

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company Pedersen (Liverpool) Limited

Company number 05931286

In the The High Court of Justice, Chancery Division, Companies Court (full name of court)
--

Court case number 6978 of 2013

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

I/We (a)
David Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Richard Toone
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

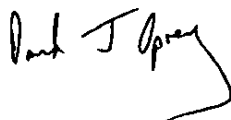
Adrian Hyde
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

administrator(s) of the above company attach a progress report for the period

(b) Insert date

From (b) 9 October 2013

To (b) 6 October 2014



Signed

Joint Administrator

Dated

16 October 2014

Contact Details:

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

The contact information is -

David Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

DX Number

020 7509 9000
DX Exchange

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



DJO JPM LS PEDE59649/ADMC51/Q1



**Chantrey
Vellacott**

16 October 2014

Dear Sir or Madam

**Pedersen (Liverpool) Limited – Formerly in Administration
In the The High Court of Justice, Chancery Division, Companies Court No. 6978 of 2013**

I am pleased to enclose my final progress report on the progress in the Administration pursuant to Rule 2.110 of The Insolvency Rules 1986 (as amended)

The report relates to the period from 9 October 2013 to 6 October 2014

The report should be read in conjunction with the Joint Administrators' progress reports, which were sent to creditors on 2 December 2013 and 2 May 2014

Should you require any further information, in addition to that already given, please contact Lee Spencer on 020 7509 9120

Yours faithfully
for and on behalf of
Pedersen (Liverpool) Limited

D J OPREY
Former Joint Administrator

Enc

The Joint Administrators were appointed to manage the affairs, business, and assets of the Company. All enquiries and correspondence should be addressed to the Joint Administrators at the address detailed in this letter.

The Joint Administrators act as agent of the Company without personal liability.

All Licensed Insolvency Practitioners of Chantrey Vellacott DFK LLP are authorised in the UK by the Institute of Chartered Accountants in England and Wales.

Russell Square House
10-12 Russell Square
London WC1B 5LF
DX 299 London/Chancery Lane
T 020 7509 9000
vlfk.com

Chantrey Vellacott DFK LLP is a
limited liability partnership registered
in England and Wales (No. OC313147)
whose registered office is at Russell
Square House 10-12 Russell Square
London WC1B 5LF

Chantrey Vellacott DFK LLP is a
member firm of **UDFI** International
an association of independent
accounting firms and business advisers

IN THE THE HIGH COURT OF JUSTICE, CHANCERY DIVISION, COMPANIES COURT

NO. 6978 OF 2013

**IN THE MATTER OF
PEDERSEN (LIVERPOOL) LIMITED
IN ADMINISTRATION
("THE COMPANY")**

**FINAL REPORT OF THE JOINT ADMINISTRATORS
PURSUANT TO
RULE 2.110 OF THE INSOLVENCY RULES 1986 (AS AMENDED)**

Chantrey Vellacott DFK LLP

**Russell Square House
10-12 Russell Square
London
WC1B 5LF
Telephone Number: 020 7509 9120
Fax Number: 020 7509 9110
E Mail: lspencer@cvdfk.com
Website: www.cvdfk.com**

PEDERSEN (LIVERPOOL) LIMITED – IN ADMINISTRATION

TABLE OF CONTENTS

	Page
FINAL PROGRESS REPORT	
Introduction	1
Receipts and Payments Account	1
Purpose of the Administration	1
Asset Realisations	1
Dividend Prospects	4
Costs of Realisation	5
Joint Administrators' Remuneration and Disbursements	5
Investigations	6
Exit Strategy	7
Conclusion	7
Appendix 1	Statutory Information and Forms 2.24B and 2.34B
Appendix 2	Receipts and Payments Account
Appendix 3	Estimated Outcome Statement
Appendix 4	Summary of Joint Administrators' Remuneration and Disbursements
Appendix 5	Charge out rates and disbursements policies
Appendix 6	Rule 2.48 and 2.109 of The Insolvency Rules 1986 (as amended)

FINAL PROGRESS REPORT OF THE JOINT ADMINISTRATORS

16 OCTOBER 2014

INTRODUCTION

I, David Oprey, of Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, London, WC1B 5LF, together with my partners, Richard Toone and Adrian Hyde, was appointed Joint Administrator of the Company on 9 October 2013

In accordance with Rule 2.110 of The Insolvency Rules 1986 (as amended) I am pleased to present my final report on the progress of the Administration.

RECEIPTS AND PAYMENTS ACCOUNT

An abstract of the Joint Administrators' Receipts and Payments for the period concerned is attached at Appendix 2.

