

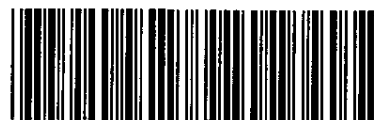
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Notice of administrator's progress report



Companies House

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COMPANIES HOUSE

1 Company details

Company number 0 5 8 1 9 2 1 7
Company name in full Paddywhack Property Limited

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

2 Administrator's name

Full forename(s) Nicholas
Surname O'Reilly

3 Administrator's address

Building name/number 88 Wood Street
Street London
Post town EC2V 7QF
County/Region
Postcode
Country

4 Administrator's name ①

Full forename(s) Simon
Surname Thomas

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 88 Wood Street
Street London
Post town EC2V 7QF
County/Region
Postcode
Country

② Other administrator
Use this section to tell us about
another administrator.

AM1.0

Notice of administrator's progress report

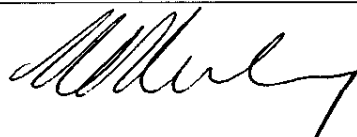
6 Period of progress report

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| From date | d | 3 | d | 0 | m | 0 | m | 5 | y | 2 | y | 0 | y | 1 | y | 7 |
| To date | d | 2 | d | 9 | m | 1 | m | 1 | y | 2 | y | 0 | y | 1 | y | 7 |

7 Progress report☒ I attach a copy of the progress report**8** Sign and dateAdministrator's
signature

Signature

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Signature date

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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 | Emma Wilkinson |
| Company name | Moorfields |
| Address | 88 Wood Street |
| | London |
| Post/town | EC2V 7QF |
| County/Region | |
| Postcode | |
| Country | |
| DX | |
| Telephone | 0207 186 1144 |



Checklist

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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 or email 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

Paddywhack Property Limited (In Administration)

Joint Administrators' Fourth Progress Report

in accordance with

Rule 18.6 of the Insolvency Rules 2016

14 December 2017

**Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report**

Contents

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Disclaimer:

This report has been prepared for the sole purpose of updating creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Paddywhack Property Limited – In Administration (“The Company”)

1. Background and Statutory Information

This is the Joint Administrators' fourth progress report on the conduct of the Administration from 30 November 2016 to 29 May 2017 in accordance with the requirements of Rule 18.6 of the Insolvency Rules 2016 (“the Rules”).

This report should be read in conjunction with the Joint Administrators' Statement of Proposals (“the Proposals”) circulated to all known creditors on 25 January 2016, and the Joint Administrators' 6-month progress reports dated 5 July 2016, 29 November 2016 and 6 June 2017. There has been no major deviation from the strategy as proposed.

The Company entered Administration on 22 December 2015 and Nicholas O'Reilly and Simon Thomas, both Licensed Insolvency Practitioners of Moorfields Advisory Limited (“Moorfields”), 88 Wood Street, London EC2V 7QF, were appointed to act as Joint Administrators (“the Administrators”).

To date £69,836.22 has been drawn in respect of fees in the Administration. Further information regarding fees is given in section 4.

Based on current information, it is unlikely that there will be a distribution to the unsecured creditors by virtue of the Prescribed Part or otherwise.

The Administration had previously been extended until 21 December 2017, with the consent of the Company's secured creditor, Aldermore Bank PLC, and it has now been extended until 21 December 2018 with the consent of the Court.

Statutory information relating to the Company and the Joint Administrators' appointment is attached at Appendix I.

2. Progress of the Administration

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

The Joint Administrators' receipts and payments account for the period 30 May 2017 to 29 November 2017 is attached at Appendix II, together with a cumulative Receipts and Payments Account for the period from 17 December 2015.

It should be noted that the director has failed to submit a statement of affairs and therefore Statement of Affairs values are not included.

I would comment specifically as follows on events during this reporting period:

2.1 Realisation of assets

Other than bank interest of £29.63, no other realisations were made during this reporting period.

