

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company 4C Inns Limited	Company number 04362184
In the High Court of Justice, Chancery Division [full name of court]	Court case number 4757 of 2011

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

I Jeffrey Mark Brenner of B&C Associates Limited, Trafalgar House, Grenville Place, Mill Hill, London, NW7 3SA

* 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) Insert date 13 July 2011

Signed
Administrator

Dated 13 7 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.

Jeffrey Mark Brenner B&C Associates Limited	
Trafalgar House Grenville Place Mill Hill London	
NW7 3SA	
DX Number	DX Exchange

THURSDAY



A46 14/07/2011 143
COMPANIES HOUSE

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

Administrator's Report and Statement of Proposals

**4C Inns Limited
In Administration**

11 July 2011

4C INNS LIMITED – IN ADMINISTRATION

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4C INNS LIMITED – IN ADMINISTRATION

1 Statutory Information

- 1 1 The registered number of 4C Inns Limited (the **Company**) is 04362184
- 1 2 The trading address of the Company is Chertsey Road, Windlesham, Surrey, GU20 6HT The business trades under the name The Brickmakers
- 1 3 The registered office of the Company has been changed from Gambrill & Co, 216 Marlborough House, 159 High Street, Wealdstone, Middlesex HA3 5DX to Trafalgar House, Grenville Place, Mill Hill, London NW7 3SA
- 1 4 Details of the Company's directors and secretary are as follows

	Date appointed	Date resigned	Shares held
Director(s)			
Laurence Daryl Coveney	28 January 2002	To date	100
Scott Lawrence Boore Coveney	28 January 2002	To date	100
Secretary			
Scott Lawrence Boore Coveney	28 January 2002	To date	

2 Background to the Administration

- 2 1 The Company was incorporated on 28 January 2002 and traded as a management Company of Public Houses
- 2 2 On 25 May 2002, the Company purchased 4 pub/restaurants from The Old Monk Company PLC ("OMC") shortly prior to OMC being placed into Administration on 09 October 2002 The sites were The Brickmakers, The Fox and Hounds, The Carrington Arms, and The Thatched Tavern

4C INNS LIMITED – IN ADMINISTRATION

- 2 3 The Purchase was funded by a loan from Bank of Scotland (“BOS”) and additional directors loans BOS have a charge over the directors personal properties and have fixed and floating charge debentures over the assets of the Company as follows
- Debenture created on 27 May 2002 and registered on 30 May 2002
- Legal Charge over The Carrington Arms Public House created on 27 May 2002 and registered on 30 May 2002
- Legal Charge over The Brickmakers Arms Public House created on 27 May 2002 and registered on 30 May 2002
- Legal Charge over The Thatched Tavern Public House created on 27 May 2002 and registered on 30 May 2002
- Legal Charge over The Fox And Hound Public House created on 27 May 2002 and registered on 30 May 2002
- 2 4 BOS also held a charge over Minden Lodge, Camberley, Surrey, being the home of the directors parents
- 2 5 The loan was initially over 7 years at a repayment of £22,000 per month
- 2 6 At the point of acquisition the Company had approximately 20 staff per site and an additional 3 Head Office staff
- 2 7 In 2003, due to the high monthly repayments to BOS, the directors renegotiated with a 3 year extension of the loan to 10 years so as to reduce the monthly amount to £17,000 per month
- 2 8 In 2004, the Company obtained a premium free lease on The New Inn, Kidmore End, Reading from Brakspears Ltd The lease was for 21 years at an annual rent of £65,000 Following a £500,000 refurbishment by Brakspears, the Company commenced operating The New Inn in November 2004 The acquisition of The New Inn increased staff levels by around fifteen
- 2 9 In September 2006 the directors of the Company signed a premium free lease deal with Greene King to take over The Robin Hood in Maidenhead following a £750,000 refurbishment undertaken by Greene King

