

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company AAA Stationery Limited	Company number 05534791
In the High Court Chancery Division (full name of court)	Court case number 10459 of 2911

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

I/We (a)
John Sallabank & Paul Boyle
Harrisons Business Recovery and Insolvency
Limited
35 Waters Edge Business Park
Modwen Road
Manchester
M5 3EZ

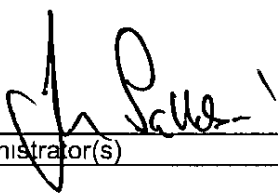
*Delete as
applicable

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

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

(b) 13 January 2012

Signed


Joint / Administrator(s)

Dated

13 January 2012

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

John Sallabank
Harrisons Business Recovery and Insolvency Limited
35 Waters Edge Business Park
Modwen Road
Manchester
M5 3EZ

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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**AAA Stationery Limited
In Administration**

**Report and Joint Administrators' Proposals
to Creditors Pursuant to Paragraph 49
of Schedule B1 of the Insolvency Act 1986**

AAA Stationery Limited – In Administration
Report and Joint Administrators' Proposals

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AAA Stationery Limited – In Administration

Report and Joint Administrators' Proposals

1. GLOSSARY

Administrators	John Sallabank and Paul Boyle of Harrison's Business Recovery and Insolvency Limited ('Harrison's'), 35 Waters Edge Business Park, Modwen Road, Manchester, M5 3EZ
Appointors	SME Invoice Finance Limited, 56 – 58 Chertsey Street, Guildford, Surrey GU1 4HL
Administration Application	The Administration documentation was filed at the High Court Chancery Division on 30 November 2011 and allocated Court Number 10459 of 2911
Company:	AAA Stationery Limited ('the Company')

The references in this report to sections, paragraphs or rules are to the Insolvency Act 1986

2. STATUTORY INFORMATION

Date of Incorporation	12 August 2005		
Registration Number	05534791		
Registered Office	35 Waters Edge Business Park Modwen Road Manchester M5 3EZ		
Former Registered Office	13 Goshawk Road Bishop Cuthbert Hartlepool Cleveland TS26 0RA		
Trading Address:	13 Goshawk Road Bishop Cuthbert Hartlepool Cleveland TS26 0RA		
Nature of Business	Stationery Supply		
		Appointed	Resigned
Company Director	Mr C Watson	12 August 2005	-
Shareholdings	2 ordinary £1 shares issued and fully paid up and held as per the list attached at Appendix II		
Charges Register:	A debenture containing fixed and floating charges over all property and assets in favour of SME Invoice Finance Limited was created on 10 August 2009 and registered at Companies House on 14 August 2009.		

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3. INTRODUCTION

We John Sallabank and Paul Boyle of Harrisons were appointed as Joint Administrators of AAA Stationery Limited on 30 November 2011 upon SME Invoice Finance Limited filing a Notice of Appointment of an Administrator at the High Court Chancery Division in accordance with Paragraph 14 of Schedule B1 of the Insolvency Act 1986

We can advise that pursuant to Paragraph 100(2) of Schedule B1 Insolvency Act 1986 the functions of the Joint Administrators are being exercised by either or both of the Administrators

In accordance with Paragraph 49 of Schedule B1 Insolvency Act 1986 we the Joint Administrators now set out our proposals for achieving the purpose and conduct of the Administration

This report also includes certain information for creditors that is a requirement under Rule 2.33 of the Insolvency Rules 1986

4. BACKGROUND AND EVENTS LEADING TO THE ADMINISTRATION

The Company was incorporated on 12 August 2005. Mr Cameron Watson ('CM') is the sole shareholder and director.

Prior to incorporation CM gained his experience in stationery supply working at a leading stationery supplier for 4 years. In 2005 CM made the decision to leave his employment and to start up a new company, AAA Stationery Limited ('the Company'), to provide stationery products to trade customers.

Initial capital was provided by CM personally by way of a director's loan in the sum of £15,000. The Company banks with National Westminster Bank Plc and was initially granted an overdraft of £5,000 which has increased to £45,000 throughout the course of trading. The overdraft is personally guaranteed by CM.

