

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

[full name of court]

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) Insert date

(b) 9 October 2010

(b) 8 April 2011

Signed



Joint / Administrator(s)

Dated

28/4/11**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 &amp; Young LLP, 1 Bridgewater Place, Water Lane, Leeds, LS11 5QR

Tel 0113 298 2331

DX Number

DX Exchange

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

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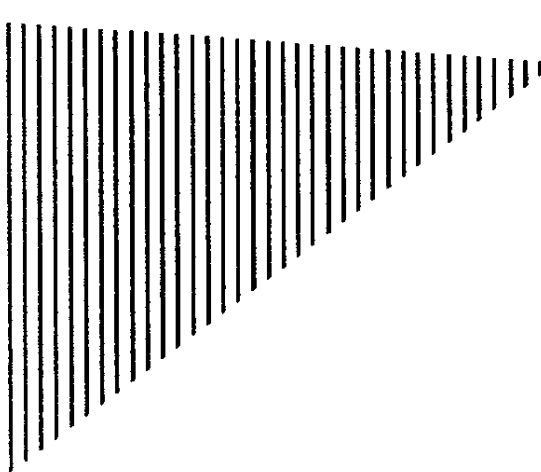
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Allerton Group Limited  
AI 2009 Limited (Formerly Allerton Industries  
Ltd)  
AE 2009 (Formerly Allerton Engineering Ltd)  
AB 2009 (Formerly Allerton Bridges Ltd)  
(All in Administration)

Joint Administrators' six monthly progress report  
for the period 9 October 2010 to  
8 April 2011

28 April 2011

 **ERNST & YOUNG**

**TO ALL KNOWN CREDITORS**

**28 April 2011**

Ref RHK/JPS/RG/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 2010 to 8 April 2011 and should be read in conjunction with the Joint Administrators' proposals to creditors dated 29 May 2009 and the previous progress reports dated 4 November 2009, 27 April 2010 and 2 November 2010.

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 B1 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.

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(2Xa) 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(2Xa) 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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## Contents

<b>1. Summary of progress since the Joint Administrators' Progress report dated 2 November 2010.....</b>	<b>2</b>
<b>2. Outcome for Creditors .....</b>	<b>3</b>
<b>3. Receipts and Payments Account.....</b>	<b>4</b>
<b>4. Joint Administrators Remuneration and Disbursements .....</b>	<b>5</b>
<b>Appendix A Statutory Information - AGL.....</b>	<b>6</b>
<b>Appendix B Statutory Information - Industries .....</b>	<b>7</b>
<b>Appendix C Statutory Information - Engineering .....</b>	<b>8</b>
<b>Appendix D Statutory Information - Bridges.....</b>	<b>9</b>
<b>Appendix E Industries - Receipts and Payments from 9 April 2009 to 8 April 2011</b>	<b>10</b>
<b>Appendix F Engineering - Receipts and Payments from 9 April 2009 to 8 April 2011</b>	<b>11</b>
<b>Appendix G Bridges - Receipts and Payments from 9 April 2009 to 8 April 2011 ...</b>	<b>12</b>
<b>Appendix H AGL - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011.....</b>	<b>13</b>
<b>Appendix I Industries - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011 .....</b>	<b>14</b>
<b>Appendix J Engineering - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011 .....</b>	<b>15</b>
<b>Appendix K Bridges - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011.....</b>	<b>16</b>
<b>Appendix L Office Holders' Charging Policy for Fees and Disbursements .....</b>	<b>17</b>

## **1. Summary of progress since the Joint Administrators' Progress report dated 2 November 2010**

This report has been prepared to provide creditors with an update on the progress of the Administration covering the period from 9 October 2010 to 8 April 2011.

The background, circumstances giving rise to our appointment and the conduct of the Administration up to 8 October 2010 were detailed in the Administrators' statement of proposals and our previous progress reports dated 4 November 2009, 27 April 2010 and 2 November 2010 and are not covered in this report.

### **1.1 Book debts**

#### **Engineering debtors**

Engineering's non contractual 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 BoS, repaying BoSCF in full. This is not included in the receipts and payments summary at Appendix F.

