

The Insolvency Act 1986

Notice of court order ending administration

Name of Company
The Provocative Group Limited

Company number
05221778

In the High Court of Justice
Chancery Division
Leeds District Registry

[full name of court]

Court case number
1289 of 2008

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

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

(c) Insert date of appointment

(d) Insert name of applicant /
appointor

(e) Insert date

1/ We, (a) Rob Sadler of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds LS1 2JZ and Bob Maxwell of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds LS1 2JZ

having been appointed administrator(s) of (b) The Provocative Group Limited, c/o 9th Floor, Bond Court, Leeds, LS1 2JZ on (c) 12 September 2008 by (d) Matthew Haycox, the Director on behalf of the Company

hereby give notice that the court has ordered that the administration shall end on (e) 13 August 2013 and a copy of the court order is attached

2/ We attach to this notice a copy of the final progress report

Signed



Joint Administrator

Dated

6 9 13

Contact Details

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

Begbies Traynor (Central) LLP	
9th Floor, Bond Court, Leeds, LS1 2JZ	
	Tel Number 0113 244 0044
Fax Number 0113 244 5820	DX Number

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



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09/09/2013

#149

COMPANIES HOUSE

MONDAY

IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
LEEDS DISTRICT REGISTRY

No. of Matter: 991 OF 2013

ORDER FOR WINDING UP BY THE COURT

BEFORE DISTRICT JUDGE GOLDBERG

On the 13 August 2013



IN THE MATTER OF THE PROVOCATIVE GROUP LIMITED (05221778)
AND IN THE MATTER OF THE INSOLVENCY ACT 1986

UPON THE PETITION of THE PROVOCATIVE GROUP LTD (IN ADMINISTRATION)
ROB SADLER AND ROBERT MAXWELL OF BEGBIES TRAYNOR (CENTRAL) LLP, 9TH
FLOOR, BOND COURT, LEEDS, LS1 2JZZ

A Creditor of the above said company presented to this Court on the 25 July 2013

AND UPON HEARING the Solicitor for the Petitioner

AND UPON READING the evidence

IT IS ORDERED that THE PROVOCATIVE GROUP LIMITED (05221778)
be wound up by this Court under the provisions of the Insolvency Act 1986

AND THE COURT being satisfied on the evidence that the EC Regulation does apply

AND IT IS ORDERED that these proceedings are main proceedings as defined in Article 3 of
the EC Regulation

AND IT IS ORDERED that the costs of the Petitioning Creditor be paid out of the assets of
the Company

NOTE: (The) (one of the) Official Receivers attached to the Court is by virtue of this
order liquidator of the Company

Rob Sadler and Bob Maxwell appointed joint administrators on 12 September 2008

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

The Provocative Group Limited (In Administration)

Final Progress Report of the joint administrators
pursuant to Rules 2.47 and 2.110 of The Insolvency
Rules 1986

Period: 27 June 2013 to 13 August 2013

Important Notice

This final progress report has been produced by the administrators solely to comply with their statutory duty to report to creditors on the progress of the administration. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	The Provocative Group Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 12 September 2008
"the administrators", "we", "our", "us"	Rob Sadler of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ and Bob Maxwell of Begbies Traynor (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. STATUTORY INFORMATION

Name of Company	The Provocative Group Limited
Trading name	Wildcats
Date of Incorporation	3 September 2004
Company registered number	05221778
Company registered office	5 King Street, Leeds, LS1 2HH

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of administrators	Rob Sadler, a Licensed Insolvency Practitioner of Begbies Traynor (LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ) and Bob Maxwell, a Licensed Insolvency Practitioner of Begbies (Central) LLP, 9th Floor, Bond Court, Leeds, LS1 2JZ
Date of appointment	12 September 2008
Date of resignation	Bob Maxwell replaced Michael E G Saville as Administrator on 8 February 2012 by court order
Court	High Court of Justice, Leeds District Registry, Chancery Division
Court Case Number	1289 of 2008
Person(s) making appointment / application	Matthew Haycox, the Director on behalf of the Company
Acts of the administrators	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised by any enactment to be done by an administrator may be done by any more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.

