

Rule 2.47

Form 2.24B

The Insolvency Act 1986

**Administrator's progress report****2.24B**

Name of Company:  
Rural Blueprint Limited

Company number:  
05402143

In the:  
High Court of Justice, Bristol District  
Registry

[full name of court]

Court case number:  
143 of 2008

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

~~I/~~ We (a) Simon Robert Haskew of Begbies Traynor (Central) LLP, Harbourside House, 4-5 The Grove, Bristol BS1 4QZ and Gary Paul Shankland of Begbies Traynor (Central) LLP, 32 Cornhill, London, EC3V 3BT

administrators of the above company attach a progress report for the period

(b) Insert dates

from / to

(b) 1 August 2009 to 29 January 2010

Signed:

Joint Administrators

Dated:

29 January 2010

**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	
Harbourside House, 4-5 The Grove, Bristol, BS1 4QZ	
	Tel Number: 0117 937 7130
Fax Number: 0117 937 7131	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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COMPANIES HOUSE

SATURDAY

Simon Robert Haskew and Timothy John Edward Dolder were appointed joint administrators on 1 August 2008. Timothy John Edward Dolder was replaced as joint administrator by Gary Paul Shankland on 26 June 2009.

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.

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## **Rural Blueprint Limited (In Administration)**

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

**Period: 1 August 2008 to 29 January 2010**

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### **Contents**

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- ☐ Summary of steps taken during the administration
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- ☐ Appendices
  - 1. Joint administrators' account of receipts and payments, showing the outcome for creditors
  - 2. Summary of administrators' proposals, including major amendments to, and deviations from them
  - 3. Joint administrators' time costs and expenses

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## 1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Rural Blueprint Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 to the Insolvency Act 1986 on 1 August 2008
"the joint administrators"	Simon Robert Haskew of Begbies Traynor (Central) LLP, Harbourside House, 4-5 The Grove, Bristol, BS1 4QZ and Gary Paul Shankland of Begbies Traynor (Central) LLP, 32 Cornhill, London, EC3V 3BT
"the Act"	The Insolvency Act 1986
"the Rules"	The Insolvency Rules 1986
"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(a), Insolvency Act 1986)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security 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(b), Insolvency Act 1986)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

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## 2. STATUTORY INFORMATION

Name of Company	Rural Blueprint Limited
Trading name(s):	Rural Blueprint Limited
Date of Incorporation:	23 March 2005
Company registered number:	05402143
Company registered office:	Conygre Farm, Easton Royal, Pewsey, Wiltshire SN9 5LU

## 3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of joint administrators:	Simon Robert Haskew, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, Harbourside House, 4-5 The Grove, Bristol, BS1 4QZ and Timothy John Edward Dolder, a Licensed Insolvency Practitioner of Begbies Traynor (South) LLP, 32 Cornhill, London, EC3V 3BT Gary Paul Shankland, a Licensed Insolvency Practitioner of Begbies Traynor (Central) LLP, 32 Cornhill, London, EC3V 3BT
Date of administrators' appointment:	1 August 2008
Changes in office-holder (if any):	Timothy John Edward Dolder was replaced as joint administrator by Gary Paul Shankland by an order made in the High Court of Justice, Chancery Division under the reference 15296 of 2009 on 26 June 2009
Court:	High Court of Justice, Bristol District Registry
Court Case Number:	143 of 2008
Person(s) making appointment / application:	The Directors
Acts of the joint administrators:	The joint administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency:	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) 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

Attached at Appendix 1 is our abstract of receipts and payments for the period from 1 August 2009 to 29 January 2010. Our comments on the final period 1 August 2009 to 29 January 2010 are as follows:

### RECEIPTS

#### *Retention*

Retention monies of £8,500 was received regarding one of the units previously sold at the Netheravon development. A counter claim resulted in the retention be substantially less than anticipated.

#### *Interest*

Gross bank interest of £8 was received during the period.