2.2 Assets still to be realised

2.2.1 *Director's Loan Account*

The Company's draft unaudited accounts for the year ended 31 March 2015 reflected an overdrawn balance of £165,957 in respect of the director's loan account. An examination of the Company's books and records indicated further payments to director Owen O'Neill totalling £67,400 in the subsequent period ending with the Company's Administration. Accordingly, it was the Administrators' position that a total of £233,357 was due from Mr O'Neill to the Company.

Mr O'Neill, had made no payments in relation to this overdrawn director's loan account and had never formally disputed the amount was due.

On 20 September 2017, the Administrators served Mr O'Neill with a statutory demand giving him until 8 October 2017 to apply to Court to set aside the demand. No application was made to set aside the demand and no payment was received by the deadline, being 11 October 2017 and therefore the Administrators were able to take steps to petition for Mr O'Neill's bankruptcy.

The Administrators have filed the bankruptcy petition in Court and are currently awaiting a hearing date. Mr O'Neill's sole known asset is his share in his main residence in Bristol. There is a mortgage on the property and two additional charges registered as security by creditors. The estimated realisable value of the property is not known and as a consequence, the prospect of the Company receiving a distribution from Mr O'Neill's estate in bankruptcy is presently uncertain.

2.3 Sale of assets to a connected party

In accordance with Statement of Insolvency Practice ("SIP") 13, the Joint Administrators confirm there have been no transactions with connected parties in the period of the Administration or in the two years preceding the appointment of the Joint Administrators.

2.4 Joint Administrators' Expenses

The expenses paid by the Administrators in the period of this report are reflected in the receipts and payments account at Appendix II. For details of expenses incurred but not yet paid, please refer to section 5.

The statement excludes any corporation tax liabilities in relation to the capital gains tax payable in respect of the sale of the long leasehold properties at Third Floor, 15 Colston Street, Bristol BS1 5AP ("Colston Street") and 6 St Stephen's Avenue, Bristol BS1 1YL ("St Stephen's Avenue") which were both sold in the prior reporting period. This liability is currently being investigated.

**Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report**

2.5 Professional Advisers

The Joint Administrators have used the professional advisers listed below:

| Name of Adviser | Brief description of services provided | Basis of fee arrangement | Costs incurred to date £ | Costs paid to date £ | Amount unpaid £ |
|--------------------------|---|---------------------------------|---------------------------------|-----------------------------|------------------------|
| TLT LLP | Validity of appointment and security review. Dealing with the sale contracts in respect of the Properties | Fixed Fee | 18,437.60 | 18,437.60 | Nil |
| Burston Cook | Property agents' commission on the sale of Colston Street and St Stephen's Avenue | Fixed Fee | 15,036.25 | 15,036.25 | Nil |
| Hilco Valuation Services | Valuation and sale of fixtures and fittings | Fixed Fee | 1,158.50 | 1,158.50 | Nil |
| Savills plc | Property agents' commission for the marketing and sale of Properties | Fixed Fee | 5,775.00 | 5,775.00 | Nil |
| Shoosmiths LLP | Preparing and serving Statutory Demand on Owen O'Neill | Fixed Fee of £500.00 | 500.00 | 0.00 | 500.00 |
| Shoosmiths LLP | Preparing and filing witness statement for extension of Administration | Fixed Fee of £1,000.00 | 1,000.00 | 0.00 | 1,000.00 |

The Joint Administrators' choice was based upon their perception of the advisers' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of the fee arrangement with them. The Joint Administrators have reviewed the fees charged and are satisfied that they are reasonable in the circumstances of the case.

3. Pre-Administration Costs

As reported in the Proposals, the pre-appointment time costs incurred by the Joint Administrators totalled £1,119.50. It has been agreed that this time will be written off.

Legal fees in the sum of £2,888 were incurred by Shoosmiths LLP for advice in relation to the appointment of the Administrators and for drafting the appointment documents. These fees will be agreed and paid by Aldermore Bank PLC.

4. Joint Administrators' Remuneration

The statutory provisions relating to remuneration are set out in Rule 18.16 of the Rules. Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at www.icaew.com/en/technical/insolvency/creditors-guides. Please refer to the April 2017 version. Please note that we have also provided further details in the practice fee recovery sheet.

