

# 2.17B

The Insolvency Act 1986

## Statement of administrator's proposals

Name of Company Essex Woodcraft Limited	Company number 05177993
In the High Court of Justice Chancery Division Manchester District Registry (full name of court)	Court case number 2730 of 2016

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

I/We (a)  
Robert Neil Dymond  
Wilson Field Limited  
The Manor House  
260 Ecclesall Road South  
Sheffield  
S11 9PS

Emma Bower  
Wilson Field Limited  
The Manor House  
260 Ecclesall Road South  
Sheffield  
S11 9PS

\*Delete as  
applicable

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

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

(b) 6 October 2016

Signed

  
Joint / Administrator(s)

Dated

6.10.16

### Contact Details.

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information that you give will be visible to researchers of the public record

Robert Neil Dymond  
Wilson Field Limited  
The Manor House  
260 Ecclesall Road South  
Sheffield  
S11 9PS

DX Number

01142356780  
DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**

WEDNESDAY



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12/10/2016

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COMPANIES HOUSE

**In the High Court of Justice, Chancery Division, Manchester District Registry  
Court Number 2730 of 2016**

**In the matter of  
Essex Woodcraft Limited ("the Company")**

**and**

**In the matter of the Insolvency Act 1986**

**Statement of Joint Administrators Proposals ("the Proposals")**

**Pursuant to Paragraph 49 of Schedule B1 of the  
Insolvency Act 1986**

## **Essex Woodcraft Limited – In Administration**

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## 1. Introduction

The Proposals are made pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 ("the Act")

Paragraph 49(2) of Schedule B1 to the Act requires this statement to deal with the matters set out in Rule 2.33(2) of the Insolvency Rules 2010 ("the Rules")

A copy of the Proposals have been sent to

- the Registrar of Companies,
- every creditor of the Company whose claim and address the Joint Administrators are aware of, and
- every member of the Company whose address the Joint Administrators are aware of

It is considered that the EC Regulation on insolvency proceedings will apply and that these proceedings will be main proceedings as defined in Article 3 of the EC Regulation

The purpose of an Administration is to achieve one of the following hierarchical objectives

- a) rescuing the Company as a going concern, or
- b) 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
- c) realising property in order to make a distribution to one or more secured or preferential creditors

## 2 Statutory Information

Company name	Essex Woodcraft Limited
Registered address	Wilson Field Limited The Manor House 260 Ecclesall Road South Sheffield S11 9PS
Former registered address	8 Commerce Way Colchester CO2 8HJ
Other trading names of the Company	None
Company number	05177993
Date of incorporation	13 July 2004
Objects	Carpentry & Joinery
Authorised share capital	£1,000 divided into 1,000 shares of £1 each
Issued share capital	100 ordinary shares of £1 each

Shareholders	Name Ling Joinery Group Limited	Amount 100 ordinary shares	
Security	<p>Bibby Financial Services Limited hold a debenture incorporating a fixed and floating charge over the Company's assets and undertakings. This debenture was created on 25 November 2015 and registered on 27 November 2015.</p> <p>Five Arrows Business Finance PLC hold a debenture incorporating a fixed charge over the Company's assets. This fixed charge was created on 20 January 2016 and registered on 22 January 2016.</p>		
Directors	Name	Appointment	Resigned
	Michael Anthony Coffey	17 December 2015	
	Richard John Swinton	13 July 2004	17 December 2015
	Fiona Jane Swinton	13 July 2004	17 December 2015
Company Secretary	None		

### 3. Court details and Joint Administrators' appointment

The High Court of Justice, Chancery Division, Manchester District Registry, is the Court seized of the Administration proceedings. The Court reference number is 2730 of 2016.

Bibby Financial Services Limited ("Bibby") hold security by way of a fixed and floating charge. As holder of a qualifying floating charge, Bibby filed a Notice of intention to appoint Administrators on 29 July 2016. Following the expiry of this Notice, a further Notice of intention to appoint Administrators was filed on 5 August 2016 and Bibby subsequently filed a Notice of appointment of an Administrator on 11 August 2016.

Robert Neil Dymond and Emma Bower of Wilson Field Limited, The Manor House, 260 Ecclesall Road South, Sheffield, S11 9PS were appointed Joint Administrators of the Company.

Robert Neil Dymond and Emma Bower are Insolvency Practitioners licensed by The Institute of Chartered Accountants in England and Wales ("ICAEW").

The Joint Administrators considered the position prior to accepting the appointment, and having regard to their ethical guidelines, considered that there were no circumstances preventing them from accepting the appointment.

In accordance with Paragraph 100(2) of Schedule B1 of the Act both of the Joint Administrators may exercise any or all of the functions of the Joint Administrators jointly or alone.

#### 4. Background

The information provided in this section is based upon the Company records, the accuracy of which the Joint Administrators are unable to vouch for. The Joint Administrators cannot therefore be held personally liable for errors or misstatement of fact contained therein.

The Company was incorporated on 13 July 2004 under the name of Essex Woodcraft Limited.

The Company commenced trading in September 2004 from leased premises at 8 Commerce Way, Colchester, CO2 8HJ. The Company's principal activity was that of Carpentry and Joinery.

The Company banked with National Westminster Bank PLC ("the Bank"). The balance on the current account is overdrawn, although we are currently unaware of the precise figure as the director has failed to provide us with this information, and we are awaiting receipt of the Bank statements to verify the position.

#### Financial Information

Period	Year Ended 30 April 2015 £	Year Ended 30 April 2014 £
Turnover		2,329,061
Gross profit		673,486
Gross profit %		
Net profit/(loss)		154,674
Directors' emoluments		15,392
Fixed assets	210,606	219,238
Current assets	1,129,377	968,514
Current liabilities	(409,331)	(507,825)
Shareholders' Funds	679,795	414,070
Dividend Paid	Unknown	Unknown
Reserves carried forward		

The accounts for the years-ended 30 April 2015 and 30 April 2014 were approved by the board on 2 December 2015 and 6 January 2015 respectively.

The Company's initial period of trading proved difficult as the Company's former directors, Richard John Swinton and Fiona Jane Swinton, attempted to obtain a foothold and consequently establish the business within a congested local market. This is evident in the Company's annual accounts for the year-ended 30 April 2005 which recorded that the Company incurred a trading loss of £59,342.

Subsequently the Company was able to trade successfully which resulted in a net trading profit throughout 2006 until 2009. The Company did incur a trading loss of £42,443 within the year-ended 30 April 2010 however it had distributable reserves totalling £378,477. Following this, the Company continued to trade successfully, generating further profits, and whilst it incurred trading losses in 2012 and the first quarter of 2013, it still maintained a considerable level of distributable reserves and was ultimately able to generate a trading profit throughout the rest of 2013 and 2014. The Company again generated a substantial net trading profit of £279,960 within the year-ended 30 April 2015.

Following the latest annual accounts for the year-ended 30 April 2015, Mr and Mrs Swinton entered into negotiations with Ling Joinery Group Limited (CRN 09115897) in respect of a proposed sale of the Company's business and assets. Following extensive negotiations, the Company's business and assets were purchased by Ling Joinery Group Limited ("LJG") on 17 December 2015. £500,000 was payable on completion and £250,000 was payable by way of deferred consideration over the subsequent two year period. However, this was subject to an adjustment calculation based upon net assets, cash and debt upon completion. The target net assets in the Sale Purchase Agreement ("SPA") were £721,657.

Upon the completion of the sale, Mr Michael Coffey of LJG was appointed as the sole director of the Company on 17 December 2015 following the resignation of Mr and Mrs Swinton as directors on the same date. Furthermore, LJG acquired 100% of the Company's shareholding which was previously held by Mrs and Mrs Swinton. In addition, the Company's indebtedness to the Bank and a charge created on 12 January 2010 was satisfied in full.

Due diligence on the Company's debtor ledger was carried out by Bibby and Hayers Accountants of 121 Livery Street, Birmingham, B3 1RS ("Hayers"), prior to the completion of the sale and no discrepancies were discovered. However, upon completion, the director undertook an investigation into the book debt position and net asset position of the Company in order to prepare completion accounts in which it was discovered that the net asset position was significantly different to the purported amount discussed in the initial negotiations concerning the purchase of the Company's business and assets. Hayers had established that the Company's net asset position totalled c. £380,000 rather than the sum of c. £721,000 which was presented in the Company's accounts prior to the completion of the sale.

The Company had raised £430,000 from Bibby to help fund the purchase of the Company and the director has advised that the discrepancy in respect of the book debts immediately caused cash-flow issues as a portion of the Company's debtor ledger was uncollectable.

The Company's management accounts indicate that it generated a trading profit within each of the first four months following completion however its cash-flow was deteriorating as a result of the ongoing dispute with the previous directors of the Company. A settlement was subsequently agreed with the previous shareholders in May 2016 which resulted in the Company receiving a refund of £85,250 after legal costs of c. £85,000 had been paid. The director also sought to relocate the finance and management of the business to one of his other business premises remotely. This appears to have had a detrimental impact upon the control and management of the business.

Bibby subsequently raised concerns about the collectability of the debtor ledger and had various meetings and discussions with the director to review the position, seeking to obtain information to fully verify the position. As the Company was struggling with its cash flow, it fell into arrears with creditors. At this point, Wilson Field became involved with the Company and initially held discussions with the director about the potential to seek a Time To Pay arrangement with HMRC. It also became evident that the Company was struggling to pay its trade creditors, as various threats of legal action from bailiffs and winding-up proceedings were received.

As the debtor collections were still much lower than Bibby expected, and as they had not received various information which they had requested, Bibby requested a meeting with the director, representatives from Wilson Field and from The Vinden Partnership ("TVP") (chartered surveyors instructed by Bibby to review and verify the debtor ledger). Due to the protracted collection of the debtor ledger, Bibby concluded that their liability needed to be reduced to a more manageable level, and therefore in late June 2016 placed a freeze on further funding and sought to collect in the ledger.

