

# AM10

## Notice of administrator's progress report



Companies House

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A08 \*A6BYAMYG\* 02/08/2017 #392  
COMPANIES HOUSE

A09 \*A6B0S8Q9\* 19/07/2017 #183  
COMPANIES HOUSE

### 1 Company details

Company number 0 5 4 6 0 9 3 4

Company name in full Joshua James Jewellery Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Keith

Surname Marshall

### 3 Administrator's address

Building name/number RSM Restructuring Advisory LLP

Street 4th Floor  
Springfield House  
76 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 2 A Y

Country

### 4 Administrator's name

Full forename(s) Gareth

Surname Harris

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address

Building name/number RSM Restructuring Advisory LLP

Street 4th Floor  
Springfield House  
76 Wellington Street

Post town Leeds

County/Region

Postcode L S 1 2 A Y

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	d 1	d 3	m 0	m 1	y 2	y 0	y 1	y 7
To date	d 1	d 2	m 0	m 7	y 2	y 0	y 1	y 7

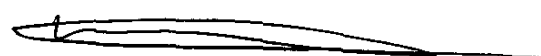
### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X  X

Signature date	d 1	d 7	m 0	m 7	y 2	y 0	y 1	y 7
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# AM10

## Notice of administrator's progress report



### 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	Keith Marshall
Company name	RSM Restructuring Advisory LLP
Address	4th Floor Springfield House 76 Wellington Street
Post town	Leeds
County/Region	
Postcode	L S 1 2 A Y
Country	
DX	
Telephone	0113 285 5285



### 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 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)

**In the matter of**

**Joshua James Jewellery Limited In Administration  
(‘the Company’)**

**in the High Court of Justice Chancery Division Leeds District Registry No: 610 of 2016**

**Joint Administrators’ progress report**

**17 July 2017**

**Keith Marshall and Gareth Harris  
Joint Administrators**

**RSM Restructuring Advisory LLP  
4th Floor  
Springfield House  
76 Wellington Street  
Leeds LS1 2AY**

## **Sections**

1. Purpose of report
2. Progress of the administration in the previous four months
3. Matters preventing closure
4. Extension of the administration
5. Creditors' claims and dividend prospects
6. Receipts and payments summary
7. Costs and Joint Administrators' remuneration
8. Notice of postal vote
9. Creditors' right to information and ability to challenge remuneration and expenses

## **Appendices**

- A. Statutory, dividend and other information
- B. Summary of receipts and payments
- C. Current charging, expenses and disbursements policy statement
- D. Current charge out and disbursement rates
- E. Category 2 disbursements table
- F. Statement of expenses incurred
- G. Time cost analysis
- H. Proof of debt form

## **1 Purpose of report**

This report has been prepared in accordance with insolvency legislation to provide creditors with information relating to the progress of the administration in the period from 13 January 2017 to 12 July 2017. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

## **2 Progress of the administration in the previous six months**

The costs incurred to date and those expected to be incurred in dealing with the matters below are set out in detail at Section 6.

### **2.1 Realisation of assets / sale of business**

#### **2.1.1 Stock and Chattel assets**

As previously advised, a sale of certain stock and assets took place on 18 July 2016 to Joshua James Ventures Limited ("JJV").

The terms of the Sale to JJV provided for the assets to be paid for as follows:

- Furniture and equipment – six instalments with the last payment falling due 15 December 2016;
- Old Stock – seven instalments with the last payment falling due 30 January 2017;
- Branded stock – the amount due would be based on weekly sales up to 31 January 2017;

The balance of any unsold branded stock would then be purchased.

Unfortunately, the provision of the weekly stock sales information took longer than anticipated as the member of staff who dealt with the stock sheets on behalf of the Company left her job. This meant that the Director had to prepare this information for us.

In order to speed up the provision of information we also assisted with the collating of the weekly stock sale information.