#### *Director's Loan Account*

Following a thorough review of additional documentation provided by the Company's former accountant, we are satisfied that no further monies are due to the Company.

### PAYMENTS

#### *Bond*

As a statutory requirement, a sum of £100 was paid for the Insolvency Practitioners' Specific Bond.

#### *Tax*

Corporation tax of £20 was paid in respect of gross interest received.

#### *Administrators' Remuneration*

As previously reported the joint administrators' remuneration is based on hourly costs at scale rates calculated on the time properly spent in the course of the administration 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 a resolution of the secured and preferential creditors on 6 November 2008 pursuant to Rule 2.106 of the Insolvency Rules 1986.

Total remuneration drawn in accordance with the above approval amounts to £56,018.35. Total time spent on this assignment amounts to 406.12 hours at an average composite rate of £249.52 per hour resulting in total time costs to date of £101,336. 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 Begbies Traynor (Central) LLP's charge-out rates
- ☐ Narrative summary of time costs incurred and summary by staff grade and work activity

## 5. ADMINISTRATOR'S PROPOSALS

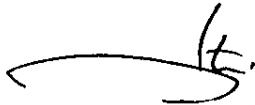
Attached at Appendix 2 is a summary of the joint administrators' proposals as deemed approved under Rule 2.33(5) of the Insolvency Rules 1986 in the absence of an initial meeting of creditors.

## 6. SUMMARY OF STEPS TAKEN DURING THE ADMINISTRATION

- Sale of the property at Netheravon, Jamaica Farm Plot 2 and 30 The Parade Marlborough
- Realisation of retention funds re: Netheravon
- Realisation of plant, machinery and stock
- Performing ancillary statutory and regulatory duties
- Statutory investigations into the affairs of the Company
- Dealing with creditor enquiries
- Completing statutory returns

## 7. OUTCOME

As the Notice accompanying this report confirms, we consider that the purpose of the administration has been sufficiently achieved and once registered by Companies House (which we anticipate shortly), our appointment as joint administrators will cease to have effect and, unless the court makes an order otherwise, the Company will be deemed dissolved at the end of the period of three months from the date of registration of the notice (Form 2.35 B).



**Simon Haskew**  
Joint Administrator

Dated: 29 January 2010

# RURAL BLUEPRINT LTD - JOINT ADMINISTRATORS' ACCOUNT OF RECEIPTS AND PAYMENTS, INCORPORATING FINAL OUTCOME FOR CREDITORS

Period 01 August 2008 to 29 January 2010

	Receipts & Payments 01.01.2008 to 31.07.2009	Receipts & Payments 01.08.2009 to 29.01.2010	Final Outcome
		£	£
<b>ASSETS SPECIFICALLY PLEDGED</b>			
Knowle Cottage	185,000	-	185,000
Less: Paragon Mortgage	(176,000)	-	(176,000)
Less: Selling costs	(9,000)	-	(9,000)
	<u>0</u>	<u>-</u>	<u>0</u>
Netheravon	2,300,000	-	2,300,000
Jamaica Farm Plot 2	110,000	-	110,000
30 The Parade	224,781	-	224,781
	<u>2,634,781</u>	<u>-</u>	<u>2,634,781</u>
<b>Realisation Expenses</b>			
Administrator's Fees	(38,261)	-	(38,261)
Administrator's Disbursements	(171)	-	(171)
Legal Fees	(19,108)	-	(19,108)
Agents/Valuers Fees	(37,052)	-	(37,052)
Property Searches	(85)	-	(85)
Vat - Unrecoverable	(14,784)	(42)	(14,826)
Insurance	(3,613)	-	(3,613)
Rates	(4,051)	-	(4,051)
Utilities	(38)	-	(38)
	<u>2,517,618</u>	<u>(42)</u>	<u>2,517,576</u>
<b>Net Realisations</b>			
Clydesdale Bank plc	(2,509,425)	-	(2,509,425)
Transfer to Floating Charge		(8,151)	(8,151)
	<u>8,193</u>	<u>(8,193)</u>	<u>0</u>
<b>ASSETS NOT SPECIFICALLY PLEDGED</b>			
Plant & Machinery/stock	5,396	-	5,396
Property Retention - Netheravon		8,500	8,500
Director's Loan Account		-	-
Bank Interest Gross	63	8	71
Fixed Charge Surplus		8,151	8,151
	<u>5,459</u>	<u>16,659</u>	<u>22,118</u>
<b>Payments</b>			
Administrator's disbursements	(277)	(200)	(477)
Administrator's fees		(17,756)	(17,756)
Agent's fees & expenses	(3,280)	-	(3,280)
Bordereau (statutory bond)		(40)	(40)
Computer Services	(100)	-	(100)
Company Records Inventory & Collection	(195)	-	(195)
Insurance	(250)	-	(250)
Corporation Tax		(20)	(20)