At the time of our last report, the only outstanding book debt was £177,000 due from Severfield Reeve Structures Limited ("SRS") which was disputed due to alleged poor workmanship. A counterclaim of £189,000 had been received from SRS.

We had instructed Walker Morris (solicitors) and EC Harris (quantity surveyors) to advise us in relation to this dispute and had been in protracted correspondence with SRS and its lawyers on this matter. Although we had not been provided with what we considered to be satisfactory information to fully justify SRS's counter claim, the strength of the AE's case did not warrant the cost and risk associated with legal action and therefore a settlement of £34,500 was negotiated with SRS and payment has subsequently been received.

#### **Other debtors**

As previously advised, at the date of our appointment there was an amount of £333,000 due to the Group from Glencairn & Co in respect of a shareholder loan. We have requested the repayment of this amount, however, Glencairn & Co are disputing the debt and therefore it has not been repaid.

### **1.2 Previous extensions of the Administrations**

On 24 March 2010, a six month extension was granted until 8 October 2010 by the secured creditors in accordance with paragraph 76(2)(b) of Schedule B1 of the Insolvency Act 1986.

On 16 September 2010 the Administration was extended until 8 October 2011, pursuant to paragraph 76(2) of Schedule B1 of the Insolvency Act 1986, by the High Court of Justice, Chancery Division, Leeds District Registry.

### **1.3 Future of the Administrations**

We are currently in the process of concluding the Administrations of all four companies. It is proposed that Group and Industries will be dissolved in the near future, with Engineering and Bridges being placed into liquidation in order to allow for the distribution of their respective Prescribed Parts.

## **2. Outcome for Creditors**

### **2.1 Secured Creditors**

At the date of our appointment, the total amount outstanding to BoS and BoSCF 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 c. £1.8m to BoS and BoSCF. In addition, BoSCF has received c. £0.3m direct. We 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 £15,000 and £43,000 respectively. There will be no Prescribed Part available in AGL or Industries.

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

I enclose our receipts and payments accounts for Industries, Engineering and Bridges the period from 9 April 2009 to 8 April 2011. 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 2011 the Joint Administrators have incurred time costs of £472,874. Remuneration of £210,000 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 £8,037 has been incurred in respect of Category 1 and 2 disbursements. To date a total of £5.755 of disbursements have been drawn.

## 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 5QR
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
Glencarn & 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 2011

	9 April 2009 to 8 October 2010 £	9 October 2010 to 8 April 2011 £	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	225	-	225	
	<u>1,425,225</u>	<u>-</u>	<u>1,425,225</u>	
<b>Payments</b>				
			-	
			-	
Secured creditor - Bank of Scotland	1,390,000	7,448	1,397,448	
Legal fees	10,027	-	10,027	
Administrators remuneration	10,000	-	10,000	
Agents fees	7,750	-	7,750	
	<u>1,417,777</u>	<u>7,448</u>	<u>1,425,225</u>	
<b>Funds Held</b>	<u>7,448</u>	<u>(7,448)</u>	<u>-</u>	