4C INNS LIMITED – IN ADMINISTRATION

- 2 10 The Company encountered a major set back when in October 2006, the outbreak of Foot and Mouth disease in Surrey resulted in the closure of Windsor Great Park, a significant trading draw for both The Fox and Hounds and The Thatched Tavern, which were 200 yards and half a mile away respectively. The closure was for 12 weeks and cost the company around £70,000 in sales and as a result caused losses of £30,000 in the months concerned.
- 2 11 In November 2007 the landlord of The Carrington pursued a claim for £40,000 against the Company for loss of revenue incurred by them via the Company's under lease to London and Edinburgh Inns which had gone in to administration. This resulted in them presenting a winding-up petition against the Company together with ten days notice of changing the locks and moving in to the site. The directors sought legal advice and were told that to fight a £1 billion company using the second largest legal firm in London would cost the Company £10,000 – 15,000 to prevent the closure and further costs to continue with any further action. In early 2008 the Company agreed to pay £30,000 in respect of the Carrington Arms debt to be paid over the first three months of the year.
- 2 12 Additionally, due to the opening of two new competitors in the local area, The Carrington Arms experienced a significant reduction in sales over the latter month of 2006 in the region of 20%.
- 2 13 In March 2007 The Robin Hood opened with very good sales, but required a significant investment to ensure success.
- 2 14 The strain on cash flow due to the investment in The Robin Hood and the two previous events caused the directors to inject further loans to the Company to protect cash flow.
- 2 15 The Robin Hood was at the higher end of the market offering seeking to gain market share in an affluent and growing area of Berkshire, within reach of the wealthy town of Marlow and many chimney pots of Maidenhead.
- 2 16 Initial sales were to budget and exceeded the directors' expectations in the first 6 months of the year.
- 2 17 The problems at Northern Rock Building Society in September 2007 and the consequent credit crunch significantly affected the sales at The Robin Hood due to the higher price point in what now became a far more competitive market given the reduction in spending by customers in the area.

4C INNS LIMITED – IN ADMINISTRATION

- 2 18 In July 2007 smoking was banned in all indoor public places. This had a large impact on the pub trade generally and on sales at The Brickmakers, which traditionally had had a strong smoking based drinking customer.
- 2 19 In 2008, the directors accepted offers from local businessmen in the immediate vicinity for the sale of The Carrington Arms and The New Inn. Both sites had been incurring losses and geographically they were becoming increasingly harder to manage.
- 2 20 This resulted in the sale of the New Inn in March 2008 and subsequent sale of The Carrington Arms in June 2008. The proceeds of sale were used to reduce the loan to BOS and support cash flow.
- 2 21 In late 2008 Lehman Brothers collapsed and as a result, in 2009, due to the lack of confidence within the economy and industry, many creditors were looking to reduce their credit terms from what had been agreed. The utility companies for the four remaining sites insisted on a pre payment for energy supplies.
- 2 22 In April 2010, the Company was involved in legal discussion with the Landlord of The New Inn in connection with the Company's responsibility for a £25,000 debt incurred by the purchaser, The New Inn Kidmore End Ltd, of the New Inn lease in 2008. The New Inn Kidmore End Limited had gone in to administration in March 2010. The terms of the lease held the Company accountable for the losses to the Landlord. Despite the Company's view that the Landlord had acted entirely unprofessionally in its dealings with The New Inn Kidmore End Ltd in respect of the unreasonable accumulation of debt to them, the Company was forced to accept responsibility for £14,000 of the debt.
- 2 23 The directors informed staff in May 2010 that they would be actively seeking offers for the sites.
- 2 24 In July 2010 the Company received an offer of £1million for the four sites from Urban and Country Leisure ("U&C"). The Company commenced due diligence at the end of July and heads of terms were signed in August 2010.
- 2 25 Due to slow progress on the deal in September, the directors sought other interested parties and appointed Davis Coffey Lyons as agents for the sale to seek alternative offers.

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- 2 26 Subsequently, offers were received for two of the sites
- 2 27 In October 2010, it was agreed with U&C that they would proceed only with the acquisition of The Brickmakers and The Robin Hood and a date of 1 December 2010 was agreed for the sale
- 2 28 In the week of the proposed sale to U&C, they informed the Company that they no longer wished to purchase the sites. Despite assurances to the contrary, U&C had undergone no discussions with the Landlord of The Brickmakers and had not been granted the licence to take over the site. The directors had been informed that all was in place at every stage prior to the sale date
- 2 29 In December 2010, the Company received an offer of £200,000 for the sale of The Brickmakers. This offer was subsequently reduced to £180,000. During this time, the Company also exchanged contracts on the sale of The Fox and Hounds
- 2 30 In January 2011, the Company received an offer for The Robin Hood with a proposed takeover day of 01 April 2011
- 2 31 At this stage all sites had sale processes that indicated that they would complete in or around the end of March, first week of April 2011
- 2 32 The sale of the Fox and Hounds was completed on 01 March 2011
- 2 33 Despite the Company being informed by the potential purchaser that they had instructed solicitors to commence with the purchase of the sites, it was felt by the Company that both the purchaser and Landlord had spent far too long in negotiations in respect of the terms to be agreed in respect of the leases. However, the Company received continued communication that suggested the sale was imminent
- 2 34 As time went forward the anticipated completion date for The Robin Hood and The Brickmakers became extremely unlikely. A new date of 25 May 2011 was given for the sale of The Robin Hood at a reduced price due to the valuation received by the lender to the purchaser in the beginning of April 2011
- 2 35 The Company continued to experience severe cash flow difficulties and with the increased delay in completing on the sale of The Brickmakers and with the proposed purchaser insisting that completion could not take place until the autumn, coupled with the directors being unable to inject any further loans into the Company, on 09 May 2011, they took professional advice on 09 May 2011 from B&C Associates Limited ("B&C")