<b>Available for preferential creditors</b>	1,357	(1,357)	-
Arrears of wages and holiday pay		-	-
<b>Net property</b>	<u>1,357</u>	<u>(1,357)</u>	<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.**

Paragraph 3 of Schedule B1 to the Act provides as follows:

- "3 (1) The administrator of a company must perform his functions with the objective of:
- (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.

For the 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 one or more secured or preferential creditors. We furthermore consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole.

We consider that this objective has already largely been achieved following the conclusion of the sale of the properties and assets of the Company as described earlier. We consider that concluding the realisation of the properties and assets in this manner in the context of an Administration as an alternative to an immediate cessation of trade and liquidation of the Company has enhanced the recovery prospects for the secured and preferential creditors.

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, and conclude our statutory duties. The principal matters to deal with in this respect are:

- Sale of Knowle Cottage, Pewsey, Wiltshire
- Sale of 30 The Parade, Marlborough, Wiltshire
- Sale of four completed properties and five incomplete properties, at a development known as Netheravon, Salisbury, Wiltshire
- Sale of a small parcel of land known as Jamaica Farm, Plot 2, Andover, Hampshire
- Disposal of chattel assets consisting of office furniture and equipment, plus joinery plant & machinery
- Collection of an outstanding balance due on a director's loan account
- Collection of rent in respect of 30 The Parade
- Dealing with employee claims through the Redundancy Payments Service
- Statutory duties including reporting on directors' conduct

Following these events we propose to finalise distributions to the secured and preferential creditors.

### ***Exit from Administration***

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors (other than the prescribed part under Section 176A of the Act – for which see below). Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the company.

However, it may transpire that it is not possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the sale of the properties during the time period. Yet Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, the administrator's term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further 6 months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved.

With the exception of Knowle Cottage which is subject to a mortgage with Paragon Mortgages, all other property assets are subject to fixed or legal charges in favour of Clydesdale Bank Plc. All other assets are subject to a floating charge in favour of Clydesdale Bank Plc.

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then unless the court makes an order permitting such a distribution on our application, we will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances.

### ***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*.

We presently estimate these values as £8,000 and £27,000 respectively

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.

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the administrators' licensing bodies.

## JOINT ADMINISTRATORS' TIME COSTS AND EXPENSES

- a. Begbies Traynor (Central) LLP's policy for re-charging expenses; Begbies Traynor (Central) LLP's charge-out rates;
- b. Narrative summary of time costs incurred and summary by staff grade and work activity;
- c. Narrative summary of time costs incurred and summary by staff grade and work activity.

## POLICY FOR RE-CHARGING EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

### 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 make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice<sup>1</sup> requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

### DEFINITIONS

Required professional practice classifies expenses into two broad categories:

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges;
- *Category 2 expenses (approval required)* – all other items of expenditure:
  - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost; and/or
  - Where the cost of the expense incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost.