In accordance with the Proposals, and pursuant to Rule 18.18 of the Rules, the Joint Administrators have written to Aldermore and received approval to the following resolutions:

- That the Joint Administrators' remuneration should be agreed on a time costs basis;
- That the Joint Administrators be approved to draw expenses and necessary disbursements; and
- That once the Administration is complete, and the final report issued, the Joint Administrators be discharged from liability.

Attached at Appendix III is a SIP 9 time and cost analysis which provides details of the activity costs incurred by staff grade by reference to time properly spent by the Joint Administrators in managing the Administration during this period. Time costs for the period from 30 May 2017 to 29 November 2017 are £8,580.00. This represents 29.40 hours at an average hourly rate of £291.84.

Also attached at Appendix III a cumulative time analysis for the period from 22 December 2015 to 29 November 2017 which provides details of time costs for the entire Administration since appointment. Total time costs are £83,313.63 and this represents 268.17 hours at an average hourly rate of £310.67.

To date, £69,836.22 has been drawn in respect of these time costs, £24,836.22 of which has been drawn during this reporting period.

Creditors will recall from previous progress reports that the Administrators advised that the estimated total time costs that they would incur in the Administration would be £72,540. Whilst time costs incurred have exceeded this estimate, the Administrators do not intend on drawing time costs in excess of the sum detailed in the previous fee estimate and therefore a revised fee estimate is not included with this report.

It is the Joint Administrators' policy to delegate the routine administrative tasks to less senior staff in order to maximise the cost effectiveness of the work performed. These staff are supervised by senior staff and the Joint Administrators. Any matter of complexity or significance is dealt with by the senior staff on the team and the Joint Administrators.

Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report

Attached at Appendix IV is a schedule detailing activities undertaken together with supporting information in accordance with the Association of Business Recovery Professionals' SIP 9. This also contains additional information in relation to this firm's policy on staffing, disbursements and details of our current charge-out rates by staff grade.

5. Joint Administrators' Disbursements

In accordance with SIP 9, where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

5.1 Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying (if external provider), statutory advertising and other expenses made on behalf of the assignment.

Such disbursements can be paid from the insolvent's assets without approval from the Creditors' Committee or the general body of creditors. In line with Statement of Insolvency Practice No. 9, it is the Administrators' policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. The Administrators are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

The following Category 1 disbursements have been incurred to date:

| Disbursement | Incurred in prior period | Incurred in this period | Total |
|-----------------------|--------------------------|-------------------------|-----------------|
| Statutory Advertising | 84.60 | 0.00 | 84.60 |
| Bond | 30.00 | 0.00 | 30.00 |
| Postage | 19.52 | 3.30 | 22.82 |
| EPC Costs | 375.00 | 0.00 | 375.00 |
| Storage | 173.50 | 0.00 | 173.50 |
| Land Registry | 24.00 | 18.00 | 42.00 |
| Hilco Valuation | 985.00 | 0.00 | 985.00 |
| Conference Calls | 16.56 | 0.00 | 16.56 |
| Total | 1,708.18 | 21.30 | 1,729.48 |

Disbursements totalling £1,758.18 have been drawn, all of which was drawn in a prior reporting period. This relates to £1,708.18 of Category 1 disbursements and £50.00 of Category 2 disbursements, as detailed below.

5.2 Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. Statement of Insolvency Practice No. 9 provides that such disbursements are subject to approval as if they were remuneration. It is Moorfields' policy, in line with the Statement, to advise of any Category 2 disbursements before they are drawn.

Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report

The following Category 2 disbursements are currently charged by this firm:

- Stationery and postage charge for sending out circulars – 5 pence per sheet plus postage at cost.
- A set-up charge of £50 per case for online creditor reporting where applicable
- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter.
- A charge of £10 for identification searches per director to comply with Money Laundering Regulations.

The following Category 2 disbursements have been incurred to date:

| Disbursement | Incurred in prior period | Incurred in this period | Total |
|-------------------|--------------------------|-------------------------|--------------|
| Creditors' Portal | 50.00 | 0.00 | 50.00 |
| Printing | 0.00 | 0.60 | 0.60 |
| Total | 50.00 | 0.60 | 50.60 |

Of these Category 2 disbursements, £50.00 has been drawn, in a prior reporting period, as detailed above. The Administrators were granted authority from the Secured Creditor to draw Category 2 disbursements.

6. Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986 the Administrators must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003.

The Prescribed Part (section 176A of the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs and preferential claims (the 'net property'), to be set aside for unsecured creditors. This equates to:

- 50% of net property up to £10,000;
- Plus, 20% of net property in excess of £10,000; and
Up to a maximum of £600,000.

The Company's net property is the amount of its property subject to any floating charges created by the Company after allowing for costs and claims of preferential creditors.

The Company granted a floating charge to Barclays Bank PLC ("Barclays") on 18 December 2008 and to Aldermore Bank PLC ("Aldermore") on 5 June 2014 and therefore the Prescribed Part provisions would ordinarily apply.

The Administrators' estimate of the financial position of the Company shows that the net property of the Company, taking into account the costs of the Administration, is nil, and therefore there will be no funds available for a Prescribed

Part distribution. This is predominately due to the corporation tax liability that needs to be ascertained due to the capital gain that arose in respect of the Property sales, as detailed above. The Prescribed Part calculation will be revisited in the event that further realisations arise as detailed above.

Please note that the net property and prescribed part calculation can only be estimated at this stage. The value of any prescribed part may be subject to change once creditor claims and the Joint Administrators' costs and expenses have been finalised.

At this time, the Joint Administrators do not intend to make an application to the court under section 176A(5) of the Insolvency Act 1986 for an Order not to distribute the prescribed part.

7. Estimated Outcome for Creditors

7.1 Secured Creditors

As detailed above, the Company granted a debenture containing fixed and floating charges to Barclays on 18 December 2008. The sum due to Barclays was confirmed at £691,374.46 and this amount has been remitted to the bank from the proceeds of the sale of Colston Street and Barclays has therefore been repaid in full.

Aldermore holds a debenture containing fixed and floating charges over the Company's assets granted on 5 June 2014 as security to support a cross guarantee in respect of the liabilities of associated company Ashton Consulting (UK) Limited ("ACL"), which is also in Administration and to which we are also appointed Administrators. Present indications are such that Aldermore will suffer a shortfall of in the region of £497,000 in respect of its advances to ACL, but the ultimate position in respect of ACL has yet to be determined.

During this reporting period, Aldermore has been paid a distribution of £14,644.06 from fixed charge realisations, bringing the total sum distributed to £334,644.06.

7.2 Preferential Creditors

The Joint Administrators are not aware of any employees and therefore any preferential claims.

7.3 Unsecured Creditors

The Joint Administrators have received claims totalling £20,535 from 2 creditors. According to the books and records of ACL, the Company owed ACL £268,166 as at the date of Administration.

No defined clarification of creditors' claims has been undertaken. Based on current information, the Joint Administrators do not anticipate there being sufficient funds to enable a distribution to be paid to the unsecured creditors of the Company by virtue of the Prescribed Part.

8. Investigations

In accordance with the Company Directors Disqualification Act 1986 I would confirm that I have submitted a report on the conduct of the directors of the Company to the Department for Business Innovation & Skills. As this is a confidential report, I am not able to disclose the contents.

To complete this report a review of the Company's financial accounts, bank statements and directors' questionnaires was undertaken regarding the period leading up to the Administration to ascertain whether or not there had been any misconduct by the directors in the form of any preference payments, transactions at an undervalue or wrongful trading.

If creditors wish to bring any matters they believe to be relevant to the attention of the Joint Administrators, they are invited to do so in writing to Nicholas O'Reilly and Simon Thomas at Moorfields, 88 Wood Street, London EC2V 7QF.

9. Exit from Administration

Creditors will recall that an extension of the Administration was granted from the remaining secured creditor, Aldermore, to 21 December 2017. A further extension was granted by a Court hearing on 17 November 2017, therefore the Administration is now due to end on 21 December 2018.

The exit routes by which the Administration of the Company will end were outlined in the Proposals and previous reports.