4. PROGRESS DURING THE PERIOD

During the period of this report there have been no receipts. The following payments have been made:

PAYMENTS

Legal fees

The sum of £4,200 together with disbursements of £1,492 has been paid to our solicitors, Eversheds, in respect of their fees incurred in dealing with the application to court for the winding up of the Company

Accountants' fees

Further fees of £400 have been paid to JWP Creers accountants for preparing the final corporation tax return and filing this with HM Revenue & Customs

Attached at Appendix 1 is our abstract of receipts and payments for the period from 12 September 2008 to 13 August 2013

5. OUTCOME FOR CREDITORS

Secured creditors

The secured creditors have suffered a significant shortfall in this matter

Preferential creditors

There have been insufficient realisations to pay a dividend to the preferential creditors

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in section 176A(6) of the Act, to be £nil and the prescribed part of the Company's net property to be £nil

Unsecured creditors

There have been insufficient realisations to pay a dividend to unsecured creditors

Exit from administration

As the Notice accompanying this report confirms, the court has ordered that the administration shall end on 13 August 2013 (Form 2 33 B) and the joint administrators be discharged from liability and the Company be wound up

The Company's affairs will then be investigated by the duly appointed liquidator

6. ADMINISTRATOR'S PROPOSALS

Attached at Appendix 2 is a summary of our proposals as deemed approved under Rule 2 33(5) of the Insolvency Rules 1986 in the absence of an initial meeting of creditors

There have been no major amendments or deviations from those proposals

7. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

The Company's principal assets were four freehold properties at Wakefield, Huddersfield, Barnsley and Grimsby

Upon our appointment we instructed Eddisons to professionally value, market and dispose of each of the properties

The focus was maximising realisations by preserving the businesses at Wakefield, Huddersfield and Barnsley by allowing them to trade until the freeholds could be sold. The administrators contracted with MW Wholesale Limited to occupy the premises under a Management Agreement effective from 12 September 2008. A weekly management fee was collected in this regard.

A sale of the Huddersfield property was secured at auction for the sum of £203,716 and the Barnsley property was sold for the sum of £300,000.

The Company owned the long leasehold on the Grimsby property, which was sold for the sum of £80,000.

The Wakefield property was sold at auction and a sale completed on 8 March 2013 for the sum of £100,000.

Hire purchase / lease creditors

There were a large number of finance creditors which had agreements within the Group for equipment located at Leeds, Wakefield, Barnsley, Huddersfield, Birmingham and Bristol. Upon appointment we liaised with these companies for the return of the equipment. There were significant shortfalls under these agreements.

8. REMUNERATION AND DISBURSEMENTS

As previously reported our remuneration is based on hourly costs at scale rates calculated on the time properly spent in the course of the administration and we are authorised to draw disbursements in accordance with the explanatory note on the subject, which accompanied *The Report and Proposals of the Joint Administrators*.

The relevant resolutions were approved by the secured creditors pursuant to Rule 2.106 of the Rules.

Total remuneration drawn to 13 August 2013 in accordance with the above approval amounts to £55,401. Total time spent to 13 August 2013 on this assignment amounts to 948 hours at an average composite rate of £155 per hour resulting in total time costs of £147,140.

Details of the Category 2 disbursements that have been drawn since the necessary approval was obtained in the total sum of £840 are provided in the narrative summary of time costs incurred which is at Appendix 3.

The following further information as regards time costs and expenses is set out at Appendix 3.

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses/disbursements
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred
- ☐ Table of time spent and charge-out value

In addition, a copy of 'A Creditors' Guide to Administrators' Fees (E&W) 2010' which provides guidance on creditors' rights on how to approve and monitor an Administrator's remuneration and on how the remuneration is set can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact our office and we will arrange to send you a copy.