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- 2 36 B&C advised the directors that it was acceptable to delay insolvency action until after the sale of The Robin Hood so long as the creditors' position overall did not worsen in that time. They confirmed that it would not. The directors also confirmed that they would not prefer one creditor over another pending the sale of The Robin Hood, and would only make those payments that were essential to keep the business operating in order to enhance the sale of the two remaining sites for the benefit of the creditors.
- 2 37 The sale of The Robin Hood completed on 25 May 2011.
- 2 38 On 01 June 2011, B&C Associates were formally instructed and assisted the directors with filing a notice of intention to appoint an administrator which was filed in The High Court of Justice on 01 June 2011 and served on the Governor and Company of The Bank of Scotland c/o Lloyds Banking Group.
- 2 39 As a result, Jeffrey Mark Brenner of B&C Associates Limited, Trafalgar House, Grenville Place, Mill Hill, London, NW7 3SA a licensed insolvency practitioner, was appointed Administrator of the Company by the directors of the Company on 13 June 2011.
- 2 40 The Administration is registered in the High Court of Justice, under reference number 4757 of 2011.
- 2 41 The EC Regulation on Insolvency Proceedings 2000 applies to the Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 Administration Strategy and Objective

- 3 1 The Administrator must perform his functions with the purpose of achieving one of the following objectives:
- rescuing the Company as a going concern,
 - achieving 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
 - realising property in order to make a distribution to one or more secured or preferential creditors.

The second and third objectives are being pursued.

Further information on the pursuance of the above objectives is detailed below.

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- 3 2 To preserve the goodwill of the Company, prior to Administration, negotiations took place with the director of The Brickmakers Limited, Lawrence Coveney with a view to The Brickmakers Limited trading from the premises of The Brickmakers Public House. On the date of Administration being 13 June 2011, a Management Agreement was signed allowing The Brickmakers Limited to trade from the premises until a sale of the same could be completed at a premium of £200 per week.
- 3 3 Shortly prior to Administration, an Independent valuation of the Company's assets was obtained and discussions held with the appointed agents, James Owen & CO regarding the possibility of offering the business for sale on the open market. The business and assets were valued on a going concern basis and a forced sale basis. The agents explained that normally, in order to assess the saleability of the business they would need to advertise the sale of the business. However, in the agents opinion, this may damage the business and therefore would depress the price. The agent was also aware that two offers had been received prior to their instructions which were in excess of their valuation.
- 3 4 The agents have recommended that one of the offers received in the sum of £180,000 should be accepted. This would result in the secured creditor being discharged in full and a dividend becoming available to the unsecured creditors. However, the potential purchaser has indicated that they will not be in a position to complete until September/October 2011.

4 Administrator's Receipts and Payments

- 4 1 To date, there have been no receipts and no payments made from Administration account. With the exception of the pending sale of The Brickmakers Public House, the first receipt in respect of the Management Agreement of £866.66 is expected to be received on 13 July 2011.

5 Financial Position

- 5 1 A Statement of the Company's Affairs has not yet been received. Attached as Appendix B is a summary of the Estimated Financial Position of the Company as at 13 June 2011, together with a list of creditors names and addresses along with details of their debts (including details of any security held by them).
- 5 2 I have the following observations to make in relation to the Estimated Financial Position of the Company

4C INNS LIMITED – IN ADMINISTRATION

Assets (specifically pledged)

5 3 Leasehold Property

The leasehold property being The Brickmakers Public House has a book value of £90,636 and has been professionally valued on a going concern basis but has no realisable value on a forced sale basis

5 4 Goodwill

The goodwill which has a book value of £90,636 has been professionally valued on a going concern basis and on a forced sale basis at £3,000

5 5 Secured Creditor – HBOS

HBOS (formerly Bank of Scotland) has a legal charge over the property and a fixed & floating charge debenture over the other assets including a fixed charge over the goodwill. Shortly prior to Administration, the sum of £46,673 remained due to HBOS

Assets (not specifically pledged)

