

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House



### 1 Company details

Company number 0 5 4 1 1 8 6 8

Company name in full Grahams Cartons Ltd

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Court details

Court name High Court of Justice, Business and Property Courts  
in Manchester

Court case number 2 5 5 8 2 0 1 8

### 3 Administrator's name

Full forename(s) Alan

Surname Fallows

### 4 Administrator's address

Building name/number 1 City Road East

Street Manchester

Post town

County/Region

Postcode M 1 5 4 P N

Country

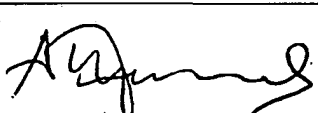
# AM22

Notice of move from administration to creditors' voluntary liquidation

<b>5 Administrator's name ①</b>	
Full forename(s)	Peter James
Surname	Anderson
<b>① Other administrator</b> Use this section to tell us about another administrator.	
<b>6 Administrator's address ②</b>	
Building name/number	1 City Road East
Street	Manchester
Post town	
County/Region	
Postcode	M 1 5 4 P N
Country	
<b>② Other administrator</b> Use this section to tell us about another administrator.	
<b>7 Appointor/applicant's name</b>	
Give the name of the person who made the appointment or the administration application.	
Full forename(s)	Colin
Surname	Graham
<b>8 Proposed liquidator's name</b>	
Full forename(s)	Alan
Surname	Fallows
Insolvency practitioner number	9 5 6 7
<b>9 Proposed liquidator's address</b>	
Building name/number	1 City Road East
Street	Manchester
Post town	
County/Region	
Postcode	M 1 5 4 P N
Country	

AM22

Notice of move from administration to creditors' voluntary liquidation

<b>10</b>		<b>Proposed liquidator's name<sup>①</sup></b>	
Full forename(s)	Peter James		
Surname	Anderson		
Insolvency practitioner number	1	5	3 3 6
		<b>① Other liquidator</b> Use this section to tell us about another liquidator.	
<b>11</b>		<b>Proposed liquidator's address<sup>②</sup></b>	
Building name/number	1 City Road East		
Street	Manchester		
Post town			
County/Region			
Postcode	M	1	5 4 P N
Country			
		<b>② Other liquidator</b> Use this section to tell us about another liquidator.	
<b>12</b>		<b>Period of progress report</b>	
From date	d 2 8	m 1 2	y 2 0 1 9
To date	d 0 1	m 0 6	y 2 0 2 0
<b>13</b>		<b>Final progress report</b>	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report.	
<b>14</b>		<b>Sign and date</b>	
Administrator's signature	Signature X  X		
Signature date	d 0 1	m 0 6	y 2 0 2 0

# AM22

Notice of move from administration to creditors' voluntary liquidation



## Presenter information

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

Contact name	William Bowden
Company name	Kay Johnson Gee Corporate Recovery Limited
Address	1 City Road East Manchester
Post town	
County/Region	
Postcode	M 1 5 4 P N
Country	
DX	
Telephone	0161 832 6221



## Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



## Important information

All information on this form will appear on the public record.



## Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



## Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

# **Joint Administrators' Final Progress Report**

**Grahams Cartons Ltd – In Administration**

**1 June 2020**

## **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

### **CONTENTS**

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised Assets
- 4** Outcome for Creditors
- 5** Administrators' Remuneration
- 6** Creditors' Rights
- 7** Ending the Administration

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 28 December 2019 to 1 June 2020 with a Cumulative Receipts and Payments Account for the Period from 28 June 2018 to 1 June 2020
- B** Time Analysis for the Period from 28 December 2019 to 1 June 2020
- C** Cumulative Time Analysis for the Period from 28 June 2018 to 1 June 2020
- D** Outcome Statement as at 1 June 2020
- E** Additional information in relation to Administrators' Fees, Expenses & Disbursements
- F** Copy of my original fees estimate