It is most likely that the Administrators will exit the Administration by dissolution as it is probable that there will be no funds to distribute to unsecured creditors at the end of the Administration, and there do not appear to be any matters which the Administrators consider should be dealt with through the appointment of a Liquidator.

The Joint Administrators have been granted a discharge from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

10. Creditors' Rights

Within 21 days of the delivery of this report, a secured creditor, or an unsecured creditor (with concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.

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 the basis fixed for the Joint Administrators' remuneration, the remuneration charged or the expenses incurred by the Joint Administrators as set out in the progress report are excessive (Rule 18.34).

11. Further Information

To comply with the Provision of Services Regulations, some general information about Moorfields, including about our complaints policy and Professional Indemnity Insurance, can be found at <http://www.moorfieldscr.com/terms-and-conditions>.

12. Ethics

Finally, as an Insolvency Practitioner, when carrying out all professional work relating to my appointment as Joint Administrator, I would confirm that I am bound by the Insolvency Code of Ethics. I can confirm that no threats to the *Fundamental Principles* exist.

If you have any queries regarding this report please contact Emma Wilkinson of this office in the first instance. I will report to you again at the conclusion of the Administration or in six months' time, whichever is the sooner.

For and on behalf of
Paddywhack Property Limited



N H O'Reilly
Joint Administrator

DDI 0207 186 1162
Fax 0207 186 1177
Email ewilkinson@moorfieldscr.com

Nicholas O'Reilly and Simon Thomas of Moorfields, 88 Wood Street, London EC2V 7QF, were appointed Joint Administrators on 22 December 2015. The Administrators now manage the affairs, business and property of the Company. The Joint Administrators act as agents only and without personal liability.

**Paddywhack Property Limited
Statutory Information**

Company Information

Company Number: 05819217

Registered Office: Moorfields Advisory Limited, 88 Wood Street, London EC2V 7QF

Trading Address: Third Floor, 15 Colston Street, Bristol BS1 5AP

Principal Activity: Other business support activities

Appointment details

Joint Administrators: Nicholas O'Reilly and Simon Thomas (IP No's: 8309 & 8920)

Joint Administrators' address: Moorfields Advisory Limited, 88 Wood Street, London EC2V 7QF

Date of appointment: 22 December 2015

Court: High Court of Justice

Court Reference: 3305/2015

Appointed by: Aldermore Bank PLC

Functions: Any act required or authorised under any enactment to be done by an Administrator may be done by either or both of the Joint Administrators acting jointly or alone.

EC Regulations: The Company's registered office is from where the Company carries on its business. Therefore in the absence of proof to the contrary, the Company's centre of main interests is in the United Kingdom and as such these proceedings will be the main proceedings as defined in article 3 of the EC regulation.

Extensions: The Joint Administrators sought an extension to the period defined by Paragraph 76(1) of Schedule B1 of the Act that provides for the automatic end of the Administration after 12 months from the date of appointment.

The Secured Creditor approved the extension of the Administration for 12 months to 21 December 2017. Further to this, the Administration was extended until 21 December 2018 with the consent of the Court.

Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report

Appendix II

Paddywhack Property Limited (In Administration)

Joint Administrators' Abstract of Receipts & Payments from 30 May 2016 to 29 November 2017