As a result of the above the balance of unsold stock was finally calculated in mid-April and negotiations ensued in respect of the amount to be paid and a final figure was agreed.

The final total balance outstanding is being paid in weekly instalments of post-dated cheques.

As previously reported, the assets not included in the sale to JJV were all sold at auction, with total proceeds of £8,631. Out of these proceeds a retention of title claim was settled in the sum of £1,875.

#### **2.1.2 Directors Loan Account ("DLA")**

The Director, Shaun Bell, had an outstanding loan account due to the Company totalling c£850k.

Mr Bell also provided a number of personal guarantees on behalf of the Company which, as a result of the Administration, were called upon. As previously advised, the Director sought independent insolvency advice on the options available to him and on 20 October 2016, he entered into an Individual Voluntary Arrangement ('IVA'). The duration of the arrangement was five years and it was anticipated that the IVA would provide a return to creditors of around 3p in the £ over the duration of the Arrangement.

Due to the quantum of preferential and secured claims in this matter and the level of realisations to date there will be no distribution to unsecured creditors other than by virtue of the Prescribed Part. As such there is no commercial reason for the Administration to remain open for five years just to receive any

potential dividends from the IVA. The costs in keeping the case open for five years would far outweigh any potential dividend.

In light of the above the Joint Administrators have assigned the Company's right to receive any dividends due from the Directors IVA to Clydesdale Bank Plc ('the Secured Creditor'). Even if the IVA completes successfully and a dividend of 3p in the £ was paid to creditors, the Bank would still suffer a shortfall on its lending.

### **2.1.3 Fixed Assets**

The Joint Administrators' Proposals detailed the Company's fixed asset position and stated that there were no assets with a realisable value; this position has not changed and will not change.

### **2.1.4 Sundry Refunds**

As previously reported the Joint Administrators have received refunds amounting to £367 in respect of an insurance refund and petty cash. There have been no further realisations and none are expected in the future.

### **2.1.5 Bank Interest**

Where possible funds have been held on an interest bearing account and to date we have received interest amounting to £29.

### **2.1.6 Claim for compensation for mis-selling of Interest Rate Hedging Product ('IRHP')**

We have written to all relevant parties in order to obtain confirmation as to whether or not the Company was mis-sold a relevant Interest Rate Hedging product in order to consider whether there is any entitlement to redress inside the framework of the FCA settlement or otherwise. Based on current information it would appear that the Company did not have any such products and any redress is unlikely.

## **2.2 Connected party transactions**

As fully detailed in the Joint Administrators' Proposals, a sale of the Company's assets took place on 18 July 2016 to JJV. The assets included in the sale comprised:

- Old stock over 2 years old;
- Branded stock;
- Office furniture and equipment;
- Licence to occupy business premises; and
- Any contingent liabilities relating to customers.

We have liaised with the director in relation to the completion and submission of weekly stock sales sheets and invoicing. We monitored payments received and ensured the rent and insurance were paid.

## **2.3 Investigations**

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Energy and Industrial Strategy in relation to the conduct of the directors.

I can advise you that, following my initial assessment, no further investigations were deemed necessary.

## **2.4 Case specific matters**

A Company cannot remain in Administration beyond the period of twelve months without the leave of court and/or the approval of creditors. As highlighted above, the Directors loan account needed to be dealt with and the balance of the remaining stock also needed to be quantified in order for a final sale to be agreed.

The terms of the sale agreement to JJV, also granted a license to occupy the Company's former premises. JJV has now entered into a new lease with the landlord and accordingly there are no obligations within the remaining period of administration to the landlord and all matters appertaining thereto have been finalised.

In addition to the above, the Joint Administrators also have a number of statutory obligations which need to be fulfilled before the Administration can be concluded. In view of the above the Administration could not be completed before 12 July 2017 and as a result the Joint Administrators sought an extension of the Administration for a period of 12 months in order to finalise all outstanding matters. Further details are provided at paragraph 4.