## **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

### **1 Introduction**

- 1.1 I, together with my partner Peter James Anderson, was appointed Joint Administrator of Grahams Cartons Ltd (the **Company**) on 28 June 2018. The appointment was made by the Director.
- 1.2 This Administration has been handled by Kay Johnson Gee Corporate Recovery Limited at 1 City Road East, Manchester, M15 4PN. The Administrators contact details are by phone on 0161 832 6221 or via email at [williambowden@kjgcr.com](mailto:williambowden@kjgcr.com). The Administration is registered in the High Court of Justice, Business and Property Courts in Manchester, under reference number 2558 of 2018.
- 1.3 Information about the way that we will use, and store personal data on insolvency appointments can be found at [www.kjgcr.com/privacy-policy](http://www.kjgcr.com/privacy-policy). If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.4 The trading address of the Company is Unit 1, Garston Quays, Window Lane, Blackburne Street, Liverpool, L19 8E.
- 1.5 The registered office of the Company is c/o Kay Johnson Gee Corporate Recovery, 1 City Road East, Manchester, M15 4PN and its registered number is 05411868.
- 1.6 As the Administration has now completed, I am required to provide a progress report covering the period since my last report which ended on 27 December 2019. This is my final report in the Administration and covers the period from 28 December 2019 to 1 June 2020 (**the Period**) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.

### **2 Progress of the Administration**

- 2.1 As noted previously, the statutory objective pursued in the Administration was realising property to make a distribution to the secured or preferential creditors. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not have provided any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an overview of the progress made in the Period, both in terms of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment to the conclusion of the Administration.

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

- 2.4 As noted previously, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work undertaken in this regard has been outlined previously and I would confirm that in the final period of the Administration, the only matters that have affected the costs in this area to any particular extent are case planning and file reviews.
- 2.5 Where the overall costs of statutory compliance work or reporting to creditors has exceeded the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.
- 2.6 As noted in my initial fees estimate/information, this work has not necessarily brought any financial benefit to creditors, but is work required on every case by statute.

## GRAHAMS CARTONS LTD - IN ADMINISTRATION

### **Trading**

- 2.7 The Company did not trade post-appointment. The business and certain assets were sold to CEG Packaging Limited ("the Purchaser") immediately following the appointment of the Joint Administrators.

### **Realisation of Assets**

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

- 2.8 As detailed in my letter to creditors in accordance with SIP16 dated 2 July 2018, the following assets were sold to the Purchaser immediately following my appointment:

Details of Assets	Pre-packaged sale in Administration
	£
Plant & Machinery	21,400
Office & IT Equipment	700
Stock	1,300
Motor Vehicles	600
Goodwill	6,000
Total	30,000

- 2.9 I can confirm that £28,000 has been received from the Purchaser to date as detailed at Appendix A. The remaining £2,000 has been requested on a number of occasions however it remains unpaid. The Joint Administrators have not exercised the retention of title clause in the sale and purchase agreement given that the majority of the consideration has been paid. The cost of attending the Company's premises and removing assets due to non-payment would outweigh the outstanding balance due.
- 2.10 Given the situation with the COVID-19 global pandemic, the Purchaser is currently not trading and is unable to pay the outstanding amount at this time. As such, this amount will be collected once the Company is in Liquidation. More details on the move to Liquidation are provided later in this report.

#### **Cash at Bank**

- 2.11 At the date of appointment, the Company's bank account was £259.36 in credit. I can confirm that this has been paid into the administration.

#### **Rates Refund**

- 2.12 A refund of £202.18 has been received in respect of business rates.

#### **Unlawful Dividends**

- 2.13 As previously reported, dividends have been drawn against negative distributable reserves stated in the Company's last three years accounts.
- 2.14 I wrote to the Director to request an offer for repayment. An offer was received to which I requested further information so that it could be considered. The offer was subsequently rejected.
- 2.15 I met with the Director and his accountant in February 2020 to discuss matters in respect of the unlawful dividends and his concerns with HM Revenue & Customs ("HMRC"). HMRC fined the Director personally for his alleged mishandling of the Company's tax affairs. The Director appealed the decision which was upheld.



## **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

- 2.16 The Director sought clarification as to why he was being chased by HMRC for a company debt and by the Administrator, as he thought this would be a preference payment if he paid HMRC. This was his rationale for not submitting an offer for repayment of the dividends.
- 2.17 I will be moving the Administration to a Liquidation in order to realise the final payment from the Purchaser and negotiate an acceptable offer from the Director in respect of the unlawful dividends.