Following this, a meeting was held between Wilson Field Limited, the director and a representative of TVP on 12 July 2016 in order to assess and establish the Company's financial position to establish the most appropriate insolvency route

Following extensive discussions, the director proposed that the Company enter into a Company Voluntary Arrangement ("CVA") Furthermore, the director proposed that the payment of wages due to the Company's employees for the week-ending 2 July 2016 would be paid by Ling Joinery Limited (CRN 02382591) ("LJ"), a connected company under common directorship The director also proposed that the Company would seek to submit all of its outstanding tax returns to HM Revenue & Customs ("HMRC") in order to increase the likelihood of HMRC accepting any such CVA proposals for the Company The director advised that he had several potential funders arranged to refinance the Company's debtor ledger on the proviso that Bibby release their debenture over the Company However, Bibby confirmed that they were unwilling to release their security until a funder and offer of finance was confirmed and, furthermore, they were aware that no due diligence had yet been completed by any purported funder

Bibby agreed to the strategy outlined above in principle on the basis that various controls and access be implemented and TVP be allowed to attend the Company's trading premises to undertake a further review of the Company's debtor ledger, its Sage records and its current order book in order to verify and reconcile the Company's debtor ledger to that of Bibby's In addition, TVP would be afforded operational input on the ongoing collection of the Company's debtor ledger Furthermore, the director was requested to provide visibility of the bank accounts operated by the Company, LJ and LJG to Wilson Field Limited, TVP and Bibby

In addition to the above, the director was requested to provide information required to formulate the Company's proposal for a CVA which notably included a full schedule of the Company's creditors, a cash flow forecast for the forthcoming 12 months, a full itemised breakdown of the Company's assets and its liabilities (including a full breakdown of various inter-company loan accounts) and a copy of the lease for the Company's trading premises due to the aforementioned difficulties with the previous shareholders who owned the Company's trading premises

The director had only provided limited amounts of information from that requested to formulate the CVA proposal As a result, it had yet to be demonstrated by the director whether the proposed CVA was a viable insolvency route

Accordingly, in further correspondence between Wilson Field and Bibby, it was agreed that the progress on this position would be monitored and that the position would again be reviewed prior to a winding-up hearing against the Company which had been scheduled to be held on 1 August 2016 It was agreed that, in the interim, Wilson Field would liaise with the petitioning creditor to seek their consent to an adjournment of the hearing due to the proposed CVA and that a further decision on the strategy would be made at a date closer to the hearing if no material information was provided by the director within this period

As a result of the above, a further request was made to the director on 22 July 2016 for him to provide the aforementioned information which was still outstanding In addition, the director was requested to provide draft terms for the proposal, confirmation on the current position concerning the outstanding tax returns due to be submitted to HMRC and he was advised that such information would be required ahead of the aforementioned winding-up petition hearing in order to be able to demonstrate an estimated return to the Company's creditors in a CVA

During the discussions concerning the proposed CVA, one concern raised was that the finance agreement held with Five Arrows Business Finance PLC ("Five Arrows") included an insolvency clause as a default of the agreement In effect, this meant that Five Arrows would be able to terminate the agreement upon the Company making a proposal for a CVA, and could therefore seek to repossess all of the equipment subject to the agreement This would severely impede



the Company trading and would therefore mean that the CVA would not be viable, unless Five Arrows were willing to agree not to enforce this clause. The director was therefore also requested to confirm whether he had entered into negotiations with Five Arrows concerning this matter.

Despite the numerous requests made to the director for the aforementioned information, no substantive response was received by the business day prior to the winding-up petition hearing. As a result, Bibby filed a Notice of Intention to appoint Administrators at Court in order to create an interim moratorium over the Company which would prevent any further action against the Company in respect of the winding-up petition. The Notice of Intention would allow the director further time to provide all of the aforementioned information requested to assess the viability of a CVA or, alternatively, whether another insolvency route would be more appropriate. The hearing was adjourned for a period of 7 days as a result.

Despite being afforded further time, it became apparent that the director was unable/unwilling to provide the aforementioned information to assess the viability of a CVA.

During subsequent discussions, the director advised that he would be willing to purchase the Company's business and its assets. Furthermore, the director advised he would seek an assignment of the lease for the Company's trading premises.

As a result, the Joint Administrators requested that the director confirm how he intended to implement such a procedure, the name of the entity and whether he would be able to propose an offer to purchase the Company's business and assets on a fair and reasonable basis.

The Joint Administrators had instructed Charterfields Limited ("Charterfields") of City Tower, Piccadilly Plaza, Manchester, M1 4BT, an independent firm of chartered surveyors and asset consultants who are qualified in accordance with the Royal Institution of Chartered Surveyors ("RICS"), to undertake an inventory and valuation of the Company's assets, its contracts and work-in-progress together with TVP and to advise on the best marketing and disposal strategy for the business.

Following the initial correspondence with the director concerning the aforementioned pre-pack Administration process, the director confirmed that the entity would be EW Architectural Joinery Limited (CRN 10304355) ("EW Architectural"), a connected company under the directorship of the director's partner. Furthermore, he confirmed that EW Architectural had made an application for a VAT number and a bank account and that several discussions with a funder had been held. The director was advised of the urgency of the current position and the proposed timeline which Bibby, as the secured creditor, were keen to implement.

As a result, a further Notice of Intention to appoint Administrators was filed on 5 August 2016 in order to further adjourn the winding-up petition hearing in order to allow a sale of the business to be concluded. The hearing was subsequently held where the Judge dismissed the winding-up petition on the basis of the impending Administration of the Company.

Despite several requests for the aforementioned information being made, the director failed to provide the same within the required timeframe prior to the expiration of the Notice of Intention. Accordingly, due to the time-sensitive implications and as Bibby sought to protect their own position as secured creditor, Bibby, as holder of a qualifying floating charge, filed a Notice of appointment of an Administrator on 11 August 2016 confirming the appointment of Robert Neil Dymond and Emma Bower of Wilson Field Limited as Joint Administrators of the Company.

Neither the Insolvency Practitioners nor Wilson Field Limited have had any previous relationship with the Company or its directors prior to being consulted in relation to the Company's insolvency.

## **5. Events subsequent to the appointment of the Joint Administrators**

The Joint Administrators of the Company have performed their functions with the purpose of achieving one of the following hierarchical objectives

- rescuing the Company as a going concern, or
- achieving a better result for the Company 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 first objective of rescuing the Company as a going concern was explored however due to the extent of the Company's insolvent status this was not possible

Current estimates indicate that realisations of the Company's assets will be insufficient to enable a dividend to unsecured creditors and therefore the second objective of Administration, that is 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) will not be achieved

As a result, the Joint Administrators are pursuing the third objective as it is anticipated that there will be a distribution to the secured creditor

### **Sale of the business and assets**

Shortly prior to the Joint Administrators' appointment, the Company's director indicated that he may wish to make an offer to the Joint Administrators to purchase the Company's business and its assets

As outlined above, Charterfields were instructed prior to the Administration to undertake a valuation of the Company's business and assets and to advise on the best marketing and disposal strategy for the same

Charterfields attended the Company's trading premises on 11 July 2016 to undertake a site inspection and value the Company's business and assets. This valuation established that the Company's assets comprised of its wholly owned assets which included office furniture and equipment, plant and equipment, motor vehicles and stock in addition to numerous items of equipment subject to third-party ownership under a hire purchase agreement with Five Arrows

In respect of the Company's unencumbered assets, Charterfields advised that these assets had a gross in-situ market value of £11,250 plus VAT, an ex-situ market value of £8,225 plus VAT and a value of £4,450 plus VAT subject to marketing constraints. In respect of the Company's assets subject to finance with Five Arrows, Charterfields stated that these assets had a gross ex-situ value of c. £23,000 to £25,000, however there was an outstanding balance of c. £75,000 owed to Five Arrows under the agreement. Accordingly, Charterfields confirmed that they were satisfied that there was no finance available in any of the assets subject to third-party ownership

Upon the commencement of the Administration, Charterfields entered into correspondence with a representative of EW Architectural Limited (CRN 10304355) ("EW Architectural") concerning the offer that the director had intimated he would submit to purchase the Company's assets. The director also made the Joint Administrators aware that, as a result of the Company's ongoing financial difficulties, he had already made the decision to make all 40 of the Company's employees redundant on 1 August 2016

It subsequently became apparent that EW Architectural had entered the premises and started operating the business following the Company ceasing to trade on 1 August 2016, effectively

transferring over what limited work-in-progress and order book there had been. As a result of this, and also taking into consideration the business's dependence on the equipment which was held by Five Arrows, without which it could not continue to trade, it was concluded between the Joint Administrators and Charterfields that there was no viable business to sell as a going concern.

Following extensive negotiations with EW Architectural, an offer was received to purchase the Company's unencumbered assets for the sum of £10,000 plus VAT which was to be payable by £3,300 plus VAT upon completion and the residual balance to be paid by way of two equal monthly instalments. This offer was submitted to Charterfields for their consideration.

However, in the concurrent period, it became apparent from extensive correspondence with the landlord of the Company's trading premises that he would be unwilling to assign the current lease or grant a new lease for the trading premises to any entity in which the director or his partner had any involvement with. In the earlier stages of the negotiations, the director had confirmed that neither he nor his partner would be directors or shareholders of the proposed purchasing company and, furthermore, they would have no involvement with the management of the same. The director therefore requested that a licence to occupy be drafted on this basis.

Despite the above, it remained evident that the landlord would be unwilling to cooperate with EW Architectural, the entity proposed by the director to purchase the Company's business and assets. As a result, it became evident EW Architectural, as the proposed entity, would be unable to trade from the Company's trading premises.

Following confirmation from Charterfields that the offer submitted by EW Architectural was fair and reasonable and therefore acceptable, the offer from EW Architectural was accepted in principle by the Joint Administrators on 16 August 2016. However, the Joint Administrators and Charterfields were aware of two other potentially interested parties and sought offers from these parties accordingly. Subsequently an offer was received from an unconnected party, Krystal Construction & Joinery Limited (CRN 09132082) ("Krystal") on 19 August 2016. This offer to purchase the Company's unencumbered assets was for the sum of £10,250 plus VAT and would be payable in full immediately upon completion. As above, this offer was submitted to Charterfields for their consideration and was duly accepted.

As a result of the above, Charterfields contacted EW Architectural to advise that an offer to purchase the Company's assets on better terms had been received. To avoid accruing costs and expenses disproportionate to the value of the assets, the Joint Administrators and Charterfields agreed that EW Architectural should be invited to make an improved offer prior to the close of business on 19 August 2016.

An improved offer was not received from EW Architectural and therefore, following recommendation from Charterfields and due to the aforementioned issues with the landlord that would result from a sale to EW Architectural, it was agreed by both the Joint Administrators and Charterfields that acceptance of the offer from Krystal would be the most appropriate course of action.

Accordingly, the Company's unencumbered assets were sold to Krystal on 22 August 2016 for the total sum of £10,250 plus VAT. This total consideration was received on the same date and allocated to the Company's unencumbered assets as follows -

Office Furniture and Equipment -	£2,000
Plant and Equipment -	£3,000
Motor Vehicle -	£2,250
Stock -	£3,000

### **Retention of Title/Suppliers**

Following their appointment, the Joint Administrators have received two separate ROT claims one of which has been rejected and the second of which is ongoing

Any additional creditor wishing to claim title on equipment that was held by the Company or stock delivered to the Company should contact the Joint Administrators immediately

### **Book debts**

As at the date of the Joint Administrator's appointments, the debtor ledger stood at £703,435, against which Bibby were owed £368,041 Bibby would also have additional charges to apply to this amount As detailed in the events leading up to the Administration, TVP were instructed with regard to the ledger and took action seeking to verify the debts and collect as much as possible From their investigations it became apparent that there were a number of false and incorrect invoices and that a substantial portion of the ledger is not collectable Since our appointment, Bibby have collected in £4,871 TVP have advised that they estimate to realise a maximum of c £100,000 in respect of the outstanding ledger

It is anticipated that there will be a substantial shortfall to Bibby following the collection of the ledger

Other actions taken by the Joint Administrators and their staff are as follows

- Compliance with our statutory duties to notify and advertise the appointment
- Notifying and liaising with Crown departments as necessary
- Arranging new Administration banking facilities
- Notifying and liaising with the Company's bank
- Notifying and liaising with the Finance Companies
- Notifying and liaising with the Company's professional advisors

### **Joint Administrators' agents and solicitors**

<b>Company</b>	<b>Role</b>	<b>Fee structure</b>
Charterfields Limited	Valuation and disposal advice in respect of the Company's assets	Time cost basis or percentage of realisations
Shoosmiths LLP	Dealing with the formalities of placing the Company into Administration in addition to tendering legal advice where necessary	Time cost basis
UKELC	Submitting claims for all employees of the Company to The Redundancy Payments Office	Fixed fee basis

### **Investigations**

The Joint Administrators' investigations into the Company's affairs are currently ongoing

The Joint Administrators have a statutory obligation to file a report with the Insolvency Service regarding the conduct of the directors that held office in the three years prior to the Administration. The report must be submitted within three months of the appointment date and creditors should note that the contents of this report are confidential.