Once the above matters have been concluded, the claims of the preferential and unsecured creditors will need to be quantified and agreed in order for a distribution to be made.

## **2.5 Administration and planning**

In the period of this report the Joint Administrators' and their staff have undertaken the following tasks:

- Statutory matters and filing of documents;
- Case planning and strategy;
- General post appointment administration;
- Handling receipts and payments;
- Undertaking file reviews and compliance related tasks;
- Dealing with customer and employee queries;
- Liaising with the directors, landlord, solicitors and insurers;
- Corresponding and reporting to creditors;
- Dealing with the extension of the Administration and requesting approval from the secured and preferential creditors.

## **3 Matters preventing closure**

### **3.1 Assets remaining to be realised**

It has been agreed that JJV will pay the balance outstanding in relation to stock by way of weekly instalments of post-dated cheques.

There are no other assets remaining to be realised.

### **3.2 Other outstanding matters**

Once the final stock realisations have been received the claims of preferential and potentially unsecured creditors will need to be agreed and finalised in order that a distribution can be made.

## **4 Extension of the administration**

A Company cannot remain in Administration beyond the period of twelve months without the leave of court and/or the approval of creditors. The Joint Administrators sought the consent of the secured and preferential creditors ("specified creditors") to a twelve month extension of the Administration in order to ensure there was sufficient time to undertake the following:

- Obtain maximum realisations for the stock;
- Agree and pay the claims of the preferential creditors;
- Deal with the potential return from the IVA; and
- Potentially agree the claims of, and make a distribution under the prescribed part, to the unsecured creditors.

The extension was approved for a period of twelve months by the specified creditors on 19 June 2017.

## **5 Creditors' claims and dividend prospects**

Dividend prospects and projected returns to creditors, where known, are detailed in Appendix A, including any amount under the prescribed part. Please note that these are indicative only and should



not be used as the sole or principal basis for any bad debt provision or other purposes. They may be subject to revision and additional costs.

The agreement of creditors' claims by the Joint Administrators (or any subsequently appointed Supervisor or Liquidator) is a separate matter and will be dealt with as appropriate in due course, initially by reference to the proofs of debt lodged in the proceedings by creditors themselves.

A proof of debt form is attached at Appendix H for those creditors who have not yet submitted a claim.

## **6 Receipts and payments summary**

We attach as Appendix B a summary of our receipts and payments for the period from 13 January 2017 to 12 July 2017.

### **VAT basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

## **7 Costs and Joint Administrators' remuneration**

The firm's charging, expenses and disbursements policy was provided with the Joint Administrators' proposals. A further copy is attached at Appendix C.

### **7.1 Pre-administration costs**

The Joint Administrators' proposals dated 5 September 2016 detailed un-paid pre-administration costs totalling £24,570.

The sums below were approved by both the secured and preferential creditors on 21 November 2016 and 28 November 2016 respectively.

<b>Pre - administration costs charged / incurred</b>				
<b>To whom paid</b>	<b>Cost incurred £</b>	<b>Amount approved £</b>	<b>Date approved</b>	<b>Amount &amp; date paid</b>
RSM	13,873	13,873	28 Nov 2016	£8,000 29 Nov 2016 £4,000 26 Jun 2017
DWF LLP	5,042	5,042	28 Nov 2016	£4,996 13 Nov 2016
CJM Asset Management	5,655	5,655	28 Nov 2016	£4,191 3 Oct 2016

### **7.2 Joint Administrators' remuneration and disbursements**

The Joint Administrators' remuneration was approved on a time cost basis by the secured and preferential creditors on 21 November 2016 and 28 November 2016 respectively, when the following resolution was passed:

- In accordance with the fee estimate provided to creditors at Appendix J to the Proposals the Administrators shall be authorised to draw their remuneration (plus VAT) based upon their time costs limited to the sum of £73,540.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D. An analysis of time incurred in the period is attached at Appendix G. Sums drawn in respect of remuneration in the period covered by this report are shown in the receipts and payments account (Appendix B).