In November 2008 the company made the decision to use an invoice discounting facility with Ashley Commercial Finance Limited ('ACFL') in order to assist the cashflow. In September 2009, due to an increase in the volume of work which the Company was achieving, the Company changed the invoice discounting facility provider to SME Invoice Finance Limited ('SME'), which was better equipped to deal with the greater workload.

The Company traded successfully from commencement and experienced rapid growth in the first few years. As a result CM made the decision to expand the scope of the business and in April 2007, opened a retail outlet to service a wider customer base. By this time the Company employed 5 staff in addition to CM.

However the retail venture did not go to plan and caused the Company to make losses. In an attempt to mitigate the losses CM introduced a further £15,000 into the Company however the Company continued to underperform. As a result CM made the decision to close the retail outlet in November 2008 and undertook various cost cutting exercises in order to further reduce overheads. In December 2008 the Company relocated to CM's home and reduced the staff to two, which included CM's partner.

During November 2010 CM realised that the overdraft of £45,000 was placing a financial strain on the Company due to the associated interest charges and penalties incurred on the account and approached its bankers to request that the overdraft be converted into a business loan. This request was denied.

In May 2011 the Company's bankers demanded that 25% of the overdraft be paid back by February 2012 and, if this was not achieved, the full amount of the overdraft was to be converted into a business loan to be paid off over a 10 year period.

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Due to general UK economic climate, the Company has suffered bad debts over the past two years in the region of £10,000. In addition to this, in order to remain competitive, the Company was forced to reduce its margins to obtain new work and keep its existing customer base. CM explored various avenues to raise personal finance for the benefit of the business, but with no success.

In the latter months of 2011 it became apparent that the Company was facing extreme financial difficulty. This was mainly due to the reduced margins, incurred bad debt and the pressures placed on the Company by the bank to repay the overdraft. At this time CM reviewed the Company's finances and realised that with the current level of turnover, the Company would not be able to sustain the level of repayments which the bank was demanding as well as servicing other trading expenditure and Company obligations. Due to the current economic climate in the UK, CM did not anticipate that there would be a dramatic turnaround in available work and did not anticipate the Company being able to meet its obligations. As a result CM approached Harrisons for professional advice.

SME were advised of the current financial position of the Company on 30 November 2011. In order to protect their interests and under the terms of their fixed and floating charge, SME placed the Company into administration, with John Sallabank and Paul Boyle being appointed Joint Administrators.

5. PURPOSE AND PROGRESS OF THE ADMINISTRATION

5.1 Purpose of the Administration

The purpose of the Administration, in accordance with Paragraph 3(1)(c), is to realise property in order to make a distribution to one or more secured or preferential creditor.

5.2 Progress of the Administration

5.2.1 Receipts and Payments Account

No receipts or payments have been transacted since the commencement of the proceeding on 30 November 2011.

5.2.2 Book Debts

At the commencement of the proceedings book debts outstanding to the Company totalled £42,893. All book debts are subject to an invoice discounting agreement with SME Invoice Finance Limited ('SME') and we refer you to paragraph 5.2.5 for further details. For the purpose of the statement of affairs, attached at Appendix I, a prudent provision of 15% has been applied for bad and doubtful debts with regards to the estimated to realise figure.

Following the commencement of the proceedings SME continued to collect the outstanding book debts and to date, realisations totalling £28,787 have been achieved. Collection procedures are ongoing in respect of the remaining debts and book debts outstanding as at today's date total £11,325. It is unknown whether there will be surplus collections to be paid into the Administration account.

5.2.3 Furniture, Equipment & Customer List

The accounts for the year ended 31 August 2010 shows the company owns a small quantity of furniture and equipment with a net book value £1630.

JPS (Surveyors) Limited ('JPS'), who are professional valuers and auctioneers certified by the Royal Institute of Chartered Surveyors, are of the opinion that the assets should realise in the region of £120. JPS

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have been instructed to deal with the disposal of the Company's assets on behalf of the Joint Administrators

We can confirm that an offer has been received from AAA Stationery (NE) Limited, a company under the control of Mr Cameron Watson, the director of the Company, and his wife Mrs Katrina Watson in the sum of £500 plus VAT. This offer includes the purchase of the Company's customer list.