The Joint Administrators also have a duty to investigate antecedent transactions which include,

- Transactions at an undervalue, S238 of the Act
- Preferences, S239 of the Act
- Transaction defrauding creditors, S423 of the Act
- Transactions with connected parties

Any creditor who has any information which they think may be relevant should forward appropriate details to the Joint Administrators as soon as possible.

## **6. Statement of Affairs**

The Joint Administrators requested a Statement of Affairs from the director on 17 August 2016 and 3 October 2016 however it has not been received. A schedule of the creditors together with an estimated Statement of Affairs prepared by the Joint Administrators based on information available from the Company records is attached at Appendix A. Unfortunately, despite numerous requests, the director has failed to provide information requested, including details of the liability to HMRC, the balance of the bank account, an up-to-date list of creditors. The Statement of Affairs is therefore based on the most up-to-date information in the Joint Administrators' possession, and some of the figures therein are subject to change as more accurate information is received.

Some creditors' amounts may differ from the actual amount owed however this does not affect creditors' ability to submit a claim for a different amount.

Further particulars of the assets and liabilities recorded in the Statement of Affairs are detailed in the notes to Appendix A.

## **7. Joint Administrators' Remuneration**

### **Pre-Administration costs**

Pre-Administration costs are defined in Rule 2.33(2A)(a) of the Rules as fees charged and expenses incurred by the Administrator, or another person qualified to act as an insolvency practitioner, before the Company entered into Administration but with a view to doing so.

Pre-Administration costs incurred in the period prior to appointment are detailed below.

<b>Company</b>	<b>Amount £</b>	<b>Date Agreed</b>
Wilson Field Limited	47,377.00	To be agreed
Shoosmiths LLP	3,200.00	To be agreed
Charterfields Limited	2,000 plus disbursements of 459.35	To be agreed

Wilson Field Limited – These relate to, but are not limited to the following:

- Attending various strategy meetings with the Company, its director and Bibby, in order to assess and establish the Company's financial position to establish the most appropriate insolvency route,

- Considering various realisation strategies with a view to maximising the return to the Company's creditors,
- Advising the Company during the period preceding the Administration,
- Consulting with the Company's major creditor and debenture holder, Bibby,
- Reviewing the security and seeking legal advice on the charge held by Bibby,
- Instructing agents, Charterfields Limited, to value the business, advise on a marketing strategy and make contact with potential interested parties with a view to achieving a sale of the business and assets,
- Overseeing and liaising with Charterfields in respect of the marketing of the business and assets for sale,
- Attendance on site at the Company's trading premises to discuss the Company's current orders, its work in progress and establish its asset position,
- Negotiating the sale of the Company's assets in order to achieve a sale of the same to completion,
- Assessing the viability of continued trading, and
- Carrying out all necessary steps to place the Company into Administration

Shoosmiths LLP were instructed to deal with the formalities of placing the Company into Administration. In addition, Shoosmiths tendered legal advice throughout the period prior to the Company entering Administration.

Charterfields Limited ("Charterfields") were instructed to carry out a valuation of the Company's business and assets and to provide advice on the best marketing and disposal strategy for the same. As detailed herein, all offers submitted to purchase the Company's unencumbered assets were referred to Charterfields for consideration prior to acceptance.

The Joint Administrators' choice of agent(s) and solicitor(s) was based on their perception of the experience and ability of the respective firms to perform their work and the complexity of the case.

It was necessary to incur these costs prior to appointment to allow the Administrator to plan the Administration strategy, preserving the value of the business for the benefit of creditors.

To date all pre-administration costs remain unpaid.

In accordance with Rule 2.67A of the Rules, the Joint Administrators are seeking approval for payment of all unpaid pre-administration costs as an expense of the Administration from each secured creditor.

These costs are not part of the Joint Administrators' Proposals subject to approval under Paragraph 53 Schedule B1 of the Act.

#### **Post-Administration costs**

In accordance with Rule 2.106 as amended by the Rules, it is proposed that the basis upon which the Joint Administrators' remuneration should be fixed, is by a combination of a fixed fee of £15,000 plus VAT and disbursements, plus 15% of realisations of the Company's assets (excluding its book debts).

It was initially proposed that the Joint Administrators' remuneration should be fixed by a combination of the above bases, however, should Bibby's principal indebtedness be satisfied in full the Joint Administrators would be remunerated on a time cost basis for the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration. It is not estimated that realisations from the Company's assets including its debtor ledger will be sufficient to satisfy Bibby's principal indebtedness in full and therefore the

Joint Administrators are proposing to be remunerated on a fixed fee and percentage of realisations basis only as detailed above

The Joint Administrators reserve their right to seek a revised fee basis should sufficient monies be realised to satisfy Bibby's principal indebtedness in full

The Joint Administrators consider that the above fee basis proposed is fair and reasonable on the basis that the Joint Administrators' time costs from appointment to date total £47,651 00 comprising of 164 30 hours at an average charge out rate of £290 02 and their pre-Administration costs total £47,377 00 which are significantly more than the anticipated realisations of the Company's assets in the Administration

As Joint Administrator, under the provisions of R2 106 of the Rules, I am required to provide creditors with details of the work I propose to undertake in the Administration and the expenses I consider will be, or are likely to be, incurred in dealing with the Company's affairs, prior to determining the basis upon which my remuneration will be fixed

In this case, I am not seeking to determine the basis of my remuneration based on time properly spent by me and my staff in dealing with the affairs of the Company and I am not therefore, required to provide a fees estimate to creditors. Details of the basis or bases I am proposing, together with information about the work I consider will be necessary in this case and the expenses I consider will, or are likely to be, incurred on this case can be found in Appendix D to this report

I will be seeking the approval of each secured creditor

I will provide updates on the expenses I consider will be, or are likely to be, incurred during this case with my progress reports in due course

Enclosed at Appendix D is my firm's current charge out rates. In common with all professional firms, our charge out rates increase from time to time. Any change will be reported in the next statutory report to creditors

Please note that a guide to Administrators fees is available at the following website link, <https://www.r3.org.uk/what-we-do/publications/professional/fees>, however a hard copy is available on request

## **8 Dividend Prospects**

### **Secured creditors**

As detailed above, the Company granted a debenture incorporating a fixed and floating charge over the Company's assets to Bibby Financial Services Limited ("Bibby") on 25 November 2015

As stated above, the indebtedness to Bibby totalled £368,041 upon the Administration and they have subsequently collected the negligible sum of £4,871 and, furthermore, TVP have advised that a maximum of c. £100,000 in respect of the outstanding ledger

It is anticipated that there will be a substantial shortfall to Bibby following the completion of the collection of the ledger, due to a number of issues with the ledger and the invoices contained therein, as identified by TVP

### **Preferential creditors**

The preferential claims will consist of employee wage arrears and holiday pay, the majority of which are subrogated to the National Insurance Fund for monies paid from the Redundancy Payments Office ("RPO")

Whilst the Joint Administrators have not yet received a claim from the RPO, and therefore no claims have been agreed, it is anticipated that the preferential claims will be in the region of £43,331

Current estimates indicate that preferential creditors will not receive a dividend from the Administration estate due to insufficient funds

### **Prescribed Part**

Within the Act there are provisions for a fund, called the Prescribed Part, to be set aside for distribution to the unsecured creditors in accordance with section 176A of the Act. The fund is calculated on the net realisations of assets subject to a floating charge contained in a debenture created on or after 15 September 2003. The fund is calculated as being 50% of the first £10,000 of net property and 20% thereafter, subject to a maximum fund of £600,000.

As noted above, Bibby hold a debenture incorporating a fixed and floating charge over the Company's assets and undertakings which was created on 25 November 2015 and registered on 27 November 2015.

Due to this debenture being registered after 15 September 2003, the Joint Administrators shall make a prescribed part of the company's net property available to unsecured creditors, in accordance with section 176a of the Act. This is calculated as being 50% of the first £10,000 of net property and 20% thereafter, subject to a maximum fund of £600,000.

However as the Company's net property is less than the prescribed minimum and the cost of making a distribution to unsecured creditors would be disproportionate, this will not apply.

The Prescribed Part is not applicable in respect of the debenture registered under Five Arrows as this debenture incorporates a fixed charge only.

### **Unsecured creditors**

The Company's books and records show that unsecured creditors total £440,941.57. I can confirm that claims received to date total £218,793.36.

Taking into account anticipated realisations and the likely costs of the Administration, it is unlikely that a dividend will become available to unsecured creditors.

## **9. End of Administration**

The exit options available to the Joint Administrators are as follows,

- Company Voluntary Arrangement
- Return of control to the director(s)
- CVL
- Compulsory Liquidation
- Dissolution



In this instance, the most appropriate exit route is dissolution on the basis that it is not anticipated that realisations of the Company's assets will be sufficient to enable a distribution to unsecured creditors. It is therefore likely that the Company will be dissolved upon conclusion of the Administration.

However, in the unlikely event that realisations are sufficient to enable a distribution to unsecured creditors then the Joint Administrators will take steps to place the Company into Creditors Voluntary Liquidation, in order to facilitate payment of such a dividend.

#### **10. Joint Administrators' Proposals to achieve the purpose of the Administration**

The Joint Administrators make the following proposals for achieving the purpose set out in Paragraph 3 of Schedule B1 to the Insolvency Act 1986:

- That the Company's affairs will continue to be managed by the Joint Administrators and their agents and such management will be financed from the realisation of the Company's assets within the Administration.
- That the Joint Administrators do all things and generally exercise all of their powers as contained in Schedule 1 and Schedule B1 of the Act, otherwise provided by statute as they, in their sole and absolute discretion, consider desirable or expedient in achieving the statutory objective of the Administration.
- That the Joint Administrators be able to make distributions to preferential, secured and a Prescribed Part dividend to unsecured creditors by virtue of Section 176A (2)(a) of the Act.
- The appointment of the Joint Administrators shall cease to have effect at the end of the period one year beginning with the date of appointment. However, pursuant to paragraph 76 of Schedule B1 of the Act, the Joint Administrators may seek extension to the Administration period if deemed necessary.
- Upon completion of the proposals above and achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up, and upon the settlement of the Administration expenses and liabilities, the Joint Administrators propose, that they file the requisite notice pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986 to ensure that the Company is placed into CVL so as to facilitate any distribution to the creditors of the Company. It is further proposed that Robert Neil Dymond and Emma Bower be appointed as Joint Liquidators of the company, acting jointly and severally. As per Paragraph 83(7) of Schedule B1 of the Act and Rule 2.117A(2)(b) of the Rules, creditors may nominate a different person as the Proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
- Or, if the Joint Administrators at any time conclude that the Company's property is insufficient to permit any or further distributions to its creditors, then the Joint Administrators will seek the dissolution of the Company pursuant to Paragraph 84(1) of Schedule B1 of the Act. Should the Company be dissolved in accordance with this Paragraph, the Joint Administrators will take steps to destroy all books and records in their possession within 12 months on the dissolution.
- Or, that they may petition for the Company to be put into compulsory liquidation.