Category 2 disbursements incurred in the period are detailed in Appendix E.

### **7.3 Remuneration and expenses (including disbursements) incurred in the period from 13 January 2017 to 12 July 2017**

In accordance with insolvency legislation I am required to report remuneration 'charged'. This reflects the time charged to the case. In accordance with the fees estimate I cannot draw more than £73,540 without obtaining the further approval of the creditors.

If there are insufficient realisations to allow the Joint Administrators' approved remuneration to be paid in full, any balance will be written off. Details of any write off will be set out in the final report.

Details of the amount of remuneration drawn in the period (and the total amount of remuneration drawn to date) are detailed in the section below headed 'Total remuneration incurred and paid to date since appointment'.

#### **7.3.1 Category 2 disbursements**

The basis of the Joint Administrators drawing category 2 disbursements was approved by the secured and preferential creditors on 21 November 2016 and 28 November 2016 respectively, when the following resolution was passed:

- The Administrators shall be authorised to draw category 2 disbursements as an expense of the administration at the rates prevailing at the time the cost is incurred, current details of which are attached at Appendix E of the Administrators' Proposals. In the event that the administration exits by way of liquidation and the administrators are appointed liquidators, such resolution shall be treated as being passed in the liquidation.

Category 2 disbursement rates are shown in Appendix D. Category 2 disbursements incurred in the period in accordance with the resolution above are detailed in Appendix E.

#### **7.3.2 Expenses and Category 1 disbursements**

Details of the expenses (which include category 1 and category 2 disbursements) of £11,198 that I considered were likely to be incurred during the course of the administration were provided with the Joint Administrators' proposals dated 5 September 2016.

A statement of the expenses incurred during the period compared to the original estimate is attached at Appendix F. This includes all expenses incurred by the Joint Administrators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The amounts paid in the period are also included: those payments are shown in the receipts and payments abstract at Appendix B.

As at the date of this report the quantum of the expenses (including disbursements) incurred and anticipated to be incurred is higher than the original estimate provided to creditors with the Joint Administrators' proposals dated 5 September 2016. This is predominantly due to legal fees and payment for access to the IT system which was critical as it enabled us to retrieve stock information.

Legal costs have also been incurred on matters which were not envisaged at the start of the Administration and so were not included within the initial estimate including dealing with the assignment of the right to receive dividends from the Directors' IVA to the Bank.

### **7.4 Other professional costs**

DWF LLP, solicitors, have been retained as legal advisors in view of their general experience and expertise in these matters. They have advised me on the sale of the assets, general ad-hoc queries and the assignment of dividends to the Bank. I have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements, and their agreed pre appointment fees of £4,992 and disbursements of £4 plus VAT have been paid. Post appointment time costs totalling £9,644 and disbursements of £4 plus VAT have been incurred to date of which £2,170 has been incurred in the current period. The sum of £4,000 plus VAT has been paid on account of the above.

CJM Asset Management were retained as agents to dispose of the Company's tangible assets. I have agreed that they be remunerated on the basis of their standard commission rates, plus disbursements and VAT. They have submitted invoices totalling £5,703 which have been paid; split £4,910 pre appointment and £1,513 post appointment. No additional fees have been incurred in the current period.

Appendix F includes details of other professional costs that have been incurred. The receipts and payments abstract at Appendix B sets out which of these costs have been paid. All such costs are subject to review before being paid and any payments made in the period are disclosed in the receipts and payments account at Appendix B, together with cumulative figures.

## **7.5 Total remuneration incurred and paid to date since appointment**

### **Time cost basis**

Time costs of £27,022 have been incurred in the current period in accordance with the remuneration resolution set out above.