| Notes | Estimated to realise per Statement of Affairs £ | Fixed Charge for period 30/5/2017 to 29/11/2017 | Floating Charge (Other) for period 30/5/2017 to 29/11/2017 | Total for period 30/5/17 to 29/11/17 | Total for period 22/12/15 to 29/11/17 £ |
|--|---|--|---|--|--|
| RECEIPTS | | | | | |
| Freehold Land & Property | - | - | - | - | 1,109,000.00 |
| Bank Interest | - | 25.79 | 3.84 | 29.63 | 357.38 |
| Rent | - | - | - | - | 29,224.72 |
| Licence Fees | - | - | - | - | 9,161.29 |
| Chattel Assets | - | - | - | - | 13,500.00 |
| | - | - | - | - | - |
| Total | - | 25.79 | 3.84 | 29.63 | 1,161,243.39 |
| PAYMENTS | | | | | |
| Joint Administrators' Remuneration | | 24,836.22 | - | 24,836.22 | 69,836.22 |
| Joint Administrators' Disbursements | | - | - | - | 1,758.18 |
| Legal Fees | | - | - | - | 15,375.30 |
| Agents' Fees | | - | - | - | 21,969.75 |
| Managing Agents' Fees | | - | - | - | 300.00 |
| Landlord's Fees | | - | - | - | 245.00 |
| Insurance | | - | - | - | 789.72 |
| Service Charge | | - | - | - | 2,517.30 |
| Storage Costs | | - | 11.84 | 11.84 | 11.84 |
| | | 24,836.22 | 11.84 | 24,848.06 | 112,803.31 |
| DISTRIBUTION TO CHARGEHOLDERS | | | | | |
| Barclays Bank PLC | | - | - | - | (691,374.46) |
| Aldermore Bank PLC | | (14,644.06) | - | - | (334,644.06) |
| Balance in hand (Held in Non-Interest Bearing Accounts) | | (39,454.49) | (8.00) | (24,818.43) | 22,421.56 |
| MADE UP AS FOLLOWS | | | | | |
| VAT Receivable | | | | | 2.37 |
| Non-Interest Bearing Account (Fixed) | | | | | 0.47 |
| Non-Interest Bearing Account (Floating) | | | | | 22,418.72 |
| | | | | | <u>22,421.56</u> |

Paddywhack Property Limited – In Administration
Joint Administrators' Fourth Progress Report