Pursuant to Rule 2.33(5) of the Rules, the Joint Administrators' Proposals shall be deemed to be approved by the creditors on the expiry of the period in which a meeting can be requisitioned by creditors in the matter described at point 11 below, provided that no meeting has been so requisitioned

The Joint Administrators will be seeking the following specific resolutions from each secured creditor -

- That the Joint Administrators' expenses incurred before the Company entered into Administration but with a view to it doing so be approved, to be paid as a cost of the Administration
- That the Joint Administrators' remuneration be fixed by reference to a combination of a fixed fee of £15,000 plus VAT plus 15% of the realisations of the Company's assets (excluding its book debts)
- That the Joint Administrators be authorised to draw Category 2 disbursements in accordance with their prevailing recovery policy at the time the disbursement is incurred. The current rates are attached at Appendix D
- That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 of the Act, immediately on their appointment ceasing to have effect

#### **11. Creditors meeting**

In accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, the Joint Administrators are not convening a meeting of creditors as the Company has insufficient property to enable a distribution to be made to unsecured creditors

However, the Joint Administrators shall summon an initial creditors' meeting, if requested to by the creditors of the Company, whose debts amount to at least 10% of the total debts of the Company, using the attached prescribed form 2.21B (attached at Appendix E), within 8 business days from the date of this report

Creditors are reminded that the costs of any meeting called shall be paid for by them and that a deposit will be required for such purpose. Such costs may be ordered to be paid as an expense of the Administration if the meeting so resolved

Dated this 6th day of October 2016



**R N Dymond**  
**Joint Administrator**  
**Acting as agent of the Company without personal liability**

Robert Neil Dymond and Emma Bower of Wilson Field Limited were appointed Joint Administrators to Essex Woodcraft Limited on 11 August 2016. The affairs, business and property of the Company are being managed by the Joint Administrators without personal liability

**Essex Woodcraft Limited – IN ADMINISTRATION**

**APPENDIX A**

**ADMINISTRATORS ESTIMATED STATEMENT OF AFFAIRS & SCHEDULE OF CREDITORS**

Insolvency Act 1986

Essex Woodcraft Limited  
Estimated Statement Of Affairs as at 11 August 2016

	Book Value £	Estimated to Realise £	£
<b>ASSETS</b>			
Goodwill	98,981 00	NIL	
Factored Debtor Ledger	703,435 00	Uncertain	
Bibby Financial Services Limited		(368,041 00)	
Deficiency c/d		<u>(368,041 00)</u>	
Plant & Machinery	43,671 00	23,275 00	
Five Arrows Business Finance Plc		(75,000 00)	
Deficiency c/d		<u>(51,725 00)</u>	
Plant & Machinery	5,293 00		3,000 00
Office Furniture & Equipment	NIL		2,000 00
Motor Vehicles	NIL		2,250 00
Stock & WIP	88,325 00		3,000 00
Cash at Bank	Uncertain		Uncertain
Inter-company loan account	288,267 00		Uncertain
Director's loan account	530,261 00		Uncertain
			<u>10,250 00</u>
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS -</b>			
Employee Wage Arrears/Holiday Pay		43,331 00	
			<u>43,331 00</u>
			(33,081 00)
<b>DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003</b>			
<b>OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS</b>			
			<u>NIL</u>
			(33,081 00)
Estimated prescribed part of net property where applicable (to carry forward)			<u>NIL</u>
			(33,081 00)
<b>DEBTS SECURED BY FLOATING CHARGE POST 15 SEPTEMBER 2003</b>			
Deficiency b/d		368,041 00	
			<u>368,041 00</u>
			<u>(401,122 00)</u>
Estimated prescribed part of net property where applicable (brought down)			<u>NIL</u>
			NIL
<b>Unsecured non-preferential claims (excluding any shortfall to floating charge holders)</b>			
Deficiency b/d		51,725 00	
Shortfall to preferential creditors/F C's pre 15 Sept 2003 (brought down)		33,081 00	

Insolvency Act 1986

Essex Woodcraft Limited  
Estimated Statement Of Affairs as at 11 August 2016

	Book Value £	Estimated to Realise £
Trade & Expense Creditors		457,106 00
Employees Pay in Lieu/Redundancy		148,434 00
HM Revenue and Customs		385,000 00
Mr & Mrs Swinton - Landlord		Uncertain
		<u>1,075,346 00</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F C's post 14 September 2003)		(1,075,346 00)
Shortfall in respect of F C's post 14 September 2003 (brought down)		<u>368,041 00</u> (1,443,387 00)
Issued and called up capital Ordinary Shareholders		100 00
		<u>100 00</u>
<b>TOTAL SURPLUS/(DEFICIENCY)</b>		<u><u>(1,443,487 00)</u></u>

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA00	Allgood Plc	63-83 Brearley Street, Birmingham, B19 3NT	6,836 87
CA01	Alsford Timber	Ness Road, Enth, Kent, DA8 2LD	2,465 09
CA02	ASAP Staff (SW) Limited	3 Church Passage, Bridgewater, Somerset, TA6 3ED	10,207 84
CA03	A C Leigh (Norwich) Limited	61-67 St Benedicts Street, Norwich, NR2 4PD	451 81
CA04	Amaryllis Limited	2 Elliot Drive, Springwood Industrial Estate, Braintree, Essex, CM7 2GD	0 00
CA05	About Your Bookkeeping Limited	Chez Nous, The Rudge, Maisemore, Gloucester, GL2 8HY	4,587 50
CA06	Adkwick Industrial Supplies	57 Ditton walk, Cambridge, CB5 8QD	64 79
CA07	Allied Tooling Limited	Unit 2, 19 Willis Way, Poole, Dorset, BH15 3SS	529 01
CA08	Allwood Machinery	Unit 3, Galliford Road, The Causeway, Maldon, Essex, CM9 4XD	540 24
CA09	ALM Glassworks	Unit 4e, Riverside Avenue West, Lawford, Manningtree, Essex, CO11 1UN	4,093 46
CA0A	Alphaprint	Challenge Way, Hythe Hill, Colchester, Essex, CO1 2LY	328 80
CA0C	Amazon Co Uk	Patnot Court, 1-9 The Grove, Slough, SL1 1QP	11 56
CA0D	Amor Interiors	16 Friars Street, Sudbury, Suffolk, CO10 2AA	0 00
CA0E	Anglia Hose & Hydraulics	263 London Road, Stanway, Colchester, Essex, CO3 8LT	174 33
CA0F	Anglian Water	Lancaster House, Lancaster Way, Ermine Business Park, Huntingdon, PE29 6XU	380 68
CA0G	Armll Lift Trucks Ltd	3a Crittall Drive, Springwood Industrial Estate, Braintree, Essex, CM7 2RT	0 00
CA0H	Arnold Laver Timberworld	124 New Road, Rainham, Essex, RM13 8RS	7,721 42
CA0J	Ashdown Design and Marketing Ltd	The Old Maltings, Hall Road, Heybridge, Maldon, CM9 4NJ	20 10
CA0K	Atlas Courier Express (Anglia)	Atlas House, Westborough Road, WestCliff-on-Sea, Essex, SS0 9TR	0 00
CA0L	Autoglass	1 Priory Business Park, Cardington, Bedford, MK44 3US	72 72
CB00	B&Q Warehouse	Trade House, Mead Avenue, Yeovil, BA22 8RT	48 00
CB01	Baldwin Plastics Laminates Limited	57 Tallon Road, Hutton Industrial Estate, Brentwood, Essex, CM13 1TG	4,330 80
CB02	Blesse Group UK	Lampport Drive, Heartlands Business Park, Daventry Northants, NN11 8YZ	109 44
CB03	BM Trada Certification	Stocking Lane, Hughenden Valley, High Wycombe, HP14 4ND	967 79
CB04	Brairwick Tyres	Unit 7, Grange Farm Road, Colchester, CO2 8JW	248 82
CB05	Brooks Brothers	Blackwater Place, The Causeway, Maldon, Essex, CM9 4GG	45,141 23
CB06	BSF Solid Surfaces	22 Tallon Road, Hutton Industrial Estate, Brentwood, Essex, CM13 1TJ	9,575 27
CB07	Bury Fixings	Premiere House, Telford Way, Severalls Industrial Estate, Colchester, CO4 9QP	410 57
CB08	Bibby Factors Limited	Packington House, 3-4 Horsefair, Banbury, Oxon, OX16 0AA	0 00
CB09	British Gas Business	c/o Baker Tilly Creditor Services LLP, 6th Floor Salisbury House, 31 Finsbury Circus, London, EC2M 5SQ	0 00

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CB0D	Bohle Ltd	Unit 7 Tameside Park, Fifth Avenue, Dukinfield, Cheshire, SK16 4PP	43 20
CB0E	Boxx Communications	Norfolk House, East Entrance, 499 Silbury Boulevard, MK9 2AH	46 93
CB0F	Bryson Products	Bryson Products, Redlands, Coulsdon, CR5 2HT	18 03
CC00	Cano Bean Magic Repairs Limited	Aston, Herford Road, Hoddesdon, Herts, EN11 9JL	16,320 00
CC01	Churchill Security Ltd	Dawson House, Matrix Business Park, Chorley, Lancashire, PR7 7NA	3,880 80
CC02	Chunky Chips	146 New London Road, Chelmsford, CM2 0AW	270 00
CC03	Colchester Borough Council	Rowan House, 33 Sheepen Road, Colchester, CO3 3WG	10,137 00
CC04	Christopher & Cosima Sempill-Lewis	11A Downton Avenue, London, Streatham Hill, SW2 3TU	0 00
CC05	Coface UK	Egale 1, 80 St Albans Road, Watford, Herts, WD17 1RP	0 00
CC06	Colchester Hospital University NHS FT	North Lodge Turner Road, Colchester, Essex, CO4 5JL	0 00
CC07	C H Air & Pump Services Ltd	Unit 10, Lion Lane, Needham Market, Suffolk, IP6 8NT	473 89
CC08	Challenger Mobile Communications	Communications House, Parkway, Deeside Industrial Park, Deeside, Flintshire CH5 2NS	9 58
CC09	Construction Industry Training Board	Bircham Newton, Kings Lynn, Norfolk, PE31 6RH	527 00
CC0A	Clean All Ltd		120 00
CC0B	Colchester Dairy	5 Oyster Park, Greenstead Road, Colchester, CO1 2SJ	360 96
CC0C	County Graphics	Westerfield Business Centre, Main Road, Westerfield, Ipswich, IP6 9AB	93 60
CC0D	Curran Solicitors	Churchill House, Hyssop Close, Hemlock Way, Cannock, WS11 7FU	0 00
CC0E	CV Library	Beacon House, 10 Waterfront Business Park, Station Approach, Fleet, Hampshire, GU51 3TX	178 80
CD00	Direct Fuels Ltd	Herald Park, Herald Drive, Crewe, CW1 6EG	0 00
CD01	KFR Staffing Solutions Ltd T/A Driver Hire Colch	1a Moorside, Colchaser, CO1 2TJ	0 00
CD02	DTE Scaffolding	Old Ipswich Road, Ardleigh, Colchester, CO7 7QR	1,560 00
CD03	Daniel Bain (Woodturning) Ltd	Lodge Farm, Mill Lane, Colne Engaine, Colchester, CO6 2HX	421 20
CD04	Designers Guild		0 00
CD05	Display Developments Ltd	Trim House, Church Manorway, Erith, Kent, DA8 1EX	99 50
CD06	Driver Hire Colchester	1a Moorside, Eastgates, Colchester, CO1 2TJ	1,750 13
CE00	Eastern Hardwoods Ltd	4 Ash Industrial Estate, Flew Meadow, Pinnacles West, Harlow, Essex, CM19 5TJ	26,102 47
CE01	Eastern Waste Disposal	Morses Lane Industrial Estate, Morses Lane, Brightlingsea, Colchester, CO7 0SD	1,924 80
CE02	Erks UK	Amber Way, Halesowen, B62 8WG	126 08
CE03	Exova	Rosewell House, 24 Harvest Drive, Newbridge, Midlothian, EH28 8QJ	2,797 38

