	520	
Fixtures, fittings and contracts	2	-	2	
	<u>630,004</u>	<u>5,763</u>	<u>635,767</u>	
<b>Payments</b>				
Secured creditor	-	110,000	110,000	
Inter-company costs	219,421	-	219,421	
Payroll Costs	89,246	-	89,246	
Administration Fees	-	70,000	70,000	
Rent, rates and utilities	14,627	23	14,650	
Sundry trading costs	2,333	110	2,443	
Legal Costs	23,250	3,002	26,252	
Specific Bond	264	-	264	
Corporation Tax	-	13	13	
	<u>349,141</u>	<u>183,148</u>	<u>532,289</u>	
<b>Funds Held</b>	<u>280,863</u>	<u>(177,385)</u>	<u>103,478</u>	

## Appendix H      AGL - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2010

Hours	Staff grade						Total
	Partner	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Creditors	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Debtors	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Employee Matters	0 0	0 0	0 0	0 0	0 0	0 0	0 0
General	0 0	0 0	0 0	0 0	2 5	0 0	2 5
Immediate Tasks	5 0	13 0	0 0	0 0	0 0	0 0	18 0
Investigations/CDDA	0 0	2 1	16 5	17 0	0 0	0 0	35 6
Other Assets	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Property	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Retention of Title	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Sale of Business	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Statutory Duties/Reporting	0 0	7 0	0 0	4 0	1 0	0 0	12 0
Trading	0 0	0 0	0 0	0 0	0 0	0 0	0 0
VAT & Taxation	0 0	0 0	32 4	21 2	15 6	39 4	108 6
<b>Total Hours</b>	<b>5.0</b>	<b>22.1</b>	<b>48.9</b>	<b>42.2</b>	<b>19.1</b>	<b>39.4</b>	<b>176.7</b>
<b>Time Costs (£)</b>	<b>2,475.00</b>	<b>9,154.00</b>	<b>16,119.00</b>	<b>10,254.00</b>	<b>2,300.00</b>	<b>6,210.00</b>	<b>46,512.00</b>
<b>Average Hourly Rate (£)</b>	<b>495.00</b>	<b>414.21</b>	<b>329.63</b>	<b>242.99</b>	<b>120.42</b>	<b>157.61</b>	<b>263.23</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	84.00						
Proposals/mailedshot	0.00						
<b>Total</b>	<b>84.00</b>						

# Appendix I Industries - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2010

Hours	Staff grade						Total
	Partner,	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	0 0	0 5	1 5	2 0
Creditors	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Debtors	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Employee Matters	0 0	0 0	0 0	0 0	0 0	0 0	0 0
General	0 0	0 0	0 0	0 0	2 0	0 0	2 0
Immediate Tasks	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Investigations/CDDA	0 0	1 0	0 0	1 0	0 0	0 0	2 0
Other Assets	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Property	0 0	4 0	23 0	0 0	0 0	0 0	27 0
Retention of Title	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Sale of Business	1 0	0 0	0 0	0 0	0 0	0 0	1 0
Statutory Duties/Reporting	0 0	3 0	0 0	3 0	0 0	0 0	6 0
Trading	0 0	0 0	0 0	0 0	0 0	0 0	0 0
VAT & Taxation	0 0	0 0	0 0	17 5	0 5	0 0	18 0
<b>Total Hours</b>	<b>1.0</b>	<b>8 0</b>	<b>23.0</b>	<b>21 5</b>	<b>3 0</b>	<b>1.5</b>	<b>58 0</b>
<b>Time Costs (£)</b>	<b>495 00</b>	<b>3,240.00</b>	<b>6,325 00</b>	<b>5,525 00</b>	<b>310 00</b>	<b>150 00</b>	<b>16,045 00</b>
<b>Average Hourly Rate (£)</b>	<b>495 00</b>	<b>405 00</b>	<b>275 00</b>	<b>258 98</b>	<b>103 33</b>	<b>0 00</b>	<b>276 64</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	0 00						
Working lunch	9 00						
<b>Total</b>	<b>9.00</b>						