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

- 2.18 Further information on the outcome for creditors in this case can be found at section 4 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.
- 2.19 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. I would confirm that in this case all employees and the associated liabilities transferred to the Purchaser under the Transfer of Undertakings for the Protection of Employees (TUPE).
- 2.20 The above work will not necessarily bring any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be however the Administrators are required by statute to undertake this work. In this case I have dealt with unsecured creditor correspondence including post, phone calls and emails.

### ***Investigations***

- 2.21 You may recall from my earlier progress reports to creditors that some of the work the Administrators were required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 (**CDDA 1986**) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 2.22 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 2.23 Since my last progress report, I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

## **3 Unrealised Assets**

- 3.1 As detailed above, the following assets have yet to be realised and will now be dealt with by the Liquidator once appointed:
- £2,000 from the Purchaser for the sale of the business and certain assets
  - The unlawful dividends which the Director has acknowledged. Negotiations are ongoing but has been stalled due to the COVID-19 global pandemic.

## **4 Outcome for Creditors**

- 4.1 An Outcome Statement as at 1 June 2020 is attached at Appendix D.

## GRAHAMS CARTONS LTD - IN ADMINISTRATION

### ***Secured Creditors***

- 4.2 Skipton Business Finance Limited ("Skipton") holds a fixed charge over the Company's book debts and a floating charge over the assets generally. At the date of the Administration the indebtedness to Skipton was estimated at £230,549. Skipton collected the debtor ledger and has now confirmed that it has been repaid in full.
- 4.3 Devon & Cornwall Securities Limited ("D&C") holds a fixed charge over the Company's interest in the lease for the premises at Unit 1 Garston Quays and a floating charge over the assets generally. At the date of the administration, the indebtedness to D&C was estimated to be £327,294.50. Any distribution to D&C will be dependent on realisations in respect of the unlawful dividends. D&C has failed to provide me with any details of its claim and is ignoring all correspondence in respect of the Administration. The Director has advised that the Purchaser is repaying the debt to D&C.
- 4.4 The Royal Bank of Scotland plc ("RBS") were repaid in full prior to the administration. Further details of this are disclosed in my SIP16 letter to creditors. RBS have however submitted a claim in respect of the Company's overdrawn bank account.

### ***Preferential Creditors***

- 4.5 There are no preferential creditors.

### ***Unsecured Creditors***

- 4.6 At the date of this report I have received claims totalling £573,770.41 from 16 creditors.
- 4.7 The Company granted a floating charge to D&C on 31 May 2018. Accordingly, I am required to create a fund out of the Company's net floating charge property for unsecured creditors (known as the **Prescribed Part**). However, if the unlawful dividends were to be repaid in full, it would result in D&C being paid in full should a claim be submitted.
- 4.8 In light of the above, there may be funds available for unsecured creditors other than the prescribed part. As such, the conversion to Liquidation is necessary.

## **5 Administrators' Remuneration**

- 5.1 The basis of the Administrators' fees was fixed in the Administration by reference to the time properly spent by him and his staff in managing the Administration.
- 5.2 My time costs for the Period are £5,695.00. This represents 21.9 hours at an average rate of £260.05 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by me in managing the Administration. A narrative explanation of the work undertaken by the Administrators during the Period can be found at section 2 of this report.
- 5.3 Attached as Appendix C is a cumulative Time Analysis for the period from the date of my appointment to 1 June 2020 which provides details of my total time costs in the Administration. These time costs total £29,958.00 which represents 117.85 hours at an average rate of £254.20 per hour.
- 5.4 You will recall that I provided creditors with my fees estimate prior to the agreement of the basis of my remuneration as time costs. I would confirm that it was not necessary during the Administration to seek further approval to increase this estimate. The approved fees estimate in force at the end of the Administration imposed an overall cap on my fees of £25,329.75.