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CE04	Ernest Doe & Sons Ltd	Ulting, Nr Maldon, Essex, CM9 6QH	74 94
CE05	Essex Fittings Ltd	Unit 2 & 3, 2-3 Eldon Way, Hockley, SS5 4AD	204 72
CE06	Experian Ltd	The Sir John Peace Building Experian Way, NG2 Business Park, Nottingham, NG80 1ZZ	0 00
CE07	Edward Wells	Norsewood, Broomheath, Woodbridge, IP12 4DL	960 00
CF00	4x4 Accessories & Tyres Ltd	Meridian Park, Tutim Road, Leeming Bar, Northallerton, DL7 9UJ	3,993 60
CF01	Frank Howard Ipswich Ltd	Unit 11, Lakes Industrial Park, Lower Chapel Hill, Braintree, CM7 3RU	2,802 27
CF02	Freestyle Fabrications Ltd	Haven Road, The Hythe, Colchester, CO2 8HT	0 00
CF03	Faber Artifex Limited	17 Leighfields Avenue, Leigh-On-Sea, England, SS9 5NN	6,609 00
CF04	Fireglass South	Unit 6-11 Spartan Industrial Centre, Brickhouse Lane, Great Bridge, West Midlands, B70 0DH	3,564 00
CF05	Fox's Marina Ipswich Limited	Fox's Marina, Wherstead, Ipswich, Suffolk, IP2 8SA	1,867 98
CG00	Gotelee	31-34 Elm Street, Ipswich, Suffolk, IP1 2AY	900 00
CG01	Mark Heath T/A Greenham French Polishing	12 South Weald Road, Brentwood, Essex, CM14 4QZ	0 00
CG02	Goldstar Fabrications Ltd	Recovery House Hainault Business Park, 15-17 Roebuck Road, Ilford, Essex, IG6 3TU	64 80
CG03	Gramic Supplies	85 Magdalen Street, Colchester, CO1 2LA	9 57
CG04	Greenham (London) French Polishing	9 Wimpole Street, London, W1G 9SG	12,096 00
CH00	Hafele UK Limited	Swift Valley Industrial Estate, Rugby, Warwickshire, CV21 1RD	16,295 32
CH01	Hammond Transport	Granites Chase, Billericay, Essex, CM11 2UQ	0 00
CH02	Haven Power Limited	he Havens, Ransomes Europark, Ipswich, IP3 9SJ	0 00
CH03	Haydens Saws Ltd	Unit 1, The Mazes, East Street, Braintree, CM7 3JJ	1,135 05
CH04	Hayers Chartered Accountants	Colman House, 121 Livery Street, Birmingham, B3 1RS	3,753 60
CH05	Hays Recruiting	Hays House, 40-44 Combe Road, New Maldon, Surrey, KT3 4QF	4,875 00
CH06	Hettich International UK	Unit 200, Metroplex Business Park, Broadway, Manchester, M50 5UE	4,988 06
CH07	Hexa Services (UK) Limited	c/o RBS Invoice Finance Limited, Smith House Elmwood Avenue, Feltham, Middlesex, TW13 7QD	3,137 40
CH08	Horndon Timber Products	Unit 8/9 Orsett Ind Park, Stanford Road, Orsett, Essex, RM16 3BX	3,733 74
CH09	HM Revenue & Customs (VAT)	Solicitors Office, 1st Floor, Southwest Wing, Bush House, London, WC1B 4RD	0 00
CH0A	HM Revenue & Customs (CT)	Corporation Tax Services, PO Box 29997, Glasgow, G70 5AB	0 00
CH0B	HM Revenue & Customs (PAYE)	Employer Processing Office, BP 4009, Chillingham House, Benton Park View, Newcastle, NE98 1ZZ	0 00



**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CH0C	Hallmark Fraulo Ltd	55-56 Hillgrove Business Park, Nazeing, EN9 2HB	115 20
CH0D	Hazel Oak Telecom	28 Seaview Avenue, West Mersea, CO5 8HE	60 00
CH0E	Healey Tool Hire	94 Oxford Road, CO15 3TH, Clacton-On-Sea	31 20
CH0F	Howdens Joinery Co	Unit 2B, Albarn Industrial Estate, Hawkins Road, Colchester, CO2 8LG	456 84
CI00	International Decorative Surfaces	c/o Begbies Traynor (SY) LLP, Kendal House, 41 Scotland Street, Sheffield, S3 7BS	11,053 62
CI01	Interfix	Shaw Lane Ind Estate, Ogdan Road, Doncaster, DN2 4SE	811 56
CI02	Ipswich Plastics Limited	Foxtail House, Foxtail Road, Ransomes Park, Ipswich, IP3 9RX	3,705 02
CI03	Inn- House Technology Ltd	Grange Way, Colchester, CO2 8FZ	415 98
CI04	Impact Coatings	Unit F, Global Park, Eastgates, Ardleigh, CO7 7QH	102 00
CJ00	JPM Ltd	Sidney Robinson Business Park, Ascot Drive, Derby, DE24 8EH	0 00
CJ01	James Latham	Unit 4, Dolphin Way, Purfleet, Essex, RM19 1NZ	148 50
CJ02	Joinery Fit-Out Supplies Limited	Sidney Robinson Park, Ascott Drive, Derby, DE28 8EH	1,222 09
CJ03	Jointed Veneers	Unit 1, Roach Works, Roach Rd, London E3 2PA	82 49
CK00	Kent Blaxill & Company Limited	129-139 Layer Road, Colchester, CO2 9JY	416 86
CK01	Keepmoat Regeneration (Apollo) Limited	The Waterfront, Lakeside Boulevard, Doncaster, Yorkshire, DN4 5PL	0 00
CL00	LB Group Limited	82 East Hill, Colchester, Essex, CO1 2QW	2,010 00
CM00	Marshall Parsons	1111-1115 London Road, Leigh-On-Sea, SS9 3JL	3,726 32
CM01	MCH Carpentry and Joinery	c/o McMillan Williams Solicitors, 58 Borough High Street, London, SE1 1XF	25,426 44
CM02	Metals4U	Armitage Works, Sandbeck Way, Wetherby, LS22 7DN	191 10
CM03	Meyer Timber	c/o Nexus CIFS Ltd, 150 Leadenhall Street, London, EC3V 4QT	18,986 28
CM04	Mighton Products	c/o CPA (Paid), CPA House, 350 King Street, London, W6 0RX	1,350 22
CM05	Mitchell Glanville (Bristol) Limited	The Garden Suite, 23 Westfield Park, Bristol, BS6 6LT	0 00
CM06	M J Glazing	18 Stoneleigh Park, Lexden, Colchester, CO3 9FA	1,434 84
CM07	Movac Group Limited	11 Portman Road, Ipswich, Suffolk, IP1 2BP	6,315 35
CM08	M&G Fire Protection (Essex) Limited	Unit 4 Moat Lodge Ind Est, Stockchase, Heybridge, Maldon, Essex, CM9 4AA	99 00
CM09	Michael Williams Engineering Ltd	Unit 2/6 Hall Farm, Little Walden, CB10 1XA	64 79
CM0A	Microdream Ltd	12 Brixham Enterprise Estate, Brixham, TQ5 9DF	109 90
CM0B	Midland Business Equipment Ltd	4-8 Station Road, Knowle, Solihull, B93 0HT	288 50
CM0C	Mitchells Chartered Accountants	St Johns House, Castle Street, Somerset, TA1 4AY	1,800 00
CM0D	Michael Weining (UK) Ltd	5 Blacklands Way, Abingdon, OX14 1DY	861 60

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CN00	NCS	65 Rodney Street, Glasgow, G4 8SQ	0 00
CN01	NEY Ltd	Stonebridge Trading Estate, Sibree Road, CV3 4FD	2,543 53
CN02	Norseal Limited	Unit 5 Regents Drive, Prudhoe, Northumberland, NE42 6PX	2,037 42
CN03	NatWest Bank PLC	Leicester Customer Service Centre, 11 Western Boulevard, Bede House, LE2 7EJ	0 00
CN04	Nigel Mayn	Loamy Hill Farm, Loamy Hill Road, Tolleshunt Major, Essex, CM9 8LS	1,449 60
CN05	North East Time Recorders Ltd	Factory Road, Blaydon, Tyne and Wear, NE21 5RY	230 40
CO00	Office IS Ltd	c/o Atradius Collections, 3 Harbour Drive, Cardiff Bay, CF10 4WE	930 05
CO01	On Wood Products	c/o Close Brothers Invoice Finance, Ridgeland House, 165 Dyke Road, Hove, East Sussex, BN3 1UY	40,919 99
CO02	Osternann UK Ltd	Unit 104, Ponton Way, WR9 0LW	2,390 44
CO03	Optima Stainless Limited	c/o Redwood Collections Limited, Airport House, Purley Way, Croydon, CRO OXZ	0 00
CO04	O2 (UK) Ltd	Lion Walk Shopping Centre, 15 Culver Street East, Lion Walk, Colchester, CO1 1XJ	271 34
CO05	Old Heath Garage	29 Fingringhoe Road, Colchester, CO2 8EA	508 19
CP00	Panel Supplies Ltd	1st Floor Main Office, 46 Berth, Tilbury Docks, Essex, RM18 7HS	2,241 36
CP01	PMH Contracts	1 Sewells, Hitcham, Ipswich, IP7 7ND	7,065 70
CP02	Protech Site Services	Kinetic Business Centre, Theobald Street, WD6 4PJ	1,320 90
CP03	Proton Packaging	The Old Cinema, 18 Woodhouse Lane, Kelvedon, CO5 9DF	1,696 22
CP04	Paragon Bank Business Finance PLC	Burlington House, Botleigh Grange Office Campus, Grange Drive, Hedge End, Southampton, SO30 2AF	0 00
CP05	Project Plastics Limited	c/o The RBS Invoice Finance Limited, Smith House PO Box 50, Elmwood Ave, Feltham, Middlesex, TW13 7QD	0 00
CP06	Pegasus IT Limited	The Seedbed Centre, Wyncolls Road, Colchester, CO4 9HT	563 22
CP07	PowerBond Adhesives Limited	253 Scotia Rd, Stoke-On-Trent, ST6 6AB	109 69
CQ00	Quartix	Chapel Offices, Park Street, Newtown, Powys, SY16 1EE	129 24
CR00	Reliance Veneer Co Ltd	Castlewood Wharf, Craven Walk, Stamford Mill, N16 6DE	6,237 06
CR01	Robert Knepp	11 Ingelica Avenue, Hatfield Peverel, Chelmsford, CM3 2RW	0 00
CR02	Read Veneers	Horndon Industrial Park, West Horndon, Brentwood, CM13 3XL	1,698 00
CR03	Research and Development Consulting	Onslow House, 62 Broomfield Road, Chelmsford, Essex, CM1 1SW	6,103 32
CR04	R F Properties	8 Commerce Way, Colchester, Essex, CO2 8HJ	750 00
CR05	RS Components Limited	Birchington Road, Corby, Northants, NN17 9RS	11 04