5 6 Furniture & Equipment, Fixtures & Fittings

The furniture & equipment, fixtures & fittings which have a book value of £1,175 have been professionally valued on a going concern basis and a forced sale basis at £3,000

Liabilities - Unsecured Creditors

5 7 Trade & Expense Creditors

5 8 A schedule of the trade & expense creditors is attached as Appendix B and is self explanatory

5 9 Directors Loans

The sum of £104,000 represents sums injected into the Company equally between Laurence and Scott Coveney. This sum remains outstanding

5 10 National Westminster Bank PLC

The sum of £123,742 represents the current overdraft on the Company's bank account. The directors have personally guaranteed the bank's claim

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5 11 **HM Revenue & Customs – PAYE/NIC**

The sum of £98,429 represents outstanding PAYE/NIC for the following periods ending 05 April

2007 - £5,051, 2008 - £37,132, 2009 - £13,677, 2010 - £17,554,

2011 - £10,072, 2012 - £14,943

5 12 **HM Revenue & Customs – VAT**

The sum of £115,060 represents outstanding VAT due

6 **Proposals**

It is proposed that the Administrator will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that

- 6 1 If having realised the assets of the Company, the Administrator thinks that a distribution will be made to the unsecured creditors, he proposes filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrator to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Administrator will become the Liquidator of the CVL. See Section 7 below on **Exit Routes** for further information on this process.
- 6.2 If the Administrator thinks that the Company has no property which might permit a distribution to its creditors, he will file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See Section 7 below on **Exit Routes** for further information on this process.
- 6 3 The Administrator shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.
- 6 4 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Administrator's remuneration and any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.

4C INNS LIMITED – IN ADMINISTRATION

- 6 5 The basis of the Administrator's remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him
- as a percentage of the value of the assets he has to deal with, or
 - by reference to time properly spent by the Administrator and his staff managing the Administration, plus all disbursements including SIP 9 category 2 disbursements, or
 - as a set amount
- 6 6 Where no Creditors' Committee is appointed, the remuneration of the Administrator shall be fixed by resolution of a meeting of creditors or where the Administrator thinks that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2 106 of the Insolvency Rules 1986
- 6 7 In this case, the Administrator is seeking to approve the basis of his remuneration as follows
- by reference to time properly spent by the Administrator and his staff managing the Administration, plus all disbursements including SIP 9 category 2 disbursements
- 6 8 The Administrator be authorised to draw remuneration as and when funds are available
- 6 9 The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

7 Exit Routes

Creditors Voluntary Liquidation

7.2 Based on present information, the Administrator thinks a dividend is likely to be paid to the unsecured creditors. In this situation, the Administrator will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL). It is proposed that the Administrator will also become the Liquidator of the CVL.

7.3 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrator prior to these proposals being approved. Where this occurs, the Administrator will advise creditors and provide the opportunity to vote. In the absence of a nomination, the Administrator will automatically become the Liquidator of the subsequent CVL.

Dissolution of the Company

7.4 If the Administrator thinks that the Company has no property which might permit a distribution to its creditors, it is proposed that he file a notice together with his final progress report at Court and with the Registrar of Companies for the dissolution of the Company. He will send copies of these documents to the Company and its creditors. The Administrator's appointment will end following the registration of the notice by the Registrar of Companies.

4C INNS LIMITED – IN ADMINISTRATION

8 Pre-administration Costs

8.1 Pre-appointment fees charged and expenses incurred by the administrator are as follows

Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
<i>B&C Associates Limited</i>	<i>Prior to 01 June 2011, B&C Associates Limited provided professional advice to the directors of the Company including discussions relating to the options of CVA, Creditors Voluntary Liquidation and Administration plus holding substantial discussions in respect of the sale of the Company's remaining sites</i>	<i>£8 333 33 plus VAT</i>	<i>£8 333 33 plus VAT</i>	<i>4C Inns Limited</i>	<i>Nil</i>
<i>B&C Associates Limited</i>	<i>Marketing of the assets & negotiation of the sale of the premises and filing of the Notice of Intention to appoint an administrator</i>	<i>£1,260</i>	<i>Nil</i>	<i>N/A</i>	<i>£1,260</i>
<i>James Owen & Co</i>	<i>Visiting the four premises being The Brickmakers, Fox & Hounds, The Robin Hood, The Thatched Tavern and carrying out valuations</i>	<i>£4 000</i>	<i>Nil</i>	<i>N/A</i>	<i>£4,000</i>
<i>Gateley LLP</i>	<i>Checking the Company details, preparing the appointment documentation, preparing the management agreement, serving the notice of intention to appoint an administrator on the Compan and HBOS, filing of Notice of Intention to appoint an administrator and Notice of appointment of an administrator</i>	<i>£2,556 50</i>	<i>Nil</i>	<i>N/A</i>	<i>£2,556 50</i>

4C INNS LIMITED – IN ADMINISTRATION

- 8 2 The payment of the unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Administrator's proposals. This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively by resolution of a meeting of creditors where there is no Committee.