## Appendix J Engineering - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2010

Hours	Director / Assistant Senior						Total
	Partner,	Director	Executive	Executive	Analyst	Support	
Accounting & Administration	0.0	0.0	0.0	0.0	24.0	156.7	180.7
Creditors	1.0	0.0	11.0	3.0	52.8	0.0	67.8
Debtors	0.0	42.0	8.0	46.0	13.0	0.0	109.0
Employee Matters	0.0	0.0	0.0	31.3	7.5	0.0	38.8
General	3.0	0.0	8.0	12.5	7.0	0.0	30.5
Immediate Tasks	6.0	0.0	22.5	32.8	27.5	0.0	88.8
Investigations/CDDA	9.0	12.0	1.5	36.5	4.5	0.0	63.5
Legal Issues	0.0	6.0	0.0	0.0	0.0	0.0	6.0
Property	1.0	7.0	0.0	0.0	0.0	0.0	8.0
Retention of Title	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Sale of Business	0.0	8.0	146.5	0.0	0.0	0.0	154.5
Statutory Duties/Reporting	2.0	26.5	11.5	14.5	22.5	0.0	77.0
Trading	0.0	15.0	76.0	85.0	192.0	0.0	368.0
VAT & Taxation	0.0	6.0	1.2	5.0	34.7	3.5	50.4
<b>Total Hours</b>	<b>22.0</b>	<b>122.5</b>	<b>286.2</b>	<b>266.6</b>	<b>385.5</b>	<b>160.2</b>	<b>1243.0</b>
<b>Time Costs (£)</b>	<b>10,890.00</b>	<b>49,807.60</b>	<b>78,705.00</b>	<b>56,364.00</b>	<b>38,669.50</b>	<b>16,000.00</b>	<b>250,436.00</b>
<b>Average Hourly Rate (£)</b>	<b>495.00</b>	<b>406.59</b>	<b>275.00</b>	<b>211.42</b>	<b>100.31</b>	<b>99.88</b>	<b>201.48</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	4,831.00						
Meals	179.00						
Trains	151.00						
Underground	6.00						
Taxi	8.00						
Phone calls	105.00						
<b>Total</b>	<b>5,280.00</b>						

## Appendix K      Bridges - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2010

Hours	Staff grade						Total
	Partner	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	0 0	3 0	61 0	64 0
Creditors	0 0	0 0	0 0	0 0	5 7	0 0	5 7
Debtors	0 0	6 0	2 0	53 5	1 0	0 0	62 5
Employee Matters	0 0	0 0	0 0	4 5	0 0	0 0	4 5
General	0 0	0 0	17 0	6 0	2 0	0 0	25 0
Immediate Tasks	2 0	0 0	0 0	0 0	0 0	0 0	2 0
Investigations/CDDA	2 0	2 0	0 0	5 0	0 0	0 0	9 0
Other assets	0 0	0 0	16 0	0 0	0 0	0 0	16 0
Property	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Retention of Title	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Sale of Business	0 0	9 5	58 0	0 0	0 0	0 0	67 5
Statutory Duties/Reporting	0 0	30 0	8 5	9 0	2 0	0 0	49 5
Trading	0 0	16 0	35 5	67 5	22 5	0 0	141 5
VAT & Taxation	0 0	0 0	0 0	2 3	2 8	2 0	7 1
<b>Total Hours</b>	<b>4 0</b>	<b>63.5</b>	<b>137.0</b>	<b>147 8</b>	<b>39 0</b>	<b>63 0</b>	<b>454 3</b>
<b>Time Costs (£)</b>	<b>1,980.00</b>	<b>25,717 50</b>	<b>37,675.00</b>	<b>29,721.00</b>	<b>4,012.50</b>	<b>6,300 00</b>	<b>105,406 00</b>
<b>Average Hourly Rate (£)</b>	<b>495 00</b>	<b>405 00</b>	<b>275.00</b>	<b>201 09</b>	<b>102 88</b>	<b>100 00</b>	<b>232 02</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	377 00						
Proposals mailshot	419 00						
Bonding	264 00						
<b>Total</b>	<b>1,060 00</b>						

Grade Description	From 1 July 2008
Partner	495
Director	405
Assistant Director	350
Manager	275
Executive	200
Analyst	
Year 1	120
Year 2	100
Year 3	85
Support	100

## Appendix L Office Holders' Charging Policy for Fees and Disbursements

### Fees

The Insolvency Rules 1986 provide that the Administrators' remuneration may be fixed on the basis of time properly spent by the Administrators and their staff in attending to matters arising in the Administration.

The Administrators have engaged a manager and other staff to work on the cases. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by cashiers dealing with the company's bank accounts and statutory compliance diaries, secretaries providing typing and other support services and filing clerks. Work carried out by all staff is subject to the overall supervision of the Administrators.

All time spent by staff working directly on case-related matters is charged to a separate time code established for each case. Each member of staff has a specific hourly rate, which is subject to change over time. The average hourly rate for each category of staff over the period is shown in Appendix B, as are the current hourly rates used. The current hourly rates may be higher than the average rates, if hourly rates have increased over the period covered by this report.

### Disbursements

Statement of Insolvency Practice No. 9 ("SIP 9") published by R3 (The Association of Business Recovery Professionals) divides disbursements into two categories.

Category 1 disbursements comprise payments made by the office holders' firm, which comprise specific expenditure relating to the administration of the insolvent's affairs and referable to payment to an independent third party. These disbursements can be paid from the insolvent's assets without approval from the Committee. In line with SIP 9, it is our policy to disclose such disbursements drawn but not to seek approval for their payment.

Category 2 disbursements comprise payments made by the office holders' firm which include elements of shared or overhead costs. Such disbursements are subject to approval from the Secured Creditor as if they were remuneration. It is our policy, in line with SIP 9, to seek approval for this category of disbursement before they are drawn. We are not anticipating drawing any Category 2 disbursements in this case.