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
CS00	S W Musk	134 London Road, Braintree, CM77 7PU	501 36
CS01	S & G Machinery	106 Denecroft Crescent, Uxbridge, UB10 9HZ	1,348 64
CS02	Sage	North Park, Newcastle-upon-Tyne, NE13 9AA	1,313 48
CS03	Savekors Solutions	Norton Street, Hockley, B18 5RQ	45 65
CS04	Screwfix Direct Limited T/A Trade UK	Selectapost28, Sheffield, S97 3GE	2,267 85
CS05	Select Venners	Unit 3, The IO Centre, Arlington Business Park, Whittle Way, SG1 2BD	26,379 65
CS06	SDT Machinery	Cleughesied, Bailey, Newcastleton, TD9 0TR	360 00
CS07	Scott & Sargeant Limited	1 Blatchford Rd, Horsham, RH13 5QR	73 14
CS08	Synel Industries (UK) Ltd	Transputec House, 19 Heather Park Dr, Wembley, HA0 1SS	240 00
CS09	Senate Electrical	1 Grange Way, Colchester, Essex, CO2 8HE	508 46
CS0A	Seton Limited	Wildmere Industrial Estate, Banbury, Oxfordshire, OX16 3JU	84 00
CS0B	Sibbons	Keelars Tye House, Keelars Lane, Elmstead, CO7 7EP	183 00
CS0C	Siemens Financial Services Limited	Sefton Park, Bells Hill, Stoke Poges, Buckinghamshire, SL2 4JS	764 40
CS0D	South Essex Fasteners Limited	13 Commerce Way, Colchester, CO2 8HX	96 62
CS0E	S W Quality Management Limited	1 Brewery House, Brook Street Wivenhoe, Colchester, CO7 9DS	1,125 00
CS0F	Symphony Coatings (East) Limited	10A Grange Way, Whitehall Industrial Estate, Colchester, Essex, CO2 8HG	6,616 88
CT00	The Builders Conference	Crest House, 19 Lewis Road, Sutton, Surrey, SM1 4BR	1,269 00
CT01	The Glass Warehouse	Artisan Yard, The Old Track, Claude Avenue, Bath, BA2 1AF	577 70
CT02	Thorogood Timber PLC	Colchester Road, Ardleigh, CO7 7PQ	21 45
CT03	Timbmet Ltd	Kemp House, Chawley Park, Cumnor Hill, Oxford Hill, Oxford, OX2 9PH	3,819 16
CT04	Tooltec (High Wycombe) Ltd	Riverside Business Centre, Victoria St, High Wycombe, HP11 2LT	563 01
CU00	UK Packaging Supplies Ltd	6 Commerce Way, Colchester, CO2 8HJ	1,114 96
CU01	UK Veneer Systems Ltd	Unit 6A Harding Way, Somersham Road, St Ives, Cambridgeshire, PE27 3WR	6,635 27
CW00	WF Senate	1 Grange Way, Colchester, CO2 8HE	762 69
CW01	Windsor Engineering (Hull) Ltd	Citadel Training Park, Citadel Way, Hull, HU9 1TQ	523 54
CW02	Workplace Drink Solutions Ltd	Unit 8 Mundells Court, Mundells, Welwyn Garden City, Herts, AL7 1EN	0 00
CW03	Wurth (UK) Ltd	Unit 12 Falcon Business Centre, Spilsby Road, Romford, Essex, RM3 8UP	1,774 29
CW04	Whitmores Timber Co Ltd	Main Road, Claybrooke Magna, Leicestershire, LE17 5AQ	0 00
EA00	Graham Paul Adkins	32 Hickory Avenue, Colchester, Essex, CO4 3NZ	0 00
EB00	David Baker	36 Towse Close, Clacton on Sea, Essex, CO16 8US	0 00

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
EB01	Matthew John Barnett	60 Nayland Road, Mile End, Colchester, Essex, CO4 5EW	0.00
EB02	Alex Beadle	188 Swan Street, Sible Hedingham, Halstead, Essex, CO9 3PT	0.00
EB03	Christopher Richard Block	83 Monmouth Close, Ipswich, IP2 8RS	0.00
EB04	Ian Mark Brooks	2 Upland Crescent, West Mersea, Essex, CO5 8DS	0.00
EB05	Karl Brown	4 Providence Place, Colchester, Essex, CO1 2LN	0.00
EC00	Ababei Catalin Nicolae	18 Finchinfield, Blackheath, Colchester, CO2 0AY	0.00
EC01	Krzysztof Chmielewski	4 Iona Walk, Rowhedge, Colchester, CO5 7JD	0.00
EC02	Paul Curtis	2 Gunfleet Close, West Mersea, Colchester, Essex, CO5 8LE	0.00
ED00	Jacek Dziwura	7 Charles Street, Colchester, Essex, CO1 2BL	0.00
EE00	Craig Eales	55 Lucy Lane South, Stanway, Colchester, CO3 0HY	0.00
EE01	Madalin-Cristian Enache	Apartment 5, 79 Winnock Road, Colchester, CO1 2BQ	0.00
EE02	David English	13 Olivers Drive, Witham, Essex, CM8 1QJ	0.00
EF00	Artur Fleischer	1 Brook Dale Court, Magdalen Street, Colchester, Essex, CO1 2SE	0.00
EG00	Diane Garland	5 Upper Cottages, Abberton Road, Layer de la Haye, Essex, CO2 0JU	0.00
EG01	Ben Girling	10 Rosemary Court, Sycamore Road, Colchester, Essex, CO4 3NG	0.00
EG02	Jonathan Gladwell	27 Firs Road, West Mersea, Colchester, Essex, CO5 8JS	0.00
EG03	Daniel Adam Gojtowski	22 Wimpole Road, Colchester, Essex, CO1 2DE	0.00
EG04	Andrew Green	19 Holly Way, Chelmsford, Essex, CM2 9JU	0.00
EG05	Paul John Gunn	Country Mouse Cottage, Abbey Street, Thorpe-le-Soken, CO16 0JN	0.00
EH00	Anthony Hammond	16 Spring Chase, Wivenhoe, Colchester, Essex, CO9 9QP	0.00
EK00	Grzegorz Klonowski	16 Spring Chase, Wivenhoe, Colchester, Essex, CO9 9QP	0.00
EK01	Dorata Komacka	4 Granville Road, Colchester, Essex, CO1 2EE	0.00
EK02	Andrzej Krzysztof	4 Granville Road, Colchester, Essex, CO1 2EE	0.00
EM00	William Mansfield	68 King Georges Avenue, Dovercourt, Harwich, Essex, CO12 4AE	0.00
EP00	Nick Anthony Parkinson	3 East Mill, Halstead, Essex, CO9 2EJ	0.00
EP01	Petre Petruscu	18 Finchinfield Way, Colchester, Essex, CO2 0AY	0.00
EP02	Claudiu Ion Petrisor	18 Finchinfield, Blackheath, Colchester, CO2 0AY	0.00
EP03	Daniel Pharoah	35 Hayes Leisure Park, Burnham Road, Battlesbridge, South Woodham, SS11 7QT	0.00
EP04	Costache Pisica	2 Nathan Court, Black Heath, Colchester, Essex, CO2 0BW	0.00
ER00	John Ruff	14 Dilwyn Street West, Ipswich, Suffolk, IP1 2HP	0.00

**Wilson Field Limited**  
**Essex Woodcraft Limited**  
**B - Company Creditors**

Key	Name	Address	£
ES00	Tony Roy Salder	7 Leyton Court, Great Clacton, Essex, CO15 4UW	0 00
ES01	Shane Skinner	7 Hughes Stanton Way, Lawford, Manningtree, CO11 2HQ	0 00
ES02	Kirsty Sperring	5 Harrow Street, Levenheath, Colchester, Essex, CO6 4PW	0 00
ES03	Grzegorz Wojciech Stronski	22 Wimpole Road, Colchester, Essex, CO1 2DE	0 00
ET00	Edward Taylor	6 Gunner Mews, Colchester, Essex, CO1 2ZJ	0 00
ET01	Nigel Tett	2 Veg Close, Colchester, Essex, CO1 2FE	0 00
EV00	Duntrache Victor- Lucian	18 Finchinfield, Blackheath, Colchester, CO2 0AY	0 00
EW00	Leonard Warrington	16 Walton Road, Clacton on Sea, Essex, CO15 6DU	0 00
RM00	Mr Michael Anthony Coffey		0 00
<b>212 Entries Totalling</b>			<b>457,106.15</b>

## NOTES TO THE STATEMENT OF AFFAIRS

The book values detailed in the Joint Administrators' estimated Statement of Affairs have been taken from the Company's management accounts dated 30 April 2016 with the exception of book debts which have been provided by Bibby as at 11 August 2016

As detailed in the main body of the report, Charterfields were instructed to carry out a valuation of the Company's business and assets. Charterfields' valuation of the assets is shown in the table below -

### Valuation Summary

Description	Market Value (In-Situ)	Market Value (Ex-Situ)	Market Value (Ex-Situ) (subject to Marketing constraint)	Estimated Settlement Figure
<b>Unencumbered Assets</b>				
Office Furniture and Equipment	1,000	575	200	
Plant and Equipment	4,000	2,800	1,500	
Wholly Owned Motor Vehicles	3,500	3,100	2,000	
Stock	2,750	1,750	750	
Sub-Totals (GBP)	11,250	8,225	4,450	
<b>Assets Subject to Third Party Ownership</b>				
Hire Purchase Agreement with Five Arrows Business Finance	33,000	23,275	18,000	75,000
Sub-Totals (GBP)	33,000	23,275	18,000	-
<b>Totals (GBP)</b>	<b>44,250</b>	<b>31,500</b>	<b>22,450</b>	<b>-</b>

The above unencumbered assets were sold to Krystal on 22 August 2016 for the sum of £10,250 plus VAT. The sum attributed to each category of asset sold can be seen on the estimated Statement of Affairs.