9 Administrator's Remuneration

- 9 1 The Administrator's time costs at 11 July 2011 are £2,325. This represents 09 hours at an average rate of £258.33 per hour. As noted in the Proposals section above, the Administrator is seeking to fix the basis of his remuneration on a time cost basis. Appropriate approval will be sought as outlined in section 6 of this report.
- 9 2 A copy of "A Creditors' Guide to Administrator's fees" is available on request or can be downloaded from www.icaew.co.uk/insolvency. If you would prefer this to be sent to you in hard copy please contact Paul Whiter of this office on 020 8906 7730.
- 9 3 Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade to the above date.
- 9 4 Attached as Appendix D is additional information in relation to my firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

10 Estimated Outcome

- 10 1 An estimate of the outcome of the Administration as at 11 July 2011 is attached as Appendix E. This indicates that subject to the sale of the business and assets being agreed and completed in the sum of £180,000 and after discharging the anticipated costs of the Administration, there may be sufficient funds to enable a dividend to the unsecured creditors of approximately 19p in the £.
- 10 2 Based on the Estimated Financial Position of the Company the estimated value of the preferential creditors is nil and the unsecured creditors is £498,924.
- 10 3 The Company granted a floating charge to Bank of Scotland (now HBOS) on 27 May 2002 which was registered at Companies House on 30 May 2002. Accordingly, there is no requirement to create a fund out of the Company's

4C INNS LIMITED – IN ADMINISTRATION

net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003

11 Next Report

- 11 1 The Administrator is required to provide a progress report within one month of the end of the first six months of the Administration

12 Meeting of Creditors

- 12 1 An initial meeting of the Company's creditors is being convened to approve the Administrator's proposals. The meeting will be held on 11 August 2011 at 2 00pm at Trafalgar House, Grenville Place, London NW7 3SA
- 12 2 Further information on the meeting is contained in the letter accompanying this report

For and on behalf of
4C Inns Limited



J M BRENNER
ADMINISTRATOR

Enc

APPENDIX A

**RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM 13
JUNE 2011 TO 11 JULY 2011**

4C Inns Limited
(In Administration)
Administrator's Abstract of Receipts & Payments

Statement of Affairs		From 13/06/2011 To 11/07/2011	From 13/06/2011 To 11/07/2011
	SECURED ASSETS		
NIL	Leasehold Land & Property	NIL	NIL
3,000 00	Goodwill	NIL	NIL
		NIL	NIL
	SECURED CREDITORS		
(46,673 00)	HBOS	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
3,000 00	Furniture/ Equipment/Fixtures & Fitting	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(57,693 00)	Trade & Expense Creditors	NIL	NIL
(104,000 00)	Directors Loans	NIL	NIL
(123,742 00)	National Westminster Bank PLC	NIL	NIL
(98,429 00)	H M Revenue & Customs - PAYE/NIC	NIL	NIL
(115,060 00)	H M Revenue & Customs - VAT	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(200 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(539,797.00)		NIL	NIL
	REPRESENTED BY		
			NIL

Jeffrey Mark Brenner
Administrator

**SUMMARY OF THE ESTIMATED FINANCIAL POSITION OF THE
COMPANY AS AT 13 JUNE 2011**

Insolvency Act 1986

4C Inns Limited
Estimated Statement Of Affairs as at 13 June 2011

	Book Value	Estimated to Realise
	£	£
ASSETS		
Leasehold Land & Property	160,178 00	NIL
Goodwill	90,636 00	3,000 00
HBOS	(46,673 00)	(46,673 00)
Deficiency c/d		(43,673 00)
Furniture/ Equipment/Fixtures & Fittings	1,175 00	3,000 00
		3,000 00
LIABILITIES		
PREFERENTIAL CREDITORS -		
		NIL
		3,000 00
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003		
Deficiency b/d		43,673 00
		(40,673 00)
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
		NIL
		(40,673 00)
Estimated prescribed part of net property where applicable (to carry forward)		NIL
		(40,673 00)
DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003		
		NIL
		(40,673 00)
Estimated prescribed part of net property where applicable (brought down)		NIL
		NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Shortfall to preferential creditors/F C's pre 15 Sept 2003 (brought down)	40,673 00	
Trade & Expense Creditors	57,693 00	
Directors Loans	104,000 00	
National Westminster Bank PLC	123,742 00	
H M Revenue & Customs - PAYE/NIC	98,429 00	
H M Revenue & Customs - VAT	115,060 00	
		539,597 00
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)		(539,597 00)
		(539,597 00)
Issued and called up capital		