9. OTHER RELEVANT INFORMATION

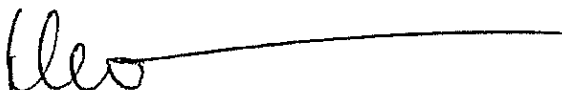
Report on Directors conduct

As detailed in our statement of proposals, we have a duty to submit a report to the Department for Business, Innovation and Skills on the conduct of the directors. We have complied with our duties in this respect.

10. CONCLUSION

As the Notice accompanying this report confirms, the court has ordered that the administration shall end on 13 August 2013 (Form 2.33 B) and the joint administrators be discharged from liability and the Company be wound up.

The Company's affairs will be investigated by the duly appointed liquidator.



Rob Sadler
Joint Administrator

Dated 6 September 2013

ACCOUNT OF RECEIPTS AND PAYMENTS

Period 12 September 2008 to 13 August 2013

	Receipts & Payments from 12 September 2011 to 26 June 2013 £	Receipts & Payments from 27 June 2013 to 13 August 2013 £	Total £
RECEIPTS			
Freehold land & property - Huddersfield	203,716	-	203,716
Freehold land & property - Barnsley	300,000	-	300,000
Leasehold land & property - Grimsby	80,000	-	80,000
Freehold land & property - Wakefield	100,000	-	100,000
Contribution to search fees	791	-	791
Management fees	79,000	-	79,000
Grimsby rent	10,394	-	10,394
Wakefield rent	64,754	-	64,754
Sundry refund	9,860	-	9,860
Bank interest	278	-	278
	<u>848,794</u>	<u>-</u>	<u>848,794</u>
PAYMENTS			
Bordereau	148	-	148
Statutory advertising	701	-	701
Electricity	2,855	-	2,855
Ground rent arrears	21,120	-	21,120
Insurance of property & assets	105,554	-	105,554
Administrators' fees	35,000	20,401	55,401
Administrators' disbursements	709	131	840
Agents' fees & disbursements	32,536	-	32,536
Legal fees & disbursements	93,830	5,692	99,522
Other property expenses	3,274	-	3,274
Accountant's fees	1,500	400	1,900
Auction fees	850	-	850
Security	2,869	-	2,869
Fixed charge creditor distribution	517,265	-	517,265
Settlement - Finance creditor	2,500	-	2,500
Bank charges	80	-	80
Storage fees	276	-	276
Corporation Tax	1,103	-	1,103
	<u>822,170</u>	<u>26,624</u>	<u>848,794</u>
BALANCE			<u>-</u>

SUMMARY OF ADMINISTRATORS' PROPOSALS, INCLUDING MAJOR AMENDMENTS TO AND DEVIATIONS FROM THEM

Proposals deemed approved under Rule 2.33(5) of the Insolvency Rules 1986

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above

For reasons set out in our report, we presently consider that it is not reasonably practicable to achieve either of the objectives specified in subparagraph 3(1)(a) and 3(1)(b), and consequently the most appropriate objective to pursue in this case is that specified in subparagraph paragraph 3(1)(c), namely *realising property in order to make a distribution to the secured creditors*. We furthermore consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

The Company could not be returned to solvency and rescued as a going concern as it was unable to service its historic liabilities and ongoing funding requirement. No further equity or debt was available to bridge this funding gap

We anticipate that when realisations are complete there will be sufficient funds to enable distributions to be made to the secured creditors only, hence fulfilling objective 3(1)(c)

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property. The principal matters to deal with in this respect are

- monitoring of ongoing management,
- sale of fixed charged properties, and
- distributions under the fixed charges

Joint Administrators' Proposals

It is proposed that the joint administrators continue to manage the affairs of the Company in order to achieve the objective of the administration. In the circumstances it is proposed that

- 1 That the joint administrators' proposals for achieving the purpose of the administration, as set out in the document entitled *Report and Proposals of the joint administrators under the provisions of Paragraph 49 of Schedule B1 to the Insolvency Act 1986*, be and hereby are approved
- 2 The joint administrators will seek to agree creditors' claims generally