Appendix III

Time Entry - Cumulative Detailed SIP9 Time & Cost Summary

PADD001 - Paddywhack Property Limited

| | For the period from 30 May 2017 to 29 November 2017 | | | | | | | Total from 22 December 2015 to 29 November 2017 | |
|--------------------------------------|---|-------------|----------------------------|----------------------------|--------------|-----------------|---------------------|---|---------------------------|
| Classification of Work Function | Partner | Manager | Other Senior Professionals | Assistants & Support Staff | Total Hours | Time Cost (£) | Avg Hourly Rate (£) | Hours Cumulative | Time Costs (£) Cumulative |
| 10 Case Planning | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.75 | 1,373.75 |
| 11 Administrative Set Up | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 150 | 457.50 |
| 12 Appointment Notification | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.30 | 1,061.50 |
| 13 Maintenance of Records | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 120 | 258.00 |
| 14 Statutory Reporting | 0.00 | 100 | 520 | 0.00 | 620 | 1,743.00 | 281.13 | 38.80 | 11,554.00 |
| 15 Case Monitoring | 0.00 | 125 | 290 | 0.00 | 415 | 1,278.00 | 307.47 | 20.30 | 6,111.00 |
| 17 General Administration | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 100 | 322.50 |
| 18 Cashiering | 0.30 | 0.50 | 100 | 2.80 | 4.60 | 1,110.50 | 241.41 | 20.45 | 4,683.50 |
| 19 Partner Review | 0.25 | 0.00 | 0.00 | 0.00 | 0.25 | 132.50 | 530.00 | 8.50 | 4,490.00 |
| 70 Post appoint VAT and CT returns | 0.00 | 100 | 3.80 | 0.00 | 4.80 | 1,419.00 | 295.63 | 8.45 | 2,406.50 |
| 80 Case closure | 0.00 | 0.00 | 140 | 0.00 | 140 | 315.00 | 225.00 | 140 | 315.00 |
| Admin & Planning | 0.55 | 3.75 | 14.30 | 2.80 | 21.40 | 5,998.00 | 280.19 | 108.85 | 33,033.25 |
| 30 Freehold / Leasehold Property | 0.00 | 0.00 | 0.50 | 0.00 | 0.50 | 112.50 | 225.00 | 83.65 | 2,182.50 |
| 31 Plant and Machinery | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.90 | 228.50 |
| 34 Debtors | 0.50 | 0.00 | 0.00 | 0.00 | 0.50 | 265.00 | 530.00 | 0.50 | 265.00 |
| 35 Sale of Business | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.20 | 51.00 |
| 36 Identifying, Securing, Insuring | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3.40 | 860.00 |
| 38 Asset related legal matters | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 140 | 527.00 |
| 71 Other Assets | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.30 | 999.00 |
| 77 Managing Agent | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.60 | 165.00 |
| Asset Realisation | 0.50 | 0.00 | 0.50 | 0.00 | 1.00 | 377.50 | 377.50 | 72.95 | 24,725.00 |
| 60 Case Specific | 0.00 | 0.00 | 0.70 | 0.00 | 0.70 | 157.50 | 225.00 | 3.20 | 1,482.50 |
| 72 Legal Matters | 0.00 | 0.50 | 0.80 | 0.00 | 1.30 | 429.00 | 330.00 | 4.20 | 1,153.50 |
| Case Specific Matters | 0.00 | 0.50 | 1.50 | 0.00 | 2.00 | 586.50 | 293.25 | 7.40 | 2,636.00 |
| 50 Creditor Correspondence | 0.00 | 0.00 | 0.40 | 0.00 | 0.40 | 90.00 | 225.00 | 140 | 341.00 |
| 51 Unsecured creditor claims | 0.00 | 0.50 | 0.00 | 0.50 | 1.00 | 322.50 | 322.50 | 140 | 420.50 |
| 52 Secured creditor claims/Reporting | 0.00 | 125 | 0.00 | 0.00 | 125 | 562.50 | 450.00 | 22.95 | 8,728.50 |
| 55 Payment of dividends | 0.00 | 0.50 | 0.00 | 0.00 | 0.50 | 225.00 | 450.00 | 0.50 | 225.00 |
| 63 Secured creditor reports | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 2.85 | 1,165.00 |
| 64 Prescribed Part Matters | 0.00 | 0.00 | 170 | 0.00 | 170 | 382.50 | 225.00 | 170 | 382.50 |
| Creditors | 0.00 | 2.25 | 2.10 | 0.50 | 4.85 | 1,582.50 | 326.29 | 30.80 | 11,262.50 |
| 20 SIP2 Review | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.00 | 1,020.00 |
| 21 CDDA Reports | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 160 | 700.50 |
| 22 Antecedent Transactions | 0.00 | 0.00 | 0.15 | 0.00 | 0.15 | 37.50 | 250.00 | 36.17 | 8,567.38 |
| 65 Director's Correspondence | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 4.40 | 1,318.00 |
| Investigations | 0.00 | 0.00 | 0.15 | 0.00 | 0.15 | 37.50 | 250.00 | 48.17 | 11,605.88 |
| 41 Accounting for Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.20 | 51.00 |
| Trading | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.20 | 51.00 |
| Total Hours | 1.05 | 6.50 | 18.65 | 3.30 | 29.40 | 8,580.00 | 291.84 | 288.17 | 83,313.63 |

Moorfields Charging and Disbursement Recovery

1 Explanation of office-holders' charging and disbursement recovery policies

In accordance with best practice we provide below details of policies of Moorfields, in respect of fees and disbursements for work in relation to insolvency estates.

This summary outlines the activities undertaken during this matter to date together with details of charge out rates for time costs incurred and the basis of disbursements incurred and recharged.

The activities are summarised as follows:

1.1 Administration and planning

The following activities have been undertaken:

- Statutory duties associated with the appointment including the filing of relevant notices;
- Notification of the appointment to creditors, members, employees and other interested parties;
- Setting up of case files;
- Reviewing available information to determine the appropriate strategy;
- Setting up and maintaining bank accounts;
- Implementing the strategy for the Administration;
- 6 monthly progress reviews of the case;
- 6 monthly progress reports; and
- Completion of statutory returns to the Insolvency Compliance Unit of the Department for Business Innovation and Skills.

Staff of different levels were involved in the above activities depending upon the experience required.