PURPOSE OF THE ADMINISTRATION

I refer to my report dated 2 December 2013 in which I set out my formal proposals for achieving the purpose of the Administration, namely realising property in order to make a distribution to one or more secured or preferential creditors

These proposals were deemed approved by creditors on 12 December 2013

ASSET REALISATIONS

Details of asset recoveries to date, which should be read in conjunction with the Estimated Outcome Statement ("EOS") at Appendix 3, are set out below

The Hotel and Investment

As set out in my previous report, the Joint Administrators had accepted an offer from Algonquin (UK) Limited, for the Company's interest in the hotel at 40 Hanover Street, Liverpool.

I can confirm that the sale completed on 1 August 2014 with the purchasing party changed to Algonquin (Liverpool) Limited ("Algonquin")

The gross sale price of the hotel was £13,149,999 A further £1 was paid for the Company's shareholding in its subsidiary, Pedersen (Liverpool Two) Limited, as that company had been granted a lease of a small retail unit which formed part of the hotel building.

Creditors may recall reference to a loan granted by Accor UK Business & Leisure Hotels Limited ("Accor") to the Company in my previous report. Under the terms of the loan agreement, Accor deducted a loan repayment deduction of £36,377 plus interest from their quarterly rent payments.

It was Accor's contention that these loan repayment deductions could continue notwithstanding that the ownership of the hotel was to change. In order to try to document this, Accor filed a Unilateral Notice at the Land Registry.

As this matter could not be resolved prior to the sale completing, it was agreed with Algonquin that an amount equal to the maximum amount of potential future loan repayments would be set aside as a retention (£560,000) and that Algonquin could draw down on these funds if future rent payments to them were subject to deduction.

Accordingly, the sale proceeds received for the sale total £12,590,000, being the £13,150,000 less the retention of £560,000. The sale proceeds remain held by my lawyers less an amount distributed to the secured creditor.

In order to release the retention to the Company and thus receive all or part of the retention funds held, the Joint Administrators have two options. The first option is to obtain a Court order confirming the loan is not binding on Algonquin and that the Unilateral Notice filed at the Land Registry be removed. As an alternative, reach settlement with Accor which will allow the loan to be classed as settled in full and for the Unilateral Notice to be removed.

A letter before action was sent to Accor which then prompted negotiations with Accor on how to resolve this issue, however as at the date of this report the retention remains in place and the Joint Administrators are considering their options.

For the purposes of the EOS alone, I have not shown any recovery from the retention. Please note that this decision is purely for illustrative purposes only and does not represent the outcome which the Joint Administrators expect.

Rental Income from Agreement with Accor

I can advise that a gross amount of £787,556 was paid during the Administration by Accor as rent, less an amount of £122,294, which was withheld by Accor in relation to loan repayments for the loan granted to the Company pre-administration (as referred to above).

As the hotel was sold part way through a rent quarter period, the rent received on 1 July 2014 for the quarter ending 30 September 2014 was apportioned and the sum of £170,415 paid to Algonquin from the sale proceeds, in respect of rent for the period post completion of the sale.

As advised in my last report, it is my contention that these loan repayments should not have been deducted and I am liaising with my solicitors on this matter.

For the purposes of the EOS, I have taken a prudent view and shown no repayment of deductions made however, as with the recovery of the retention monies, I have taken this decision purely for illustrative purposes

Cash at Bank

Creditors may recall that the Company had a bank account with Irish Bank Resolution Corporation (in Special Liquidation) and that a special procedure had to be followed in order for the funds held on the account to be released

That procedure was followed and an amount of £388,139 was received during the Administration

Associated Debtors

There remain uncertainties surrounding the realisable values of any associated debtors and as such, I am unable at this stage to estimate what sums could be recoverable. Therefore, for the purposes of the EOS, I have listed any balances due from related parties as uncertain.

Dividends from other Pedersen Administrations

Creditors may recall that I am also the Joint Administrator of Pedersen (Bromsgrove) Limited, Pedersen (Ealing) Limited and Pedersen (Bristol) Limited. There are sufficient funds in these Administrations to enable a small distribution to their creditors, which may include the Company.

However, due to the uncertainty on this issue, I have listed any recovery as uncertain in the EOS

Deposits

Following a review of the Company's management accounts from July 2013, a number of deposits/pre-payments were identified as possibly recoverable

However, to date no funds have been received and as such, it appears unlikely that any sums will be recoverable. Accordingly for the purposes of the EOS, I have recorded no realisations as being received

Bank Interest Gross

Gross bank interest of £364 has been received in the Administration

DIVIDEND PROSPECTS**Secured Creditors**

Based on the demand sent to the Company by NAMA, I have recorded their debt in the EOS at £25,319,205

The EOS suggests that NAMA may receive a distribution totalling £13.1m from their fixed and floating charges. As at the date of this report, I have distributed £500,000 to NAMA. In addition, my solicitors distributed direct to NAMA, the sum of £12,338,219 from the sale proceeds of the hotel.