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4C Inns Limited
Estimated Statement Of Affairs as at 13 June 2011

	Book Value	Estimated to Realise
	£	£
Ordinary Shareholders		200 00
		200 00
TOTAL SURPLUS/(DEFICIENCY)		(539,797 00)

B&C Associates Limited
4C Inns Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CA00	A & B Oil	614 00
CA01	Ace Fire Protection	246 00
CA02	Adept Linen & Garment Rental Limited	3,379 00
CA03	Autobar UK Limited	326 00
CB00	Biffa Waste Services Limited	1,506 00
CB01	BOC	366 00
CB02	Brake Bros Limited	3,658 00
CB06	British Gas Electrical	5,029 00
CB05	BT Payment Services Limited	662 00
CC00	Calor Gas Limited	1,495 00
CC01	Chef's Herbs	641 00
CD00	Delice De France Plc	841 00
CE00	Enterprises Inns Plc	1,372 00
CF00	Fuller Smith & Turner Plc	3,270 00
CH02	H & B Foods Limited	2,082 00
CK00	Krystal Hygiene Limited	1,924 00
CN00	N Power	4,794 00
CP01	Phoenix Fine Foods Limited	319 00
CR00	Reeves Butchers Limited	1,760 00
CS00	Sharps's Brewery Limited	1,742 00
CS01	Simson's Fisheries	6,235 00
CS02	Sinclair Collis Limited	80 00
CS03	Streamline	1,222 00
CT00	Till Roll Company	344 00
CV02	Veola Water	1,040 00
CV00	Viking Direct	171 00
CS05	Vin Sullivan	389 00
CV01	Vodafone	247 00
CB03	W H Brakspear & Sons Plc	8,500 00
CW01	Windsor & Maidenhead Council	2,580 00
CZ00	Zonal Retail Data Systems	859 00
31 Entries Totalling		57,693 00

@ - Denotes associate creditor

Signature _____

**TIME ANALYSIS FOR THE PERIOD FROM 13 JUNE 2011 TO 08 JULY 2011
AND FROM 01 JUNE 2011 TO 12 JUNE 2011**

SIP 9 - Time & Cost Summary

Period 01/06/11 12/06/11

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	2 00	2 00	0 00	0 00	4 00	1,260 00	315 00
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	2 00	2 00	0 00	0 00	4 00	1,260 00	315 00
Total Fees Claimed						0 00	

SIP 9 - Time & Cost Summary

Period 13/06/11 11/07/11

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 50	5 50	0 00	0 00	7 00	2,005 00	286 43
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 50	0 00	0 00	0 50	132 50	265 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	0 00	0 00	1 50	1 50	187 50	125 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 50	6 00	0 00	1 50	9 00	2,325 00	258 33
Total Fees Claimed						0 00	

ADDITIONAL INFORMATION IN RELATION TO ADMINISTRATOR'S FEES PURSUANT TO STATEMENT OF INSOLVENCY PRACTICE 9

1 Policy

Detailed below is B&C Associates Limited's policy in relation to

- Staff allocation and the use of subcontractors
- Professional advisors
- Disbursements

1 2 Staff allocation and the use of subcontractors

My general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Director, Manager, Senior and Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and on larger, more complex cases, several Seniors/Assistants may be allocated to meet the demands of the case

With regard to support staff, I would advise that time spent by cashiers in relation to specific tasks on an assignment is charged

I have not utilised the services of any subcontractors in this case

1 3 Professional advisors

On this assignment I have used the professional advisors listed below. I have also indicated alongside, the basis of my fee arrangement with them, which is subject to review on a regular basis

Name of Professional Advisor	Basis of Fee Arrangement
Gateley LLP (legal advice)	Hourly rate & disbursements
James Owen & Co (valuation)	Percentage of asset value/realisations

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

1 1 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred which relate to payments due to associated companies for the provision of services to the office holder. On this case the following costs have been incurred:

Amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and purpose	£
Meeting room hire	50 00
Registered Office fee	50 00
Circularisation to creditors and others	226 80
Initial Case setup costs	10 00
IPS Accounting system charge	15 00
Telephone	10 00
Total	361.80

1 2 Charge-out rates

A schedule of our charge-out rates for this assignment effective from January 2011 is detailed on the next page.