Since appointment the Joint Administrators have incurred time costs of £95,034. Of this, a total of £46,000 (plus VAT) has been billed and paid. A summary of time costs is attached at Appendix G. Details of the sum drawn in respect of remuneration for the period covered by this report are set out in the receipts and payments account at Appendix B together with the cumulative total.

Fees drawn to date are within the estimated amount of £73,540 approved by the secured and preferential creditors on 21 November 2016 and 28 November 2016 respectively.

Time costs have now exceeded the estimate while the following work remains to be carried out before the administration can be finalised:

- Collect in remaining amounts due for the stock from JJV;
- Agreement and payment of dividend to the preferential and unsecured creditors;
- Final distribution to secured creditor;
- Reporting to creditors; and
- General case management and closure.

I now believe that total time costs incurred will be in the region of £110,000, however, I do not propose to seek approval from the secured and preferential creditors for an increase in my fees.

The balance of my time costs in excess of the fee approved at £73,540 will be written off as irrecoverable.

## **8 Creditors' right to information and ability to challenge remuneration and expenses**

In accordance with the provisions of the relevant legislation creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

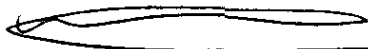
A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Administrators Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

Should you have any further queries please do not hesitate to contact me.



**Keith Marshall**  
**RSM Restructuring Advisory LLP**  
**Joint Administrator**

**RSM Restructuring Advisory LLP**  
**4th Floor**  
**Springfield House**  
**76 Wellington Street**  
**Leeds LS1 2AY**

Keith Marshall and Gareth Harris are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in  
England and Wales

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency  
appointment

**The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents of the  
Company and without personal liability**

## Appendix A

### Statutory, dividend and other information

Company name:	Joshua James Jewellery Limited	
Joint Administrators:	Keith Marshall and Gareth Harris	
Date of appointment:	13 July 2016	
Date of extension	The period of the administration was extended on 19 June 2017 for 12 months, until 12 July 2018.	
Functions:	The Joint Administrators' appointment specified that they would have power to act jointly and severally. The Joint Administrators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.	
Previous company names:	Pure Creations Limited	
Company registered number:	05460934	
Date of incorporation:	24 May 2005	
Trading name:	Joshua James Jewellery Ltd	
Trading address	2 The Weir, Hessle, North Humberside, HU13 0RU	
Principal activity:	Retail Sale Of Jewellery, Clocks And Watches	
Registered office:	RSM Restructuring Advisory LLP 4th Floor Springfield House 76 Wellington Street Leeds LS1 2AY  Formerly 2 The Weir, Hessle, Hull, North Humberside HU12 0RU	
Appointor:	The Directors of the Company	
Details of any extension:	12 months to 12 July 2018 by the creditors	
Proposed exit route:	Creditors' Voluntary Liquidation OR Dissolution	
Correspondence address & contact details of case manager	Stephanie Sutton 0113 285 5285  RSM Restructuring Advisory LLP, 4th Floor, Springfield House, 76 Wellington Street, Leeds LS1 2AY	
Name, address & contact details of Joint Administrators	<b>Primary Office Holder</b> Keith Marshall RSM Restructuring Advisory LLP 4th Floor Springfield House 76 Wellington Street Leeds LS1 2AY 0113 285 5285 IP Number: 9745	<b>Joint Office Holder:</b> Gareth Harris RSM Restructuring Advisory LLP 4th Floor Springfield House 76 Wellington Street Leeds LS1 2AY 0113 285 5285 IP Number: 14412

<b>Dividend prospects</b>	<b>Owed</b>	<b>Paid to date</b>	<b>Estimated future prospects</b>
Clydesdale bank PLC	£176,000	£15,000	£0-13,000
Preferential creditors	£1,887	NIL	100p in the £
Unsecured creditors	£1,151,721	NIL	0.6p – 0.9p in the £
Estimated net property	£23,000 – 39,000		
Estimated prescribed part available for unsecured creditors	£7,000 – 10,800		
Whether and why the Administrators intend to apply to court under S176(A)(5) IA86	N/A		