- 3 The Company shall remain in administration for such period as the joint administrators deem necessary and appropriate
- 4 In the event that the joint administrators are of the view that it is appropriate for the Company to move from administration into liquidation, the joint administrator be authorised to take steps to place the Company into creditors voluntary liquidation as detail in the 'Exit from Administration' section below
- 5 If and where appropriate, joint administrators cease to act, they may present a petition for the Company to be compulsorily wound up
- 6 The joint administrators be authorised to seek the role of joint liquidators
- 7 Upon the Company proceeding into liquidation as set out above, the Joint Administrators discharge from liability, pursuant to paragraph 98 of Schedule B1 shall take effect fourteen days following either the Company entering into liquidation
- 8 For the purposes of Rule 2.106(2)(b) of the Insolvency Rules 1986, the joint administrators' remuneration be fixed on the basis of their hourly costs at scale rates calculated on the time properly spent in the court of the administrator and that, subject to full disclosure to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the administrators' licensing bodies, they may draw their remuneration on account as and when funds permit
- 9 Begbies Traynor's costs and expenses relating to planning and acceptance of the appointment be treated as an expense of the administration (albeit incurred prior to the date of appointment) and calculated by reference to the charge out rates in Appendix 3 hereto
- 10 The joint administrator shall have authority to sanction and agree the fees of any solicitors, quantity surveyors or similar agents by reference to the time given by such agents and their staff, in attending to matters arising in the administration
- 11 The joint administrators be at liberty to recharge disbursements as detailed in the circulated Guide to Administrators' Fees
- 12 The joint administrators be at liberty to pay costs and remuneration in relation to proposals in paragraphs 9, 10, 11, and 12 above as and when funds become available
- 13 Without prejudice to the provisions of section 14 of the Insolvency Act 1986, the joint administrators may carry out all other acts that they may consider to be incidental to the proposals above in order to assist in their achievement of the stated purposes of the administration order or any variation thereto
- 14 That the joint administrators be and they are hereby discharged from liability in respect of any actions of theirs as administrators, pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, with effect from the date their as joint administrators ceases to have effect

Exit from Administration

Creditors' Voluntary Liquidation

The outcome as regards creditors will be dependant upon the availability of any surplus from the assets after costs of realisation and payment of the preferential creditors and the floating charge holders. As stated previously, we believe a surplus is very unlikely

However if funds were available, as administrators we do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, if funds were available to enable a distribution to unsecured creditors and as soon as we were satisfied that we had fully discharged our duties as administrators and that the purpose of the administration had been fully achieved, we propose this exit route be adopted and that the provisions of Paragraph 83 of Schedule B1 to the Act be implemented, whereby, on the registration of a notice sent to the Registrar of Companies, our appointment as administrators would cease to have effect and the company would automatically be placed into creditors voluntary liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator

We confirm that as part of our proposals we seek nomination as liquidators in the subsequent winding up of the Company, in the event that there is a surplus available for distribution to unsecured creditors.

Compulsory Winding Up

The joint administrators have not yet undertaken substantive investigations into the reason behind the failure of the business. The joint administrators may petition for the Company to be compulsorily wound up. The Company's affairs may then be investigated by a liquidator.

Section 176A Fund for Unsecured Creditors

Section 176A of the Act provides that, where the company has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of the company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realisation). The *prescribed part* is calculated by reference to a sliding scale as follows:

- ❑ 50% of the first £10,000 of *net property*;
- ❑ 20% of *net property* thereafter,
- ❑ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part* if

- ❑ the *net property* is less than £10,000 and he thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- ❑ he applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

Rule 2.33 of the Rules requires that our proposals for achieving the purpose of the administration shall include, to the best of our knowledge and belief, an estimate of the value of the *prescribed part* and an estimate of the value of the Company's *net property*. In this instance we estimate the

value of the Company's net assets and hence the prescribed part will be nil, because, as far as we are currently aware the Company has no floating charge assets