DETAILS OF CHARGE OUT RATES & POLICY REGARDING THE RECHARGE OF DISBURSEMENTS – JANUARY 2011

The current hourly charge out rates applicable to this appointment (excluding VAT) are

	£
Directors	365
Managers	265/325
Administrators	165
Assistants	125
Juniors	75

Charge out rates, and rates for indirect expenses (see below), are normally reviewed annually in December with any changes taking effect from 1 January. Charges take into account such matters as inflation, increases in salary costs and changes to indirect costs such as Professional Indemnity Insurance.

Direct Expenses (“Category 1 disbursements”)

Category 1 disbursements are defined by Statement of Insolvency Practice No9 (SIP9) as those which can be specifically identified as relating to the administration of the case and are charged at cost, with no uplift. These include, but are not limited to, such items as statutory advertising, bonds and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case - typically travel costs.

Indirect Expenses (“Category 2 disbursements”)

Category 2 disbursements are also defined by SIP9 and relate to payments made by B&C Associates Limited, which include an element of shared or allocated costs. Typical examples relate to photocopying and correspondence. On this case the following costs may be incurred:

	£	
Circularisation to creditors & others	2 70	per circular
Meeting Rooms	50 00	usage charge
IPS Accounting system charge	15 00	per annum
Telephone	10 00	per annum
Registered Office fee	50 00	one off charge
Faxes	0 40	per fax
Letters out other than circulars	1 00	per letter
Initial case set up costs	10 00	per case

4C INNS LIMITED
ESTIMATED OUTCOME STATEMENT AS AT 11 JULY 2011

4C INNS LIMITED - PROPOSED ADMINISTRATION
ESTIMATED OUTCOME STATEMENT
AS AT 11 JULY 2011

	Notes	BOOK VALUE £	LIQ'N £	ADMIN £
ASSETS (specifically pledged)				
Leasehold Premises, Goodwill, incl Fixtures	1	251,989	6,000	180,000
LESS:				
HBOS	2	<u>(46,673)</u>	<u>(46,673)</u>	<u>(46,673)</u>
Estimated surplus/(deficiency) to floating		<u><u>205,316</u></u>	<u>(40,673)</u>	<u>133,327</u>
LESS: costs				
Statement of Affairs Fee	3		(8,500)	
Agents fees	4		(5,000)	(10,000)
Pre appointment fees	5			(1,260)
Legal Fees	6		(1,000)	(10,000)
Administrator's fees	7			(15,000)
Liquidator's fees	8		(10,000)	
Anticipated disbursements	9		<u>(1,500)</u>	<u>(1,500)</u>
			<u>(26,000)</u>	<u>(37,760)</u>
Preferential creditors				
Holiday Pay (based on 1 week per employee)	10		(3,000)	Nil
Arrears of wages (based on 1 month)	11		<u>(13,000)</u>	<u>Nil</u>
Estimated surplus/(deficiency) as per preferential creditors			<u>(42,000)</u>	<u>(37,760)</u>
Unsecured creditors				
HMRC-PAYE/NIC	12		(98,429)	(98,429)
HMRC - VAT	13		(115,060)	(115,060)
Employees - Payment in lieu of notice	14		(3,000)	Nil
Employees - Redundancy	15		(3,000)	Nil
Directors Loans	16		(104,000)	(104,000)
National Westminster Bank PLC	17		(123,742)	(123,742)
Trade & expense creditors	18		<u>(57,693)</u>	<u>(57,693)</u>
Estimated deficiency as per unsecured creditors			<u><u>(504,924)</u></u>	<u><u>(498,924)</u></u>
Estimated dividend to unsecured creditors			Op in the £	19 15p in the £