## **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

- 5.5 I would confirm that £6,500 plus disbursements of £504.87 has been drawn against my accrued time costs, which is below the level of the fees estimate approved by creditors.
- 5.6 The balance of the Administrators' unbilled time costs of £18,829.75 will be drawn as an expense of the Liquidation. This remains within the fees estimate approval obtained from creditors.
- 5.7 Attached at Appendix E is additional information in relation to the Administrators' fees and the expenses and disbursements incurred in the Administration.
- 5.8 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.icaew.com/media/corporate/files/technical/insolvency/creditors-guides/creditors-guide-to-administrators-fees-england-and-wales-apr-10.ashx?la=en>

## **6 Creditors' rights**

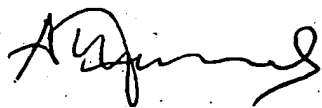
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

## **7 Ending the Administration**

- 7.1 A copy of the notice bringing the Administration to an end and moving the Company into Creditors' Voluntary Liquidation is enclosed with this report, which has been sent to the Registrar of Companies for filing. Once this notice is registered, the Company will be in liquidation and I would confirm that I, together with Peter James Anderson, will become the appointed Liquidator, as agreed in my earlier proposals.
- 7.2 As liquidator, I will be required to report to creditors on the progress of the liquidation within two months of the anniversary of my appointment. If a dividend is to be declared sooner, I will write to creditors to provide appropriate details in the intervening period.
- 7.3 If any creditors have not yet submitted their proof of debt, please ensure this is forwarded to my office as soon as possible in order that your claim can be admitted for dividend purposes.
- 7.4 My fees estimate for the work I anticipate will be required in the liquidation and details of the expenses I anticipate will be, or are likely to be, incurred will be forwarded to creditors for approval in due course.
- 7.5 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

**GRAHAMS CARTONS LTD - IN ADMINISTRATION**

For and on behalf of  
Grahams Cartons Ltd

A handwritten signature in black ink, appearing to read 'Alan Fallows', written over a horizontal line.

**Alan Fallows**  
Joint Administrator

## **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

### **Appendix A**

**Receipts and Payments Account for the Period from 28 December 2019 to 1 June 2020 with a cumulative Receipts and Payments Account for the Period from 28 June 2018 to 1 June 2020.**

**Grahams Cartons Ltd**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 28/06/2019 To 01/06/2020 £	From 28/06/2018 To 01/06/2020 £
	<b>SECURED ASSETS</b>		
6,000.00	Goodwill	NIL	NIL
258,322.10	Book Debts	NIL	268,327.52
		NIL	268,327.52
	<b>SECURED CREDITORS</b>		
(230,549.00)	Skipton Business Finance Limited	NIL	230,549.00
	Factoring charges	NIL	37,296.04
		NIL	(267,845.04)
	<b>ASSET REALISATIONS</b>		
	Cash at Bank	NIL	259.36
	Goodwill	1,869.60	4,000.00
200.00	Motor Vehicles	NIL	600.00
100.00	Office & IT Equipment	NIL	700.00
10,500.00	Plant & Machinery	NIL	21,400.00
Uncertain	Potential illegal dividends	NIL	NIL
	Rates refund	NIL	202.18
	Stock	NIL	1,300.00
120.00	Stock/WIP	NIL	NIL
		1,869.60	28,461.54
	<b>COST OF REALISATIONS</b>		
	Administrators' fees	6,500.00	6,500.00
	Administrators' pre-appointment fees	NIL	12,007.00
	Bank Charges	NIL	10.00
	Bordereau	NIL	248.40
	Court Fees	NIL	50.00
	Legal Fees	2,828.20	3,853.20
	London Gazette Advertising	NIL	71.15
	Office Holders Expenses *	NIL	87.32
	Office Holder's Travelling Expenses *	31.50	63.00
	Pre-appointment Agents/Valuers Fees	NIL	2,500.00
	Pre-appointment legal disbursements	NIL	15.00
	Pre-appointment legal fees	NIL	2,474.00
		(9,359.70)	(27,879.07)
	<b>FLOATING CHARGE CREDITORS</b>		
(327,294.50)	Devon and Cornwall Securities Limite	NIL	NIL
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(60,000.00)	Health & Safety Executive	NIL	NIL
(16,075.80)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(263,416.34)	HM Revenue & Customs (VAT)	NIL	NIL
(75.41)	Royal Bank of Scotland plc overdraft	NIL	NIL
(21,074.49)	The Funding Circle Limited	NIL	NIL
(249,251.75)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(90,100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
<b>(982,595.19)</b>		<b>(7,490.10)</b>	<b>1,064.95</b>
	<b>REPRESENTED BY</b>		
	Current A/c		258.65