5.2 4 Director's Loan Account

The books and records indicate that there is an overdrawn director's loan account in the sum of £92,129. The movements on this account will be investigated in due course. However due to the director's current financial position following the crystallisation of personal guarantees, it is uncertain whether any recovery will be made in this respect.

5 2 5 Secured Creditor

A debenture containing fixed and floating charges over all tangible and intangible assets of the Company was granted to SME Invoice Finance Limited on 10 August 2009 and registered with the Registrar of Companies on 14 August 2009.

At the date of appointment the total amount outstanding to SME was in the region of £35,158 which includes their charges.

Section 176A of the Insolvency Act 1986 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 chargeholder 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 chargeholders 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 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)).

In accordance with Rule 2.33 of the Insolvency Rules 1986, we would advise that, since net property is estimated to be below the prescribed minimum of £10,000 and we consider that the cost of distribution will be disproportionate to the benefit, there will be no Prescribed Part pursuant to Section 176A of the Insolvency Act 1986 available to unsecured creditors. However, we reserve our position generally in this regard should circumstances materially change.

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5.3 Other Matters

5.3.1 Joint Administrators' Remuneration & Disbursements

In accordance with Rule 2.106(5A) our remuneration and disbursements has been agreed with the floating charge holder. However, a schedule of our time costs to date, together with a Creditors' Guide to Administrators' fees and our fee and disbursement policy are attached Appendix III for your information.

5.3.2 EC Regulations

EC Regulations apply. The proceedings are main proceedings as defined by Article 3 of the EC Regulation.

5.3.3 Relevant information pursuant to Rule 2.33 of the Insolvency Rules 1986

No trading has taken place during the Administration and therefore the terms of Rule 2.33(2)(o)(ii) do not apply.

5.3.4 Dividend Prospects

It is apparent from the information available at this time that there is no possibility of there being sufficient funds available to enable a distribution to the unsecured creditors.

6. STATEMENT OF AFFAIRS

In accordance with Paragraph 47(1) of Schedule B1 of the Insolvency Act 1986 the Director has been asked to provide us with a Statement of Affairs as at 30 November 2011.

At the date of writing this report the Statement of Affairs has not yet been received and no explanation has been given in respect of this non-compliance. We have therefore prepared an estimated Statement of Affairs as at 30 November 2011 for the purposes of this report which is attached at Appendix I.

7. CREDITORS' MEETING

Since there is no possibility of there being sufficient funds available to enable a distribution to the unsecured creditors it is not our intention to call a meeting of creditors at this time, in accordance with Paragraph 52(1)(b) of Schedule B1 of the Insolvency Act 1986.

However, in accordance with Paragraph 52(2) a meeting of creditors shall be held if, within 8 business days of the date of this report, creditors whose debts amount to at least 10% of the total debts of the Company request it. Therefore, should you require a meeting of creditors to be held please contact us upon receipt of this report, providing a statement of the purpose of the proposed meeting.

If no meeting is requisitioned by creditors, the proposals set out below will be deemed to have been approved by creditors after the expiry of 8 business days of the date of this report.

8. JOINT ADMINISTRATORS' PROPOSALS

We the Joint Administrators propose the following: -


1. Should the Joint Administrators believe that it is appropriate to do so and/or beneficial to realisations and/or in satisfaction of the sums due to the secured creditor, they be authorised to extend the term of office for 6 months from the automatic end date of 29 November 2012, in accordance with Paragraph 76(2) of Schedule B1 of the Insolvency Act 1986.