## Appendix F      Engineering - Receipts and Payments from 9 April 2009 to 8 April 2011

	9 April 2009 to 8 October 2010	9 October 2010 to 8 April 2011	Total	SoA amounts
Receipts	£	£	£	£
Trading Sales	464,185	-	464,185	108,974
Inter-company sales	219,421	-	219,421	
Book debts held on behalf of BOSCF	193,710	-	193,710	492,809
Plant, Machinery & Fixtures	99,996	-	99,996	48,000
Book debts	-	34,500	34,500	
Other debtors	21,669	-	21,669	32,064
Inter-company loan for fees	-	-	-	
Stock	1	-	1	100,000
Goodwill	1	-	1	
Bank interest	526	98	624	
	<u>999,509</u>	<u>34,598</u>	<u>1,034,107</u>	
<b>Payments</b>				
Payment to BOSCF re book debts held	193,618	-	193,618	
Secured creditor	25,000	35,000	60,000	
Payroll Costs	363,221	-	363,221	
Inter-company purchases	85,285	-	85,285	
Materials and consumables	51,029	-	51,029	
Hire of equipment	12,730	-	12,730	
Rent, rates and utilities	30,563	-	30,563	
Repairs and renewals	18,011	-	18,011	
Other trading costs	18,159	-	18,159	
Insurance	11,939	-	11,939	
Agents Fees	6,680	7,000	13,680	
Legal fees	29,913	8,620	38,533	
Advertising	2,690	-	2,690	
Specific Bond	618	-	618	
Bank Charges	30	-	30	
Administrators remuneration	70,000	40,000	110,000	
Administrators disbursements	-	5,114	5,114	
Corporation tax	28	-	28	
	<u>919,514</u>	<u>95,734</u>	<u>1,015,248</u>	
<b>Funds Held</b>	<u>79,995</u>	<u>(61,136)</u>	<u>18,859</u>	

## Appendix G      Bridges - Receipts and Payments from 9 April 2009 to 8 April 2011

	9 April 2009 to 8 October 2010	9 October 2010 to 8 April 2011	Total	SoA amounts
	£	£	£	£
<b>Receipts</b>				
Trading Sales	412,067	-	412,067	20,000
Pre-appointment debtors	154,481	(4,916)	149,565	250,000
Inter-company sales	85,285	-	85,285	
Bank interest	699	109	808	
Fixtures, fittings and contracts	2	-	2	
	<u>652,534</u>	<u>(4,807)</u>	<u>647,727</u>	
<b>Payments</b>				
Secured creditor	110,000	43,000	153,000	
Inter-company costs	219,421	-	219,421	
Payroll Costs	89,246	-	89,246	
Administrators remuneration	70,000	20,000	90,000	
Administrators disbursements	-	641	641	
Rent, rates and utilities	14,650	-	14,650	
Sundry trading costs	2,443	-	2,443	
Legal Costs	26,252	2,500	28,752	
Specific Bond	264	-	264	
Corporation Tax	13	-	13	
	<u>532,289</u>	<u>66,141</u>	<u>598,430</u>	
<b>Funds Held</b>	<u>120,245</u>	<u>(70,948)</u>	<u>49,297</u>	



## Appendix H      AGL - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011

Hours	Staff grade						Total
	Partner	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	4 5	0 0	0 0	4 5
Creditors	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Debtors	0 0	3 0	0 0	0 0	0 0	0 0	3 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	10 0	0 0	5 1	1 0	0 0	16 1
Trading	0 0	0 0	0 0	0 0	0 0	0 0	0 0
VAT & Taxation	0 0	0 0	33 0	21 2	15 6	39 4	109 2
<b>Total Hours</b>	<b>5 0</b>	<b>28 1</b>	<b>49 5</b>	<b>47 8</b>	<b>19 1</b>	<b>39 4</b>	<b>188 9</b>
<b>Time Costs (£)</b>	<b>2,475 00</b>	<b>11,704 00</b>	<b>16,347 00</b>	<b>11,430 00</b>	<b>2,300 00</b>	<b>6,210 00</b>	<b>50,466 00</b>
<b>Average Hourly Rate (£)</b>	<b>495 00</b>	<b>416 51</b>	<b>330 24</b>	<b>239 12</b>	<b>120 42</b>	<b>157 61</b>	<b>267 16</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	84 00						
Proposals mailshot	5 00						
<b>Total</b>	<b>89 00</b>						