On present information we confirm that it is not our intention to make an application to court under section 176A(5). However we reserve our position generally in this regard should circumstances materially change

Administrators' Remuneration

The joint administrators propose to be remunerated on the basis of their hourly costs at scale rates calculated on the time properly spent in the course of the administration and that they may draw their remuneration on account as and when funds permit. The joint administrators also seek approval to re-charge expenses in line with their firm's policy

TIME COSTS AND EXPENSES

- a Begbies Traynor (Central) LLP's policy for re-charging expenses,
- b Begbies Traynor (Central) LLP's charge-out rates,
- c Narrative summary of time costs incurred, and
- d Table of time spent and charge-out value

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval):

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 (London £150) per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates.

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² *Ibid* 1

- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*

- Telephone and facsimile
- Printing and photocopying
- Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Leeds office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

	Standard 1 July 2008 – 31 April 2011 Charge-out Rate (£ per hour)
Partner	350
Director	325
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Trainee Administrator	100
Support	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in 6 minute units

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME The Provocative Group Limited

CASE TYPE ADMINISTRATION

OFFICE HOLDERS Rob Sadler & Robert A H Maxwell

DATE OF ADMINISTRATION 12 September 2008

1 CASE OVERVIEW

- 1.1 This overview is intended to allow the body responsible for the approval of the office-holders' fees to view the quantum of those fees in the context of the case in question

1.2 *Complexity of the case*

The administrators dealt with management agreements entered into by the Company and third parties (prior to appointment) in respect of properties at Wakefield, Barnsley and Huddersfield and negotiated further agreements post their appointment. The administrators secured and marketed all the unoccupied properties. We also liaised with the finance creditors to ensure that their equipment was located at the six premises and collected. There have also been numerous issues with the tenants in the occupied property.

1.3 *Exceptional responsibilities*

We had to deal with a large number of finance creditors regarding the recovery of their equipment and in some instances it was found that equipment had been financed more than once. We attended Barnsley, Wakefield and Huddersfield premises on several occasions for equipment to be identified and defended legal action that has arisen as a result of missing equipment.

The termination of the management agreements involved external agents and security to ensure the premises were fully secure.

We also dealt with the tenants occupying the premises, collecting rent and other related issues.

1.4 *The office-holders' effectiveness*

It was difficult to secure sales of the properties due to the current economic climate. All properties have now been sold.

1.5 *Nature and value of property in question*

The Company's principle assets were four freehold properties in Grimsby, Wakefield, Huddersfield and Barnsley.

1.6 *Anticipated return to creditors*

The secured creditors have suffered a significant shortfall. There will be no dividend to any other class of creditor.

1.7 *Time costs analysis*

An analysis of time costs incurred is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average rate charged for each work type.

1 8 *Approval of fees*

The Joint Administrators have approval from the secured creditor that they may draw their remuneration on a time cost basis

1 9 *Other professionals employed & their costs*

Eddisons Commercial Limited were instructed in this matter to act as agents in the valuation, sale and marketing of the Grimsby, Wakefield, Huddersfield and Barnsley properties. Eversheds LLP solicitors were instructed to provide legal advice in matters relating to our appointment, the administration, management agreements, leases and the extension of the administration. The basis of their remuneration was on the basis of time properly spent advising us in this matter.

2 **EXPLANATION OF OFFICE-HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES**

2 1 Begbies Traynor's policy for re-charging expenses incurred by insolvency office-holders is set out in a separate accompanying note

2 2 The rates charged by the various grades of staff who may work on a case are also set out in a separate accompanying note

3 **SUMMARY OF WORK CARRIED OUT**

3 1 The following is a summary of the work carried out since the date of the last report

- Corresponding with the Company's secured creditor,
- Dealing with payment of all expenses incurred in respect of the Wakefield Property,
- Statutory duties,
- Closure formalities, and
- Preparation of the documentation appended to the winding up petition

[illegible]