**Grahams Cartons Ltd**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 28/06/2019 To 01/06/2020 £	From 28/06/2018 To 01/06/2020 £
<hr/>		
REPRESENTED BY CONTINUED		
Vat Receivable		806.30
		<hr/>
		<b>1,064.95</b>
		<hr/>

# **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

## **Appendix B**

### **Time Analysis for the Period from 28 December 2019 to 1 June 2020**



Time Entry - SIP9 Time & Cost Summary

GRAH01 - Grahams Cartons Ltd  
Project Code: POST  
From: 28/12/2019 To: 01/06/2020

Classification of Work Function									
Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)	
Admin & Planning	0.00	0.00	0.00	0.00	11.25	11.25	2,812.50	250.00	
Case Specific	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Cashiering	0.00	1.00	1.50	0.00	0.00	2.50	345.00	138.00	
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Investigation	2.50	0.00	0.00	0.00	5.15	7.65	2,412.50	315.36	
Realisation of Assets	0.00	0.00	0.00	0.00	0.50	0.50	125.00	250.00	
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Total Hours									260.05
Total Fees Claimed									4,000.00
Total Disbursements Claimed									31.50

Time Entry - SIP9 Time & Cost Summary  
Category 2 Disbursements

GRAH01 - Grahams Cartons Ltd  
Project Code: POST  
From: 28/12/2019 To: 01/06/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Disbursement Category	Amount
18/03/2020	Mileage: Mileage - AF	Category 2	31.50
Total			31.50

# **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

## **Appendix C**

### **Cumulative Time Analysis for the Period from 28 June 2018 to 1 June 2020**

## Time Entry - SIP9 Time & Cost Summary

GRAH01 - Grahams Cartons Ltd  
Project Code: POST  
To: 01/06/2020

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	5.15	0.00	0.00	10.50	1.25	32.35	49.25	12,881.00	261.54
Case Specific	0.00	0.00	0.00	0.00	0.00	1.00	1.00	250.00	250.00
Cashiering	0.40	0.00	2.25	4.50	0.00	0.65	7.80	1,220.50	156.47
Creditors	0.50	0.00	0.30	0.00	0.00	15.80	16.60	4,246.50	255.81
Investigation	2.50	0.00	0.60	1.00	0.00	16.30	20.40	5,528.00	270.98
Realisation of Assets	0.15	0.00	0.50	3.75	0.00	7.15	11.55	2,399.50	207.75
Statutory Compliance	3.40	0.00	0.00	0.00	1.00	6.85	11.25	3,432.50	305.11
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>12.10</b>	<b>0.00</b>	<b>3.65</b>	<b>19.75</b>	<b>2.25</b>	<b>80.10</b>	<b>117.85</b>	<b>29,958.00</b>	<b>254.20</b>
<b>Total Fees Claimed</b>								<b>6,500.00</b>	
<b>Total Disbursements Claimed</b>								<b>504.87</b>	

Time Entry - SIP9 Time & Cost Summary  
Category 2 Disbursements

GRAH01 - Grahams Cartons Ltd  
Project Code: POST  
To: 01/06/2020

Other amounts paid or payable to the office holders firm or to party in which the office holder or his firm or any associate has an interest.

Transaction Date	Type and Purpose	Disbursement Category	Amount
18/03/2020	Mileage: Mileage - AF	Category 2	31.50
		Total	31.50

# **GRAHAMS CARTONS LTD - IN ADMINISTRATION**

## **Appendix D**

### **Outcome Statement as at 1 June 2020**

**Grahams Cartons Ltd**  
**(In Administration)**  
**Joint Administrators' Estimated Outcome Statement**  
**To 01/06/2020**