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- 2 Since there are insufficient assets available to enable a distribution to the unsecured creditors the Joint Administrators shall conclude the Administration pursuant to Paragraph 84 of Schedule B1 of the Insolvency Act 1986, moving from Administration to dissolution. This will be carried out once all matters have been finalised.
- 3 If there are insufficient funds available to make a distribution to unsecured creditors and a creditor indicates its written intention to petition for the winding up of the Company or provides a written request that the Company be placed into compulsory winding up for the purpose of the Official Receiver conducting an investigation, the Joint Administrators are granted authority to exit the Administration under Paragraph 80 of Schedule B1 of the Insolvency Act 1986 thereby creating the opportunity for a creditor to petition for a compulsory winding up order
4. In accordance with Paragraph 98 of Schedule B1 of the Insolvency Act 1986 the Joint Administrators are discharged from any liability with regards to the Company and granted their release from office when the proceedings come to an end and upon the filing of the appropriate documentation at Companies House

If you have any questions in relation to this report please do not hesitate to contact our Manchester office



John Sallabank
Joint Administrator

13 January 2012

AAA Stationery Limited**Draft Estimated Statement of Affairs as at 30 November 2011**

	Book value £	Estimated to realise £	£
Assets			
Book Debts	42893	36459	
Less: SME Invoice Finance Limited	35158	35158	
Surplus	<u>7735</u>	<u>1301</u>	1301
Director's Loan Account	92129	uncertain	
Furniture, Equipment & Customer List	1630	500	
	<u>93759</u>	<u>500</u>	500
			<u>1801</u>
Liabilities			
Trade and expense	56127	56127	
National Westminster Bank Plc	42408	42408	
HMR&C - Corporation tax	12813	12813	
HMR&C - VAT	3866	3866	
	<u>115214</u>	<u>115214</u>	115214
Estimated Defeiciency with regards to creditors			<u>-113413</u>
Share capital			2
Estimated Deficiency with regards to shareholders			<u>-113415</u>

Harrisons Business Recovery and Insolvency Limited
AAA Stationery Limited
Company Creditors

Key	Name	Address	£
CH00	HM Revenue & Customs	Insolvency Operations, Queens Dock, Liverpool, L74 4AA	3,866 35
CH01	HM Revenue & Customs	Insolvency & Securities , 3rd Floor, Euston Tower, 286 Euston Road, London, NW1 3UQ	12,812 79
CN00	National Westminster Bank plc	Hartlepool Branch, 150 York Road, Hartlepool, Cleveland, TS26 9DZ	42,407 76
CT00	TBS (NE) Ltd	496 West Dyke Road, Redcar, Cleveland, TS10 4QL	300 00
CV00	Vow Europe Limited	K House, Sheffield Business Park, Europa Link, Sheffield, S9 1XU	55,827 34
5 Entries Totalling			115,214.24

AAA Stationery Limited
Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HW00	Mr C Watson	13 Goshawk Road, Bishop Cuthbert, Hartlepool, Cleveland, TS26 0RA	0	2	0	2
1 Entries Totalling						2

AAAST

AAA Stationery Limited

SIP 9 - Time & Cost Summary

Period 30/11/11 13/01/12

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & planning	1 50	4 75	6 65	0 00	12 90	2,563 75	198 74
Investigations	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Realisations of assets	0 00	0 25	0 00	0 00	0 25	50 00	200 00
Trading	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Creditors	0 00	1 00	0 00	0 00	1 00	200 00	200 00
Case specific matters	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Brought forward time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
In House Legal	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	1 50	6 00	6 65	0 00	14 15	2,813 75	198 85
Total Fees Claimed						0 00	

1. Harrisons Business Recovery and Insolvency Limited fee policy

Charge out rates and policy regarding staff allocation, support staff, the use of subcontractors and the recharge of disbursements

The following information relating to the policy of Harrisons is considered to be relevant:-

2. Charge out rates

With effect from 1 April 2009 the following hourly charge out rates apply to all assignments undertaken by Harrisons -

	£
Directors	300-400
Managers	200-275
Senior Case Supervisors	175-200
Case Supervisors	100-160
Assistants	75-100

3. Staff allocation, support staff & the use of subcontractors

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is charged. Details of any subcontractor(s) used are given in the attached report.

4. Professional advisors

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographical location.

5. Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursements". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typical for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses. Included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the insolvency practitioners' remuneration. Such expenditure is referred to as a "category 2 disbursement". The following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:-

Photocopying	15p a sheet
Letterhead	12p a sheet
Fax	40p a sheet
Mileage	65p per mile
Meeting Room	£50
Registered Office Fee	£60 per annum
Document Storage	Storage charge of £3 per box per quarter

STATEMENT OF INSOLVENCY PRACTICE 9 - (ENGLAND AND WALES)

PAYMENTS TO INSOLVENCY OFFICE HOLDERS AND THEIR ASSOCIATES

Introduction

1 The particular nature of an insolvency office holder's position renders transparency and fairness in all dealings of primary importance. Creditors and other interested parties with a financial interest in the level of payments from an insolvent estate should be confident that the rules relating to charging have been properly complied with.