## Appendix B

### Receipts and Payments

From 13 January 2017 To 12 July 2017

	13/01/2017 to 12/07/2017		Total to 12/07/2017	
	£	£	£	£
<b>ASSET REALISATIONS</b>				
Bank Interest Gross	28.29		28.63	
Bank Interest Net Of Tax	0.00		0.11	
Furniture and Equipment	0.00		6,500.00	
Insurance Received under Licence to occupy	0.00		477.51	
Insurance Refund	0.00		300.08	
Petty Cash	0.00		66.58	
Rent receivable under Licence to occupy	4,487.50		14,950.00	
Stock 1 - Auction	0.00		8,631.00	
Stock 2 - Old Stock	10,128.96		23,634.24	
Stock 3 - Branded Stock	33,585.68		75,774.83	
		48,230.43		130,362.98
<b>COST OF REALISATIONS</b>				
Agents / Valuers Fees	0.00		(5,703.65)	
Appointee Fees	(37,666.67)		(46,000.00)	
Insolvency Point	(8.00)		(8.00)	
Insurance	(192.50)		(1,070.25)	
Insurance Payable under Licence to occupy	0.00		(477.51)	
IT access to Customer Data	0.00		(750.00)	
Legal Disbursements	0.00		(56.00)	
Legal Fees - Pre appointment	0.00		(4,992.00)	
Legal Fees - Post appointment	(2,000.00)		(4,000.00)	
Mileage	0.00		(52.70)	
Pre appointment Fees	(4,000.00)		(12,000.00)	
Rent payable under Licence to occupy	(4,487.50)		(14,950.00)	
ROT Claims	0.00		(1,875.00)	
Specific Bond	0.00		(85.00)	
Statutory Advertising	0.00		(84.60)	
		(48,354.67)		(92,104.71)
<b>FLOATING CHARGE CREDITORS</b>				
Yorkshire Bank plc	(15,000.00)		(15,000.00)	
		(15,000.00)		(15,000.00)
		(15,124.24)		<b>23,258.27</b>
<b>REPRESENTED BY</b>				
Bank Account			22,258.25	
VAT Receivable (Payable)			1,000.02	
				23,258.27
				<b>23,258.27</b>

## **Appendix C**

### **RSM Restructuring Advisory LLP**

#### **Charging, expenses and disbursements policy statement**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Leeds are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A resolution to consider approving category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Leeds will be proposed to the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.



## Appendix D

### RSM Restructuring Advisory LLP

#### Joint Administrators' current charge out and disbursement rates

Hourly charge out rates		
	Rates at commencement £	Current rates £
Partner	435	480
Directors / Associate Directors	260 to 350	330 to 385
Manager	220 to 260	245 to 290
Assistant Managers	209 to 220	245
Administrators	110 to 200	155 to 220
Support staff	75 to 120	60 to 135

Category 2 disbursement rates	
Internal room hire	£165
Subsistence	£25 per night
Travel (car)	42.5p per mile
'Tracker' searches	£10 per case

## Appendix E

Table of Joint Administrators' category 2 disbursements incurred to date

Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest					
Recipient, type and purpose	£				
	Original estimate	Incurred to date		Paid to date	Unpaid to date
		13/7/2016 to 12/1/2017	13/1/2017 to 12/7/2017		
Mileage (own car)	NIL	52.70	NIL	52.70	NIL
<b>Total</b>	<b>NIL</b>	<b>52.70</b>	<b>NIL</b>	<b>52.70</b>	<b>NIL</b>