### CHARGING POLICY

- *Category 1 expenses (approval not required)* – with the exception of any items referred to below, all such items are re-charged to the case as they are incurred.
- *Category 2 expenses (approval required)*
  - (A) The following items of expenditure are re-charged as described:
    - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £100 (London £150) per meeting;
    - Car mileage is re-charged at the rate of 40 pence per mile;
    - Storage of books and records (when not rechargeable as a *Category 1 expense*) is recharged 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;
  - (B) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge:
    - Telephone and facsimile
    - Printing and photocopying
    - Stationery

A re-charge may be made, however, where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*.

<sup>1</sup> Statement of Insolvency Practice 9 (SIP 9) effective from April 2007

## 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 Bristol office as at the date of this report are as follows:

<b>Grade of staff</b>	<b>Charge-out Rate (£ per hour)</b>
Partner	350.00
Director	325.00
Senior Manager	295.00
Senior Administrator	160.00
Administrator	130.00

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 units of 0.10 of an hour (i.e. 6 minute units).

## SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME: Rural Blueprint Limited

CASE TYPE: ADMINISTRATION

OFFICE HOLDERS: Simon Robert Haskew and Gary Paul Shankland

DATE OF APPOINTMENT: 01 August 2008

### 1 CASE OVERVIEW

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

1.2 *Complexity of the case*

The main areas of complexity have related to dealing with the four properties and the various parties with a financial interest in them.

1.3 *Exceptional responsibilities*

No exceptional responsibilities but due care and attention exercised throughout in relation to the exercise of powers for the benefit of creditors as a whole. The administrators act as agents for the Company and officers of the court.

1.4 *The office-holder's effectiveness*

All property assets have been sold following extensive communications with all parties.

The sum of £2,509,425 has been paid to Clydesdale Bank Plc under its fixed charge security, thereby discharging the Company's indebtedness in full.

1.5 *Nature and value of property in question*

The principal assets in the administration were properties with a combined gross value in excess of £2,800,000.

1.6 *Anticipated return to creditors*

The secured creditor, Clydesdale Bank Plc, has received repayment in full. There were insufficient funds to make a distribution to preferential or ordinary unsecured creditors.

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 *The views of the creditors*

No concerns from creditors have been received.

### *1.9 Approval of fees*

The joint administrators' remuneration is based on their hourly costs at scale rates calculated on the time properly spent in the course of the administration. We have received approval of our fees from the secured and preferential creditors.

### *1.10 Other professionals employed & their costs*

Agents, Strutt & Parker LLP and Strakers LLP were instructed in relation to the Netheravon property development and 30 The Parade. Their joint costs were £35,130. Quantity Surveyors, Nigel Rose LLP, were instructed to assess the cost of completing the Netheravon development and were paid the sum of £542.

Agents Hinton Newport have been paid a sum of £450 regarding the sale of 30 The Parade.

Agents, Smiths Gore and Alder King LLP were paid the sum of £330 and £600 respectively, for valuation advice in respect of the property known as Jamaica Farm Plot 2.

Solicitors, Addleshaw Goodard LLP were instructed to advise on the sale of Netheravon. Their fees were £12,341.50. Solicitors, Withy King, were paid £4,104 in connection with the sale of the property known as Jamaica Farm Plot 2 and 30 The Parade.

Solicitors, Addleshaw Goodard LLP were paid £2,663 in connection the reviewing the validity of security held by Clydesdale Bank Plc.

Agents, GoIndustry DoveBid, were instructed to value and sell the chattel assets of the Company. Their fees have been paid in the sum of £3,280.

## **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 administration.

- Sale of the property at Netheravon, Jamaica Farm Plot 2 and 30 The Parade Marlborough
- Realisation of retention funds re: Netheravon
- Realisation of plant, machinery and stock
- Performing ancillary statutory and regulatory duties
- Statutory investigations into the affairs of the Company
- Dealing with creditor enquiries
- Completing statutory returns



## Rural Blueprint Limited - In Administration

56,018