1.2 Realisation of assets

Appendix II shows the realisations made for the benefit of the creditors. In this case the assets belonging to the Company were as follows;

- Long leasehold properties;
- Rent receivable;
- Chattel assets; and
- Overdrawn director's loan account;

The time spent includes the following matters:

- Liaising with agents and solicitors in regard to the sale of Colston Street,

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- Extensive correspondence with agents, solicitors and management company in regard to St Stephens Avenue and discussing matters with the proposed purchaser.

1.3 Creditors

The time spent includes the following matters:

- Recording and maintaining the list of creditors;
- Recording creditor claims;
- Dealing with specific creditor calls and correspondence;
- Reporting to creditors;
- Holding a conference call with creditors; and
- Dealing with creditor queries.

1.4 Investigations and communications

The time spent includes the following matters:

- Corresponding with the Company director for purposes of the conduct report;
- Issuing questionnaires and requests for a Statement of Affairs;
- *Reviewing Company records and questionnaires and preparing the statutory return* in accordance with the requirements of the Department for Business Innovation and Skills.

2. Time recording

The Partners will engage managers and other staff to work on the insolvent estate and statutory compliance diaries. The work required is delegated to the most appropriate level of staff taking account of the nature of the work and the individual's experience. Additional assistance is provided by accounting and treasury executives dealing with the estate's bank accounts. Work carried out by all staff is subject to the overall supervision of the Partners.

All time spent by staff working directly on case related matters is charged to a time code established for the case. Each member of staff has a specific hourly rate, which is subject to change over time.

The current charge out rates per hour of staff within the firm who may be involved in working on the insolvency follows, this in no way implies that staff at all such grades will work on the case:

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| GRADE | £ |
|--------------------------|----------|
| Partner | 530 |
| Director/ Senior Manager | 450 |
| Manager | 355 |
| Assistant Manager | 300 |
| Senior Administrator | 255 |
| Administrator | 225 |
| Cashier/ Support | 195 |

The rates charged by Moorfields are reviewed periodically in January & July each year and are adjusted to take account of inflation and the firm's overheads.

Our rates increased on 1 January 2016. The charge out rates per hour for the period from 1 January 2015 to 31 December 2015 were:

| GRADE | £ |
|--------------------------|----------|
| Partner | 515 |
| Director/ Senior Manager | 425 |
| Manager | 355 |
| Assistant Manager | 280 |
| Senior Administrator | 245 |
| Administrator | 195-225 |
| Cashier/ Support | 195 |

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time in units of 6 minutes.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time cost basis the time invoiced will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors, the report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Approved remuneration will be drawn at such times that sufficient funds are available.

For your information, A Creditor's Guide to Administrators' Fees can be obtained at <http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-to-administrators-fees-england-and-wales-apr-10.pdf>

3. Disbursement recovery

Category 1 Disbursements

Separate charges are made in respect of directly attributable expenses (Category 1 disbursements) such as travelling, postage, photocopying if external provider, statutory advertising and other expenses made on behalf of the assignment.

Such disbursements can be paid from the insolvent's assets without approval from the *Creditors' Committee or the general body of creditors*. In line with *Statement of Insolvency Practice No. 9*, it is our policy to disclose Category 1 disbursements drawn but not to seek approval for their payment. We are prepared to provide such additional information as may reasonably be required to support the disbursements drawn.

Category 2 Disbursements

Category 2 disbursements do require approval from creditors. These disbursements can include costs incurred by Moorfields for the provision of services which include an element of recharged overhead, for example, room hire or document storage. *Statement of Insolvency Practice No. 9* provides that such disbursements are subject to approval as if they were remuneration. It is our policy, in line with the *Statement*, to seek approval for Category 2 disbursements before they are drawn.

The following Category 2 disbursements may be charged by this firm

- Stationery and postage charge for sending out circulars – 5 pence per sheet plus postage at cost.
- A set-up charge of £50 per case for online creditor reporting where applicable
- Mileage allowances are paid at HM Revenue & Customs approved rates. For personnel using their own vehicles, these are currently 45 pence per mile for the first 10,000 miles and 25 pence per mile thereafter.
- A charge of £10 for identification searches per director to comply with Money Laundering Regulations.

It should be noted that disbursements costs might increase from time to time, however, increases would only be in line with inflation or increases from our supplier.