Principles

2 Payments to an office holder or his or her associates should be appropriate, reasonable and commensurate reflections of the work necessarily and properly undertaken.

3 Those responsible for approving the basis or bases upon which payments to an office holder are to be calculated should be provided with sufficient information to make an informed judgement about the reasonableness of the office holder's requests.

4 Requests for additional information about payments to an office holder or his or her associates should be viewed upon their individual merits and treated by an office holder in a fair and reasonable way. The provision of additional information should be proportionate to the circumstances of the case.

KEY COMPLIANCE STANDARDS

Provision of general application

5 The information provided and the way in which the approval of payments to insolvency office holders and their associates for remuneration is sought should enable creditors and other interested parties to exercise properly their rights under the insolvency legislation.

6 An office holder should disclose

- a) payments, remuneration and expenses arising from an insolvency appointment to the office holder or his or her associates,
- b) any business or personal relationships with parties responsible for approving his or her remuneration or who provide services to the office holder in respect of the insolvency appointment where the relationship could give rise to a conflict of interest.

7 An office holder should inform creditors and other interested parties of their rights under insolvency legislation. Information on how to find a suitable explanatory note setting out the rights of creditors should be given in the first communication with creditors following appointment and in each subsequent report to creditors.

Suggested format

8 A suggested format for the provision of information is in the Appendix, including the suggested levels at which the provision of further information may be appropriate.

Provision of Information when fixing the basis of remuneration

9 When seeking approval for the basis or bases of remuneration, an office holder should provide sufficient supporting information to enable the approving body, having regard to all the circumstances of the case, to make an informed judgement as to whether the basis or bases sought is/are appropriate. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought.

10 If any part of the remuneration is sought on a time costs basis, an office holder should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.

11 An office holder should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his or her staff.

12 If work has already been carried out, an office holder should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the office holder should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. An office holder should also provide details and the cost of any work that has been subcontracted out that could otherwise be carried out by the office holder or his or her staff.

Provision of information after the bases of remuneration has been fixed

13 The requirements in this section are in addition to reporting requirements under insolvency legislation.

14 When reporting periodically to creditors, an office holder should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the office holder must fulfill certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate).

15 Where any remuneration is on a time costs basis, an office holder should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity.

16 If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable.

17 An office holder should also provide details and the cost of any work that has been subcontracted out that could otherwise be carried out by the office holder or his or her staff.

Disbursements

18 Costs met by and reimbursed to an office holder in connection with an insolvency appointment should be appropriate and reasonable. Such costs will fall into two categories.

a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the office holder or his or her staff.

b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

19 Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

20 Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expense, the basis on which the charge is being made.

21 The following are not permissible

- a) a charge calculated as a percentage of remuneration,
- b) an administration fee or charge additional to an office holder's remuneration,
- c) recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

22 If an office holder has obtained approval for the basis of category 2 disbursements, that basis may continue to be used in a sequential appointment where further approval of the basis of remuneration is not required, or where the office holder is replaced.

• Pre appointment costs

23 When approval is sought for the payment of outstanding costs incurred prior to an office holder's appointment, disclosure should follow the principles and standards contained in this statement

Payments to associates

24 Where services are provided from within the practice or by a party with whom the practice, or an individual within the practice, has a business or personal relationship, an office holder should take particular care to ensure that the best value and service is being provided. An office holder should also have regard to relationships where the practice is held out to be part of a national or international association

25 Payments that could reasonably be perceived as presenting a threat to the office holder's objectivity by virtue of a professional or personal relationship should not be made unless approved in the same manner as an office holder's remuneration or category 2 disbursements

Provision of information to successive office holders

26 When an office holder's appointment is followed by the appointment of another insolvency practitioner, whether or not in the same proceedings, the prior office holder should provide the successor with information in accordance with the principles and standards contained in this statement