Statement of Affairs £	Realised / Paid	Projected	Total £
<b>SECURED ASSETS</b>			
6,000.00	Goodwill	NIL	NIL
258,322.10	Book Debts	268,327.52	268,327.52
		268,327.52	268,327.52
<b>SECURED CREDITORS</b>			
(230,549.00)	Skipton Business Finance Limited	230,549.00	230,549.00
	Factoring charges	37,296.04	37,296.04
		(267,845.04)	(267,845.04)
<b>ASSET REALISATIONS</b>			
	Goodwill	4,000.00	2,000.00
10,500.00	Plant & Machinery	21,400.00	NIL
100.00	Office & IT Equipment	700.00	NIL
200.00	Motor Vehicles	600.00	NIL
	Stock	1,300.00	NIL
120.00	Stock/WIP	NIL	NIL
Uncertain	Potential illegal dividends	NIL	NIL
	Cash at Bank	259.36	NIL
	Rates refund	202.18	NIL
		28,461.54	2,000.00
			30,461.54
<b>COST OF REALISATIONS</b>			
	Bordereau	248.40	NIL
	Administrators' pre-appointment fees	12,007.00	NIL
	Administrators' fees	6,500.00	3,014.95
	Office Holders Expenses *	87.32	NIL
	Office Holder's Travelling Expenses *	63.00	NIL
	Pre-appointment Agents/Valuers Fees	2,500.00	NIL
	Legal Fees	3,853.20	NIL
	Pre-appointment legal fees	2,474.00	NIL
	Pre-appointment legal disbursements	15.00	NIL
	Storage Costs *	NIL	50.00
	London Gazette Advertising	71.15	NIL
	Court Fees	50.00	NIL
	Bank Charges	10.00	NIL
		(27,879.07)	(3,064.95)
			(30,944.02)
<b>FLOATING CHARGE CREDITORS</b>			
(327,294.50)	Devon and Cornwall Securities Limited	NIL	NIL
		NIL	NIL
<b>UNSECURED CREDITORS</b>			
(249,251.75)	Trade & Expense Creditors	NIL	NIL
(75.41)	Royal Bank of Scotland plc overdraft	NIL	NIL
(21,074.49)	The Funding Circle Limited	NIL	NIL
(16,075.80)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(263,416.34)	HM Revenue & Customs (VAT)	NIL	NIL
(60,000.00)	Health & Safety Executive	NIL	NIL
		NIL	NIL
<b>DISTRIBUTIONS</b>			
(90,100.00)	Ordinary Shareholders	NIL	NIL

**Grahams Cartons Ltd**  
**(In Administration)**  
**Joint Administrators' Estimated Outcome Statement**  
**To 01/06/2020**

Statement of Affairs £	Realised / Paid	Projected	Total £
	NIL	NIL	NIL
<u>(982,595.19)</u>	<u>1,064.95</u>	<u>(1,064.95)</u>	<u>0.00</u>
REPRESENTED BY			
Vat Receivable	806.30	NIL	806.30
Current A/c	258.65	NIL	258.65
	<u>1,064.95</u>	<u>NIL</u>	<u>1,064.95</u>



## GRAHAMS CARTONS LTD - IN ADMINISTRATION

### Appendix E

#### Additional Information in Relation to the Administrators' Fees, Expenses & Disbursements

##### 8 Staff Allocation and the Use of Sub-Contractors

- 8.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 8.2 The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 8.3 We have not utilised the services of any sub-contractors in this case.

##### 9 Professional Advisors

- 9.1 On this assignment, we used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them.

Name of Professional Advisor	Basis of Fee Arrangement
N J Goodman & Co (legal advice)	Hourly rate and disbursements
Cerberus Asset Management (valuation and disposal advice)	Hourly rate and disbursements

- 9.2 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.

##### 10 Administrators' Expenses & Disbursements

- 10.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is attached at Appendix F

###### *Summary of Administrators' expenses*

- 10.2 Details of the expenses paid by the Administrators during the Period and for the entire Administration can be found in the Receipts and Payments account at Appendix A.
- 10.3 Below are details of any expenses or disbursements which remain unpaid at the date of this report and will be discharged in the subsequent Liquidation in due course:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Pre-appointment legal fees	2,474.00	0	0	2,474
Pre-appointment agent's fees	2,500.00	0	0	2,500.00
Court filing fee	0	0	50.00	0
Legal fees & disbursements	3,853.20	0	0	3,853.20
Statutory advertising	71.15	0	0	71.15
Specific penalty bond	248.40	0	0	248.40
Bank charges	10.00	0	0	10.00
Bank statement conversion	87.32	0	0	87.32
Case related travel & subsistence	31.50	0	0	31.50

## GRAHAMS CARTONS LTD - IN ADMINISTRATION

- 10.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable, will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 10.5 Category 2 disbursements do 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. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Administrators' fees were approved by creditors.