4c Inns Limited
Notes to Estimated Outcome statement

- 1 The leasehold premises have a book value of £160,178, the goodwill has a book value of £90,636 and the fixtures and fittings a book value of £1,175. The figure of £6,000 represents the agents valuation of the goodwill and fixtures and fittings on a forced sale basis. The sum of £180,000 represents the anticipated sale price.
- 2 The figure due to HBOS has been provided by the directors and is personally guaranteed by the directors.
- 3 The statement of affairs fee has been estimated and would only apply if the Company was to proceed into Creditors Voluntary Liquidation.
- 4 The sum of £10,000 has been quoted by the instructed agents of which £4,000 relates to all pre-administration work carried out as detailed in 8.2 of the Proposals.
- 5 The pre-appointment fees are detailed in 8.2 of the Proposals.
- 6 The sum of £10,000 has been estimated and includes all pre-appointment work carried out as detailed in 8.2 of the Proposals.
- 7 The Administrator's fees have been estimated.
- 8 Liquidator's fees are estimated and would only apply if the Company was placed into Liquidation.
- 9 The anticipated disbursements are estimated.
- 10 The holiday pay claim of £3,000 is based on employees claims for 1 week each. This would apply only if the Company was placed into Liquidation.
- 11 The arrears of wages is based on employees claims for 1 months wages and would only apply if the Company was placed into Liquidation.
- 12 The sum of £98,429 represents outstanding PAYE/NIC for the period 2007 to 2012, as detailed in 5.11 of the Proposals.
- 13 There is outstanding VAT due totalling £115,060.
- 14 & 15 The sums due to employees in respect of payment in lieu of notice and

redundancy would only apply if the Company was placed into Liquidation

- 16 The sum of £104,000 represents sums injected into the Company equity between the directors and remains outstanding
- 17 The sum of £123,742 represents the current bank overdraft with National Westminster Bank PLC The overdraft has been personally guaranteed by the directors
- 18 The trade & expense creditors are included in Appendix B of the Proposals

Rule 2.35

Notice of a meeting of Creditors

Name of Company

4C Inns Limited

Company number

04362184

In the
High Court of Justice, Chancery Division
(full name of court)Court case number
4757 of 2011(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by (a)
Jeffrey Mark Brenner
B&C Associates Limited
Trafalgar House
Grenville Place
Mill Hill
London
NW7 3SA

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

that a meeting of creditors of (b)

4C Inns Limited
Trafalgar House
Grenville Place
Mill Hill
London NW7 3SA

(c) Insert details of place
of meeting

is to be held at (c)

(c) Trafalgar House, Grenville Place, London NW7 3SA

(d) Insert date and time
of meeting

on (d) 11 August, 2011 at 2 00pm

The meeting is

*Delete as applicable

an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986
(‘the schedule’)

I invite you to attend the above meeting

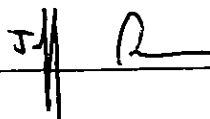
A proxy form is enclosed which should be completed and returned to me by the date of the
meeting if you cannot attend and wish to be represented

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

Administrator

Dated



11.7.11

*Delete as applicable

A copy of the *proposals/ revised proposals is attached

Insolvency Act 1986**Proxy (Administration)****4C Inns Limited – In Administration**

Name of Creditor _____

Address _____

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.

Name of Proxy Holder

1 _____

2 _____

3 _____

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 11 August 2011 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

*Please delete as appropriate

- 1 That the Administrator's proposals be approved **For/Against***
- 2 Under Rule 2.67A of the Insolvency Rules 1986 and in the absence of a Creditors' Committee, the pre-administration costs as detailed in the Administrator's proposals be approved **For/Against***
- 3 Under Rule 2.106 of the Insolvency (Amendment) Rules 2003 and in the absence of a Creditors' Committee, the remuneration of the Administrator be fixed by reference to time properly spent by the Administrator and his staff managing the Administration, plus all disbursements including SIP 9 category 2 disbursements **For/Against***
- 4 In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Administrator be authorised to draw remuneration plus all disbursements including SIP 9 category 2 disbursements as and when funds are available on account of their time costs **For/Against***
- 5 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect **For/Against***
- 5 For the appointment of _____
of _____
representing _____
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

CREDITOR'S STATEMENT OF CLAIM**4C INNS LIMITED – IN ADMINISTRATION****13 JUNE 2011**

1	Name of Creditor	
2	Address of Creditor	
	Email address	
	Telephone Number	
	Fax Number	
	Registered number (for companies)	
3	Total claim, including VAT, as at the date of Administration	
4	Details of documents by which debt can be substantiated	
5	Is the whole or part of the debt preferential? If so, state amount and details	
6	Particulars and value of any security held and the date it was given	
7	Signature of Creditor or authorised person NAME IN BLOCK LETTERS Creditor's reference	
8	Position or relationship with Creditor <i>(e g director, accountant, credit controller, etc)</i>	

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to Paul Whiter at B&C Associates, Trafalgar House, Grenville Place, Mill Hill, London NW7 3SA

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994 In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account

Claims lodged in the liquidation should be gross, including any VAT element Amounts claimed should also be net of any discount and any adjustment made to set-off amounts owed by the creditor to the company in Administration If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT return

Insolvency practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994 Creditors who are uncertain how to claim should contact their VAT office or take professional advice