## Appendix F

### Statement of expenses incurred by the Joint Administrators in the period from 13 January 2017 to 12 July 2017

	£				
	Original estimate	Incurred to date		Expected future	Expected total
		13/7/2016 to 12/1/2017	13/1/2017 to 12/7/2017		
Bond	85	85	-	-	85
Statutory advertising	255	85	-	170	255
Website fee	8	-	8	-	8
Storage agent (collection/storage of records)	350	-	-	350	350
Legal fees	8,000	7,474	2,170	500	10,144
Agents' Commission	2,000	1,513	-	-	1,513
Insurance of Assets	500	877	193	-	1,070
IT access	-	750	-	-	750
Mileage (own car)	-	52.70	-	-	52.70
<b>Total</b>	<b>11,198</b>	<b>10,837</b>	<b>2,371</b>	<b>1,020</b>	<b>14,228</b>

Appendix G

Joint Administrators' time cost analysis for the period from 13 January 2017 to 12 July 2017

Period	Hours Spent	Partners	Directors / Associate Directors	Managers	Assistant Managers	Administrators	Assistants & Support Staff	Total Hours	Total Time Costs	Average Rates
<b>Administration and Planning</b>										
Case Management										
Closure		2.2	2.0	1.9	0.2	11.0	0.7	18.0	£ 4,704.00	261.33
Director(s)/debtor/bankrupt		0.4	0.0	0.0	0.0	0.0	0.0	0.4	£ 192.00	480.00
Post-appointment - general		0.0	0.1	0.1	0.0	0.2	0.0	0.4	£ 102.00	255.00
Receipts and Payments		0.2	0.6	0.0	0.0	6.0	0.0	6.8	£ 1,590.00	233.82
Statement of Affairs		0.1	0.4	0.5	0.0	15.3	4.4	20.7	£ 4,004.00	193.43
Tax Matters		0.0	0.0	0.0	0.0	0.1	0.0	0.1	£ 22.00	220.00
Total		3.3	4.1	2.7	0.2	35.4	5.3	51.0	£ 11,779.00	230.96
<b>Realisation of Assets</b>										
Assets - general/other		0.0	0.0	0.0	0.0	1.0	0.0	1.0	£ 220.00	220.00
Debtors & sales finance		0.0	0.0	0.0	0.0	0.3	0.0	0.3	£ 66.00	220.00
Land and Property		0.4	0.2	1.6	0.0	0.3	0.0	2.5	£ 780.00	312.00
ROT/ Third Party Assets		0.0	0.0	0.0	0.0	0.2	0.0	0.2	£ 44.00	220.00
Stock and WIP		0.8	2.4	22.8	0.0	0.0	0.0	26.0	£ 7,692.00	295.85
Total		1.2	2.6	24.4	0.0	1.8	0.0	30.0	£ 8,802.00	293.40
<b>Creditors</b>										
1st creditors/shareholders meetings and reports		0.5	0.0	0.0	0.0	0.0	0.0	0.5	£ 240.00	480.00
Employees		0.0	0.0	0.0	0.5	0.3	0.0	0.8	£ 181.00	226.25
Other Creditor Meetings and Reports		0.0	2.0	3.0	0.4	9.1	4.0	18.5	£ 3,790.00	204.86
Secured Creditors		1.6	1.2	1.7	0.0	0.6	0.0	5.1	£ 1,741.00	341.37
Unsecured Creditors		0.0	0.3	0.0	0.0	0.9	1.3	2.5	£ 460.50	184.20
Total		2.1	3.5	4.7	0.9	10.9	5.3	27.4	£ 6,412.50	234.03
<b>Case Specific Matters - Legal Matters</b>										
Legal Matters		0.0	0.1	0.0	0.0	0.0	0.0	0.1	£ 29.00	290.00
Total		0.0	0.1	0.0	0.0	0.0	0.0	0.1	£ 29.00	290.00
Total Hours		6.6	10.3	31.8	1.1	48.1	10.6	108.5	£ 27,022.50	249.06
Total Time Cost		£ 3,168.00	£ 2,984.00	£ 9,222.00	£ 262.00	£ 10,582.00	£ 804.50	£ 27,022.50		
Average Rates		480.00	289.71	290.00	238.18	220.00	75.90	249.06		