## 11 Charge-Out Rates

- 11.1 Kay Johnson Gee Corporate Recovery Limited's current charge-out rates effective from 1 November 2016 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

From 1 November 2016 to 30 September 2018	
Grade	Rate (£ per hour)
Partner	395.00
Senior Manager	330.00
Manager	300.00
Assistant Manager	275.00
Senior Administrator	250.00
Administrator	220.00
Cashier / Insolvency Junior	130.00
From 1 October 2018	
Appointment Takers	450
Managers	300 to 360
Administrator / Senior Administrator	220 to 250
Cashier / Support Staff	110 to 180

**Estimate of Fees and Expenses for  
Grahams Cartons Ltd (In Administration)  
To 02/07/2018**

	<b>Total Hours</b>	<b>Avg Hourly Rate £</b>	<b>Time Cost £</b>	<b>Disbursements £</b>	<b>Expenses £</b>
<b>Classification of Work Function</b>					
Admin & Planning					
Appointment Notification/Formalities	5.00	319.00	1,595.00		
Case Filing	1.50	216.67	325.00		
Case Planning	2.00	347.50	695.00		
File Maintenance and Case Review	5.00	244.00	1,220.00		
Filing	5.00	175.00	875.00		
Maintenance of Records	2.00	175.00	350.00		
Meeting and/or Internal Discussion	2.00	300.00	600.00		
Statutory Reporting	15.50	157.94	2,448.00		
Cashiering					
Cashiering/Invoicing	11.00	263.18	2,895.00		
Creditors					
General Communication	6.50	203.85	1,325.00		
H M Revenue & Customs	4.40	267.05	1,175.00		
Postage/Mail	1.00	175.00	175.00		
Secured Creditors	6.50	175.00	1,137.50		
Unsecured Creditors	6.00	224.58	1,347.50		
Investigation					
CDDA Reporting	11.00	222.55	2,448.00		
Investigation					
Collection of Books and Records	3.00	175.00	525.00		
Completion & Submission of CDDA	1.25	319.00	398.75		
Investigation					
Investigating antecedent transactions	3.00	295.00	885.00		
SIP 2 Review	8.50	193.53	1,645.00		
Realisation of Assets					
Agents/Solicitors	4.00	230.00	920.00		
Realisation of Assets					
Bank Reconciliation	1.00	175.00	175.00		
Realisation of Assets					
Banking/Cashiering	3.00	200.00	600.00		
Realisation of Assets					
Dealing with Assets/Agents	1.00	175.00	175.00		
Realisation of Assets					
Debt Collection	2.00	175.00	350.00		
Identifying, Securing & Insuring Assets	2.00	347.50	695.00		
Retention of Title	2.00	175.00	350.00		
	<u>115.15</u>	<u>219.97</u>	<u>25,329.75</u>		
<b>Disbursements</b>					
Category 1 Disbursements				270.25	
Category 2 Disbursements				0.00	
				<u>270.25</u>	
<b>Expenses (*)</b>					
					<u>0.00</u>
<b>Totals</b>	<u>115.15</u>	<u>219.97</u>	<u>25,329.75</u>	<u>270.25</u>	<u>0.00</u>

(\*) Details of the expenses the IP considers will be, or are likely to be, incurred during the period of this estimate.

**Estimate of Fees and Expenses for  
Grahams Cartons Ltd (In Administration)**

**Details of estimated disbursements that will be paid during the period of this estimate.**

**Category 1 Disbursements**

Bordereau Premium	117.60
Mileage	31.50
Statutory Adverts	71.15
Storage	50.00
	<hr/>
	270.25

**Notes:**

1. Category 1 Disbursements are payable without prior approval as they are payments to independent e.g. advertising, room hire, storage, travel expenses
2. Category 2 Disbursements are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee
3. The figures provided for Expenses are as accurate as possible based on the information available at this time. No prior approval is required for the payments of the expenses as they are regarded as a cost of the administration of the estate
4. Further approval will be sought from the creditors' committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded
5. The above estimates are all exclusive of VAT