Provision of information to interested parties

27 Where realisations are sufficient for payment of creditors in full with interest, the creditors will not have the principal financial interest in the level of remuneration. An office holder should provide the beneficiaries of the anticipated surplus, on request, with information in accordance with the principles and standards contained in this statement

APPENDIX - SUGGESTED FORMAT FOR PROVISION OF INFORMATION

Introduction

1 Information provided by an office holder should be presented in a manner that is transparent, consistent and useful to the recipient, whilst being proportionate to the circumstances of the case. The level of disclosure suggested below may not be appropriate in all instances and the office holder may take account of proportionality considerations. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

2 It is a matter for each office holder to decide what detailed information and explanations are required, having regard to the circumstances of the case. However, the importance of consistency and clarity should be recognised, and this Appendix sets out suggestions in relation to the presentation of information in a standard way. Those receiving the information ought to be able to make an informed judgement about the reasonableness of the office holder's request. The information provided should facilitate comparisons between cases.

A narrative overview of the case

3 In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are

- a) the complexity of the case,
- b) any exceptional responsibility falling on the office-holder,
- c) the office-holder's effectiveness,
- d) the value and nature of the property in question

4 The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include

- a) an explanation of the nature, and the office-holder's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- b) initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- c) any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- d) the reasons for subsequent changes in strategy,
- e) the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- f) any existing agreement about remuneration,
- g) details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
- h) in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- i) details of work undertaken during the period,
- j) any additional value brought to the estate during the period, for which the office holder wishes to claim increased remuneration

Time cost basis

5 Where any part of the remuneration is or is proposed to be calculated on a time costs basis requests for and reports on remuneration should provide

- a) An explanation of the office-holder's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes
- b) A description of work carried out, which might include
 - details of work undertaken during the period, related to the table of time spent for the period,
 - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
 - any comments on any figures in the summary of time spent accompanying the request the office-holder wishes to make
- c) Time spent and charge-out summaries, in an appropriate format

6 It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case, in particular to facilitate comparisons between cases. ALL INFORMATION PROVIDED BY HARRISONS IS IN THE SUGGESTED TABULAR FORMAT

7 The level of disclosure suggested by the standard format will not be appropriate in all instances and the office holder should take account of proportionality considerations -

- a) where the cumulative time costs are, and are expected to be, less than £10,000 the office holder should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- b) where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- c) where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted

"other interested parties" means those parties with rights pursuant to the prevailing insolvency legislation to information about the office holder's receipts and payments. This may include creditors' committee, the members (shareholders) of a company, or in personal insolvency, the debtor

Effective Date: This SIP applies to insolvency appointments starting on or after 1 November 2011. However, insolvency practitioners are encouraged to apply the SIP to all cases regardless of the starting date where to do so would not be onerous or give rise to excessive costs

Rule 4.73 PROOF OF DEBT - GENERAL FORM**Form 4.25**

**In the matter of AAA Stationery Limited
In Administration
and in the matter of The Insolvency Act 1986**

Date of Administration: 30 November 2011

1	Name of Creditor	
2.	Address of Creditor	
3.	Total amount of claim, including any Value Added Tax and outstanding uncapitalised interest as at the date the company went into administration (see note)	£
4	Details of any document by reference to which the debt can be substantiated. [Note the administrator may call for any document or evidence to substantiate the claim at his discretion]	
5	If the total amount shown above includes Value Added Tax, please show:- (a) amount of Value Added Tax (b) amount of claim NET of Value Added Tax	£ £
6.	If total amount above includes outstanding uncapitalised interest please state amount	£
7.	If you have filled in both box 3 and box 5, please state whether you are claiming the amount shown in box 3 or the amount shown in box 5(b)	
8	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986 (as read with schedule 3 to the Social Security Pensions Act 1975)	Category Amount(s) claimed as preferential £
9	Particulars of how and when debt incurred	
10	Particulars of any security held, the value of the security, and the date it was given	£
11	Signature of creditor or person authorised to act on his behalf	
	Name in BLOCK LETTERS	
	Position with or relation to creditor	
	Date	