	Staff grade						
		Director / Assistant	Senior				
Hours	Partner	Director	Executive	Executive	Analyst	Support	Total
Accounting & Administration	0 0	0 0	0 0	6 5	0 5	2 0	9 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	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	4 1	2 0	0 0	9 1
Trading	0 0	0 0	0 0	0 0	0 0	0 0	0 0
VAT & Taxation	0 0	0 0	0 0	21 0	0 5	0 0	21 5
<b>Total Hours</b>	<b>1 0</b>	<b>8 0</b>	<b>23 0</b>	<b>32 6</b>	<b>5 5</b>	<b>2 0</b>	<b>72.1</b>
<b>Time Costs (£)</b>	<b>495 00</b>	<b>3,240 00</b>	<b>6,325 00</b>	<b>8,118 50</b>	<b>597.50</b>	<b>202 50</b>	<b>18,978 50</b>
<b>Average Hourly Rate (£)</b>	<b>495 00</b>	<b>405 00</b>	<b>275 00</b>	<b>249 03</b>	<b>108 64</b>	<b>0 00</b>	<b>263 22</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mailshot	95 00						
Working lunch	9 00						
<b>Total</b>	<b>104 00</b>						

## Appendix J      Engineering - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011

Hours	Staff grade						Total
	Partner	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	30 0	35 4	164 5	229 9
Creditors	3 0	0 0	11 0	4 0	61 3	0 0	79 3
Debtors	1 0	58 5	8 0	53 5	13 0	0 0	134 0
Employee Matters	0 0	0 0	0 0	31 3	7 5	0 0	38 8
General	3 0	4 0	8 0	12 5	7 0	0 0	34 5
Immediate Tasks	6 0	0 0	22 5	32 8	27 5	0 0	88 8
Investigations/CDDA	10 0	12 0	1 5	36 5	6 5	0 0	66 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	6 0	42 5	11 5	15 6	39 0	0 0	114 6
Trading	0 0	15 0	76 0	85 0	192 0	0 0	368 0
VAT	0 0	6 0	1 2	5 0	38 7	3 5	54 4
	<u>30 0</u>	<u>159 0</u>	<u>286.2</u>	<u>306 2</u>	<u>427 9</u>	<u>168.0</u>	<u>1377 3</u>
Time Costs (£)	<u>14,975 00</u>	<u>65,320 00</u>	<u>78,705 00</u>	<u>64,645 00</u>	<u>43,669 00</u>	<u>16,781 50</u>	<u>284,095 50</u>
Average Hourly Rate (£)	499 17	410 82	275 00	211 12	102 05	99 89	206 27
Category 1 Expenses	£						
Mortgage	4,831 00						
	1 104 00						
	179 00						
	0						
U	00						
T	3 00						
	<u>105 00</u>						
	<u>6,384 00</u>						

## Appendix K      Bridges - Summary of Joint Administrators' Time-Costs from 9 April 2009 to 8 April 2011

Hours	Staff grade						Total
	Partner	Director / Assistant Director	Senior Executive	Executive	Analyst	Support	
Accounting & Administration	0 0	0 0	0 0	14 0	9 4	68 2	91 6
Creditors	0 0	0 0	0 0	1 0	6 7	0 0	7 7
Debtors	0 0	6 0	2 0	65 0	1 0	0 0	74 0
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	3 0	0 0	26 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	40 5	8 5	10 1	15 5	0 0	74 6
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	4 8	5 5	12 6
<b>Total Hours</b>	<b>4 0</b>	<b>74 0</b>	<b>137 0</b>	<b>175 4</b>	<b>62 9</b>	<b>73 7</b>	<b>527 0</b>
<b>Time Costs (£)</b>	<b>1,980 00</b>	<b>30,170 00</b>	<b>37,675 00</b>	<b>35,392 00</b>	<b>6,704 00</b>	<b>7,412 50</b>	<b>119,333 50</b>
<b>Average Hourly Rate (£)</b>	<b>495 00</b>	<b>407 70</b>	<b>275 00</b>	<b>201 78</b>	<b>106 58</b>	<b>100 58</b>	<b>226 44</b>
<b>Category 1 Expenses</b>	<b>£</b>						
Mileage	377 00						
Proposals mailshot	819 00						
Bonding	264 00						
<b>Total</b>	<b>1,460 00</b>						

Grade Description	From 1 July 2008	From 1 July 2010
Partner	495	520
Director	405	425
Assistant Director	350	370
Manager	275	290
Executive	200	210
Analyst		
Year 1	120	125
Year 2	100	105
Year 3	85	90
Support	100	105

## 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.