### Book Debts

As detailed within the main body of the report, the Company's debtor ledger stood at £703,435 as at the date of the Administration against which Bibby were owed £368,041, which would have excluded additional charges applied by Bibby.

From a review of the ledger by TVP to verify the debts which are collectible, it has become apparent that there were a number of false and incorrect invoices and therefore a substantial portion of the ledger is not collectable. Bibby have collected in £4,871 in the period following the Joint Administrators' appointment and TVP have advised that they estimated to realise a maximum of c. £100,000 in respect of the outstanding ledger.

It is therefore anticipated that there will be a substantial shortfall to Bibby following the collection of the ledger.

### Plant and Machinery

The book value of the Company's plant and machinery shown in the Company's management accounts dated 30 April 2016 totalled £48,964. The book value for wholly owned plant and machinery and that which is subject to the finance agreement with Five Arrows has been calculated on a pro-rata basis utilising the in-situ valuations of the respective assets provided by Charterfields.

As can be seen from the above figures, there is no equity in the plant and machinery subject to finance with Five Arrows Business Finance

#### **Inter-company loan account**

It is believed that the loan account is made up of sums loaned to two associated companies, Ling Joinery Limited and Ling Joinery Group Limited. The Joint Administrators' investigations into the inter-company loan account are ongoing. It should be noted that Ling Joinery Limited was placed into Liquidation on 25 August 2016.

#### **Director's Loan Account**

It is believed the director's loan account relates to monies withdrawn from the business by Mr Coffey to enable the purchase of the Company's shares by Ling Joinery Group Limited. The Joint Administrators' investigations into the director's loan account are ongoing.

#### **Cash at Bank**

As detailed within the main body of the report, the balance on the Company's current account with the Bank is overdrawn, however the actual overdrawn balance is unknown as the director has failed to provide us with this information and we are awaiting receipt of the bank statements to verify this position.

#### **Employees**

As detailed within the main body of the report, the director made the decision to make all 40 of the Company's employees redundant on 1 August 2016.

Whilst the Joint Administrators have not yet received a claim from the RPO, and therefore no claims have been agreed, it is anticipated that the preferential claims in respect of the Company's employees will be in the region of £43,331.

#### **HMRC**

The sum due to HM Revenue and Customs has been estimated from the Company's books and records.

#### **Mrs & Mrs Swinton – Landlord**

There are rent arrears from 1 August 2016 up to the Joint Administrators' appointment on 11 August 2016. Whilst the Joint Administrators have offered to surrender the lease, the landlord has not yet accepted the same and therefore the Company's liabilities under the lease continue to accrue. In addition, the Joint Administrators are expecting to receive a dilapidations claim.

Whilst the landlord holds a rent deposit bond totalling £20,250, the total claim from the landlord is expected to exceed this sum.

**Essex Woodcraft Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 11/08/2016 To 06/10/2016 £	From 11/08/2016 To 06/10/2016 £
	<b>SECURED ASSETS</b>		
NIL	Goodwill	NIL	NIL
Uncertain	Factored Debtor Ledger	NIL	NIL
		NIL	NIL
	<b>SECURED CREDITORS</b>		
(368,041 00)	Bibby Financial Services Limited	NIL	NIL
		NIL	NIL
	<b>HIRE PURCHASE</b>		
23,275 00	Plant & Machinery	NIL	NIL
(75,000 00)	Five Arrows Business Finance Plc	NIL	NIL
		NIL	NIL
	<b>ASSET REALISATIONS</b>		
3,000 00	Plant & Machinery	NIL	NIL
2,000 00	Office Furniture & Equipment	NIL	NIL
2,250 00	Motor Vehicles	NIL	NIL
3,000 00	Stock & WIP	NIL	NIL
Uncertain	Cash at Bank	NIL	NIL
Uncertain	Inter-company loan account	NIL	NIL
Uncertain	Director's loan account	NIL	NIL
		NIL	NIL
	<b>PREFERENTIAL CREDITORS</b>		
(43,331 00)	Employee Wage Arrears/Holiday Pay	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(440,942 00)	Trade & Expense Creditors	NIL	NIL
(148,434 00)	Employees Pay in Lieu/Redundancy	NIL	NIL
(385,000 00)	HM Revenue and Customs	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100 00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(1,427,323.00)</b>		<b>NIL</b>	<b>NIL</b>

REPRESENTED BY



Robert Neil Dymond  
Joint Administrator



**ESSEX WOODCRAFT LIMITED – IN ADMINISTRATION**

**APPENDIX C**

**TIME ANALYSIS IN ACCORDANCE WITH SIP 9 - PRE APPOINTMENT AND POST  
APPOINTMENT**

# Time Entry - Detailed SIP9 Time & Cost Summary

ESSE01A - Essex Woodcraft Limited  
From 01/01/2001 To 11/08/2016  
Project Code PRE

Classification of Work Function	Directors & IP's	Manager & Senior Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADAP Appointment	18 50	33 50	16 00	0 00	68 00	23 485 00	355 53
ADCA Cashiering	0 00	0 00	0 00	0 40	0 40	52 00	130 00
ADDI Directors/Client	1 60	0 00	0 50	0 00	2 10	930 00	442 86
ADGA File Maintenance	0 00	0 60	1 30	0 00	1 90	536 00	282 11
ADSC Statutory and Compliance	0 20	0 00	0 20	0 40	0 80	152 00	380 00
ADSO Strategic Overview	7 90	2 90	9 00	0 00	19 80	7 325 00	369 95
<b>Admin and Planning</b>	<b>26 20</b>	<b>37 00</b>	<b>27 00</b>	<b>0 40</b>	<b>90 60</b>	<b>32 460 00</b>	<b>358 28</b>
ADSV Site Visit	18 60	0 00	13 00	0 00	31 60	12 680 00	401 27
<b>Case Specific Matters</b>	<b>18 60</b>	<b>0 00</b>	<b>13 00</b>	<b>0 00</b>	<b>31 60</b>	<b>12 680 00</b>	<b>401 27</b>
CRCO Communications with Creditors	1 20	0 00	0 00	0 00	1 20	600 00	500 00
CREM Employees	0 00	0 00	0 10	0 00	0 10	26 00	260 00
<b>Creditors</b>	<b>1 20</b>	<b>0 00</b>	<b>0 10</b>	<b>0 00</b>	<b>1 30</b>	<b>626 00</b>	<b>481 64</b>
REIS Identifying Securing and Insuring	0 00	0 40	0 00	0 00	0 40	132 00	330 00
REPB Property Business and Asset Sales	2 10	1 30	0 00	0 00	3 40	1 479 00	435 00
<b>Realisation of Assets</b>	<b>2 10</b>	<b>1 70</b>	<b>0 00</b>	<b>0 00</b>	<b>3 80</b>	<b>1 611 00</b>	<b>423 95</b>
<b>Total Hours</b>	<b>48 10</b>	<b>38 70</b>	<b>40 10</b>	<b>0 40</b>	<b>127 30</b>	<b>47 377 00</b>	<b>372 17</b>

# Time Entry - Detailed SIP9 Time & Cost Summary

ESSE01A - Essex Woodcraft Limited  
From 11/08/2016 To 06/10/2016  
Project Code POST

Classification of Work Function	Directors & IP's	Manager & Senior Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADAP Appointment	0.50	0.00	12.50	0.00	13.00	3,500.00	269.23
ADCA Cashiering	1.40	0.20	0.10	3.30	5.00	1,452.00	290.40
ADCR Case Reviews	0.00	0.00	2.10	0.50	2.60	611.00	235.00
ADDI Directors/Client	0.00	0.80	1.50	0.40	2.70	708.00	261.48
ADGA File Maintenance	4.30	0.20	3.60	8.30	16.40	4,231.00	257.99
ADSC Statutory and Compliance	1.00	0.50	11.20	0.00	12.70	3,577.00	281.65
ADSO Strategic Overview	0.00	0.40	1.00	0.00	1.40	392.00	280.00
<b>Admin and Planning</b>	<b>7.20</b>	<b>2.10</b>	<b>32.00</b>	<b>12.50</b>	<b>53.80</b>	<b>14,489.00</b>	<b>268.94</b>
CRCL Creditors Claims	0.00	0.00	8.50	0.00	8.50	2,251.00	264.82
CRCO Communications with Creditors	0.80	0.30	10.50	0.90	12.50	3,379.00	270.32
CREM Employees	0.60	4.20	19.70	0.40	24.90	6,860.00	275.50
CRTV Tax and VAT	0.00	0.00	0.80	0.00	0.80	208.00	260.00
<b>Creditors</b>	<b>1.40</b>	<b>4.50</b>	<b>39.50</b>	<b>1.30</b>	<b>46.70</b>	<b>12,698.00</b>	<b>271.91</b>
INRE Investigation and Review	0.00	0.30	2.80	0.00	3.10	827.00	266.77
<b>Investigations</b>	<b>0.00</b>	<b>0.30</b>	<b>2.80</b>	<b>0.00</b>	<b>3.10</b>	<b>827.00</b>	<b>266.77</b>
REDC Debt Collection	0.00	8.00	1.80	0.00	7.80	2,448.00	313.85
REIS Identifying Securing and Insuring	0.00	0.00	1.50	0.00	1.50	391.00	260.67
REPB Property Business and Asset Sales	2.80	38.20	6.20	0.10	47.30	15,631.00	330.47
RERO ROT	0.30	0.70	3.10	0.00	4.10	1,187.00	289.51
<b>Realisation of Assets</b>	<b>3.10</b>	<b>44.90</b>	<b>12.60</b>	<b>0.10</b>	<b>60.70</b>	<b>19,657.00</b>	<b>323.84</b>
<b>Total Hours</b>	<b>11.70</b>	<b>51.80</b>	<b>86.90</b>	<b>13.90</b>	<b>164.30</b>	<b>47,651.00</b>	<b>289.02</b>

**Essex Woodcraft Limited – IN ADMINISTRATION**

**APPENDIX D**

**INFORMATION IN RELATION TO THE JOINT ADMINISTRATORS' FEES**

## **APPENDIX D**

### **INFORMATION IN RELATION TO ADMINISTRATORS' FEES**

#### ***Fee Basis***

The Administrator is seeking to agree the basis of his remuneration in this case on a combination of a fixed fee of £15,000 plus VAT plus 15% of realisations of the Company's assets (excluding its book debts) This appendix includes details of the work the Administrator proposes to undertake and the expenses the Administrator considers will be, or are likely to be, incurred

### **Fees Information in accordance with The Insolvency (Amendment) Rules 2015 and Statement of Insolvency Practice 9**

#### ***Fees Overview***

Prior to an insolvency practitioner agreeing the basis of his remuneration as Administrator, details of the work proposed to be done and the expenses it is considered will be, or are likely to be, incurred in dealing with a company's affairs must be provided to creditors

In addition, where the Administrator proposes to take all or any part of this remuneration based on the time they and their staff will spend dealing with the affairs of the insolvent company, a fees estimate must also be provided This will outline the anticipated cost of that work, how long it is anticipated the work will take and whether any further approvals may be needed from creditors in due course

In this case, I am not proposing to agree the basis of my remuneration as Administrator based on time spent dealing with the Company's affairs, therefore am not required to provide creditors with a fees estimate I am required to confirm the basis or bases I am seeking in the alternative and details of the work proposed to be done in this case, which can be found below

#### ***Work anticipated and the likely return to creditors***

Some of the work undertaken by an insolvency practitioner is required by statute and may not necessarily provide a financial benefit to creditors Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of former employees via the National Insurance Fund

Where the work to be done is anticipated to produce a financial benefit to creditors, this will be stated and it may be necessary for the Administrator to instruct third parties to assist in this process because of a particular expertise that the third party may bring such as valuation, tax or legal advice

Where it is practical to do so, an Administrator will provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration Again due to the complex nature of the work undertaken by insolvency practitioners and the uncertainties that may exist in relation to the realisation of a company's assets at the outset of a case, this may not be possible An Administrator is however, required by statute to provide periodic reports to creditors on the progress of a case which will include an update as to the likely return creditors may expect

#### ***Proposed Fee Basis/Bases***

In this case, I am proposing the following basis for my remuneration as Administrator

A combination of a fixed fee of £15,000 plus VAT plus 15% of realisations of the Company's assets excluding its book debts

It was initially proposed that the Joint Administrators' remuneration should be fixed by a combination of the above bases plus time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration once the principal indebtedness to Bibby Financial Services Limited ("Bibby"), as the secured creditor, had been satisfied in full

However, on the assumption that the estimated realisations from the Company's assets including its debtor ledger are not sufficient to satisfy Bibby's principal indebtedness in full, it is not anticipated that there will be any monies available to make payment for the time properly given by the Joint Administrators and their staff. The Joint Administrators reserve their right to seek a revised fee basis should sufficient monies be realised to satisfy Bibby's principal indebtedness in full.

The Joint Administrators consider that the above fee bases proposed are fair and reasonable on the basis that the Joint Administrators' time costs from appointment to date total £47,651.00 comprising of 164.30 hours at an average charge out rate of £290.02 which is significantly more than the anticipated realisations of the Company's assets in the Administration.

Please note however, that in circumstances where my initial investigations reveal matters for further detailed investigation or previously unknown assets to be realised, I reserve the right to refer back to creditors to establish how I am to be remunerated for such additional work, which may be proposed on a time cost basis. If such work proves necessary, I will revert to creditors with my fees estimate for approval.

### ***Outline of work to be done by the Administrator***

Below are details of the work I propose undertaking in support of the above fee proposal for the Administration.

#### ***Administration (including statutory compliance & reporting)***

Under insolvency legislation the Administrator must comply with certain statutory compliance requirements which may not bring any direct financial benefit to the creditors of the Company.

This work can include but is not limited to the following:

- Complying with Insolvency code of ethics, Money Laundering and Bribery Act legislation, including periodic reviews
- Notifying creditors of the Administrator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
- Reporting to creditors regarding any pre-packaged sale of the business
- Preparing and issuing periodic progress reports to members and creditors
- Lodging periodic returns with the Registrar of Companies for the Administration
- Complying with statutory duties in respect of the Administrator's specific penalty bond
- Creation and update of case files on the firm's insolvency software
- Redirection of the Company's mail to the Administrator's office where necessary
- Establishing creditors' committee. Periodic meetings and reporting and associated filing formalities (if a committee is appointed)
- Securing the Company's books and records
- Pension regulatory reporting and auto-enrolment cancellation
- Completion and filing of the notice of the Company's insolvency to HMRC
- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the Administration
- Filing a statutory return to the Department for Business, Innovation and Skills under the CDDA
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter)
- Opening, maintaining and managing the Administration estate cashbook and bank account(s)
- Dealing with all post-appointment VAT and corporation tax compliance
- Liaison with secured creditors, obtaining charge documents and validating the security
- Dealing with former employees to provide support and assistance in lodging any claims they may be entitled to make for unpaid wages, holiday pay and other statutory entitlements from the National Insurance Fund and the Company
- Convening any meetings of creditors as requested or as deemed necessary
- Maintaining case files
- Dealing with the formalities with regards closing the case

### ***Realisation of assets***

The Administrator will seek to realise all of the Company's assets. The work undertaken can include but is not limited to the following

- Dealing with the identification, valuation and sale of all Company assets, including any necessary site visits to inspect and secure the assets and instructions to solicitors and agents as deemed necessary to assist with the valuation, marketing and sale of any assets
- Obtaining and maintaining relevant insurance cover for all assets as required
- Reviewing all debentures and charges, and liaising with secured creditors to seek any required releases and complete the sale of assets as appropriate
- Reviewing any finance agreements and liaising with any third parties in respect of their interest in any of the assets in respect of any finance agreements, liens, etc
- Corresponding with any parties interested in purchasing the assets
- Liaising with the Bank and securing any credit balances
- Obtaining, reviewing and pursuing the debtor ledger and all associated records, where appropriate appointing and liaising with agents and solicitors necessary to assist with collections
- Liaising with any invoice finance provider
- Pursuing the overdrawn director's loan account and inter-company loan account
- Dealing with any other identified assets as required

### ***Creditors (claims and distributions)***

As Administrator, I will deal with all secured, preferential and unsecured creditor correspondence and claims as received, including any claims of creditors under retention of title. If a dividend becomes available I will either deal with the review and adjudication of creditors' claims in the Administration or in the subsequent liquidation and with all formalities associated with the declaration and distribution of the dividend.

If applicable I will appoint a solicitor to advise and deal with any materially disputed claim.

I will undertake appropriate investigations into and obtain valuations of the Company's assets and will confirm the likely return to creditors in future progress reports.

### ***Investigations***

As Administrator, I am required to conduct investigations into the conduct of the director(s) of the Company and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2 (investigations by Office Holders in Administrations and Insolvent Liquidations).

This work may not necessarily lead to any financial benefit to creditors yet is work I am required to undertake by statute.

If however, my initial investigations reveal that further recoveries may be available for the insolvent estate, then work will be undertaken to pursue these recoveries either in the Administration proceedings or in any subsequent Liquidation proceedings. The potential extent and cost of this work is unknown, but could be substantial if an antecedent transaction or similar action is identified and pursued through to a settlement being achieved. Such work could include instructions to and meetings with solicitors to progress a claim, lengthy and detailed correspondence with any defendant or other party involved, mediation or other resolution meetings with defendants to seek to agree a settlement for the benefit of creditors, the obtaining of any relevant insurance to cover the costs of legal proceedings, full legal proceedings which could consist of an application to court, numerous court hearings and other associated work.

All work undertaken to pursue these recoveries will be recorded within this time category.

### **Administrator's Expenses**

As also noted, I am required to provide creditors with details of the expenses I consider will be, or are likely to be, incurred in the Administration. These may include expenses such as agent's costs for assisting in the disposal and realisation of the company's physical assets or other routine expenses associated with an insolvency case such as statutory advertising costs or the office holder's specific penalty bond.

Below is a summary of the expenses I consider will be, or are likely to be, incurred in this case. I will provide a further update to creditors in my subsequent progress reports.

Expense	Estimated cost £
Company search fees	50 00
Bond	40 00
Post-appointment advertisements	71 00
Collection of books & records	50 00
Postage, stationery, photocopying etc	880 00
Document Upload Centre charge	150 00
Insolvency software fee	150 00
Storage of books & records	480 00
Final Advert	71 00
Mail redirection	260 00
Travel expenses	300 00
Valuers' fees	2,459 35
Legal fees	3,200 00

### **Staff allocation and the use of subcontractors**

Our 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 an IP/Director, Assistant Manager, Senior Administrator and/or Administrator and Secretarial and/or Support staff. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and additional staff may be allocated to meet the demands of the case.

On this case we have used the services of the following sub-contractors:

Service (s)	Provider	Basis of fee arrangement	Cost to date
Employee claims processing	UKELC	Fixed fee basis plus disbursements	N/A – Yet to be agreed

### **Professional advisors**

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



Name of Professional Advisor	Basis of Fee Arrangement
Shoosmiths LLP (legal advice)	Hourly rate and disbursements
Charterfields Limited (valuation and disposal advice)	Hourly rate and disbursements or % of realisations

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

***Wilson Field Limited's Charge-out rates and Category 2 disbursements policy***

Attached to this document are details of my firm's current charge out rates and policy regarding the re-charge of Category 2 disbursements

Category 2 disbursements require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Any Category 2 disbursements which this firm proposes to charge in this case are reflected in the table of expenses above. Approval to charge these will be sought from creditors when the basis of my remuneration as Administrator is fixed.

It should be noted that my firm's charge-out rates may increase periodically. In this instance as the costs are not being proposed to be charged on a time cost basis there is no requirement to notify creditors of any such increase.

## WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with Statement of Insolvency Practice 9 ("SIP 9") covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case

### Remuneration

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below

Grade	Hourly charge out rate (£)	
	01/02/2014 to 31/10/2014	01/11/2014 onwards
Director/Insolvency Practitioner	350-500	500
Manager	260-400	400
Assistant Manager	N/A	395
Team Leader	N/A	390
Senior Administrator	240	330
Administrator (1-5 years experience)	120-240	230-300
Secretarial & Support	100-130	130

All time is recorded in 6 minute units

### Category 1 Disbursements

In accordance with SIP 9, these do not require the approval of creditors and are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include advertising, room hire, insurance, travel expenses etc

### Category 2 Disbursements

In accordance with SIP 9, these require the prior approval of creditors

Category 2 disbursements are charged in accordance with the liquidator's prevailing recovery policy at the time the disbursement is incurred. The rates applicable from 1 August 2016 are detailed below

Disbursement	Charge	
Search fees	£10 per document	On appointment
Document Upload Centre charge	£150	On appointment
Room Hire where held at a Wilson Field office	£100 per meeting	On appointment (where appropriate)
Mileage	45p per mile	On appointment (where appropriate)
Postage, stationery, photocopying etc	£10 per member and creditor per year	On appointment and annually
Insolvency software fee	£150 per year	On appointment and annually
Storage of books and records	£80 per box per year	Once records are logged and then annually
Document management fee	£150 per year	Annually on 1 <sup>st</sup> August

In common with all professional firms, our charge out and disbursements rates increase from time to time. We reserve the right to change the rates without prior notice to you. Any change will be reported in the next statutory report to creditors.

**Essex Woodcraft Limited – IN ADMINISTRATION**

**APPENDIX E**

**FORM 2 21B CREDITORS REQUEST FOR A MEETING**

Rule 2.37

## Creditor's request for a meeting

Name of Company
Essex Woodcraft Limited

Company number
05177993

In the
The High Court of Justice
Chancery Division
Manchester District Registry (full name of court)

Court case number
2730 of 2016

(a) Insert full name and address of the creditor making the request

I (a)

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

request a meeting of the creditors of (b)  
Essex Woodcraft Limited

8 Commerce Way  
Colchester  
CO2 8HJ

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and address(es) of creditors concurring with the request (if any) and their claims in the administration if the requesting creditor's claim is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of concurrence

(e) Insert details of the purpose of the meeting

The purpose of the meeting is (e)

Signed

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Dated

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