Preferential Creditors

There are no known preferential creditors in this matter.

Prescribed Part

Pursuant to Section 176A of The Insolvency Act 1986 (as amended), a Prescribed Part of the Company's net assets should be set aside for the benefit of unsecured creditors. This reduces the funds that would otherwise be made available to any secured creditor under Floating Charges created after 15 September 2003.

In accordance with the EOS at Appendix 3, I estimate that the net property of the Company is £382,254.

The Prescribed Part to be set aside for unsecured creditors is therefore £79,451, calculated as follows:

Net Property		Prescribed Part £
50%	up to £10,000	5,000
20%	up to £600,000	<u>74,451</u>
		<u>79,451</u>

Unsecured Creditors

To date, I have received unsecured claims totalling £561,884. The EOS estimates total unsecured claims at £1,752,420. As detailed above, there will be a distribution to this class of creditor pursuant to the prescribed part.

The Company will exit Administration into Creditors' Voluntary Liquidation to enable a distribution to be made to the unsecured creditors.

COSTS OF REALISATION**Legal Fees**

DLA Piper UK LLP, solicitors, have advised me on the validity of the Administration and all matters relating to the sale of the Hotel. Their time costs to date total £94,700 with disbursements of £764. No payment has been made in respect of these costs to date.

For the purposes of the EOS I have estimated total legal costs at £100,000.

Agent's Fees

Giles Rocholl Photography provided quality photography of the Hotel at a cost of £350.

Savills were instructed to assist with the marketing of the Hotel. Their fee was based upon the gross sale value of the Hotel, and totalled £98,625. Their disbursements totalled £4,891. These sums were paid to Savills during the Administration.

In addition, Savills provided quantity surveyor's services to me and were paid £5,956 (including disbursements) for this service.

Undertaking Payment

A payment of £6,000 was paid to DLA Piper UK LLP in relation to an undertaking required by the superior landlord in respect of its costs for dealing with the transfer of the Company's leasehold interest in the Hotel. The sum of £1,400 was paid towards these costs by the purchaser.

Insurance

The sum of £4,811 was paid in respect of public liability cover.

Bank Charges

Bank charges of £45 were incurred during the Administration.

JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**Authority for remuneration**

The authority for the Joint Administrators to draw remuneration has yet to be agreed with the secured creditor.

Summary of time costs and remuneration drawn

A tabulation of total time spent analysed by grade of staff is attached with this report at Appendix 4, together with an analysis covering the period of this report.

The Joint Administrators total time costs up to 6 October 2014 are evaluated at £94,296 representing 299.90 hours, equating to an average hourly rate of £314.42. Disbursements totalling £735.20 (including Category 2 disbursements) have been incurred.

The Joint Administrators total time costs covering the period of this report are evaluated at £37,087 representing 118.70 hours, equating to an average hourly rate of £312.44. Disbursements totalling £233.70 (including Category 2 disbursements) have been incurred since my last report.

The work carried out is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature. It has been performed by the Joint Administrators, by the assignment managers and administrators. Their work has been supported by secretarial staff and the cashiers. All personnel were charged directly to the assignment for all of the time relating to the case.

To date no fees have been drawn.

In accordance with the Statement of Insolvency Practice 9, an explanation of Chantrey Vellacott DFK's charging and disbursement recovery policies is enclosed at Appendix 5.

A Creditors' Guide to Administrators' Fees, which provides information for creditors in relation to the remuneration of an Administrator, can be accessed at the website of the Association of Business Recovery Professionals at

<http://www.r3.org.uk/index.cfm?page=1210>.

Alternatively, I can provide you with a copy on written request.

I would draw your attention to Rule 2.48A and Rule 2.109 of The Insolvency Rules 1986 (as amended), the text of which is reproduced at Appendix 6. These Rules set out the circumstances under which creditors may request further information in relation to the Joint Administrators' remuneration and expenses and their right to challenge the Joint Administrators' remuneration and expenses.

INVESTIGATIONS

I confirm that I have complied with my statutory duty in relation to the Directors' conduct report which has been submitted to the Department for Business, Innovation and Skills, in accordance with the Company Directors Disqualification Act 1986. The report is confidential and accordingly I cannot disclose its content to the creditors.

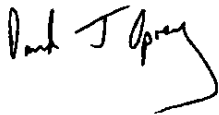
As previously requested, if creditors have any information they believe should be brought to the Joint Administrators' attention, please send such details in writing.

EXIT STRATEGY

I can advise that Form 2 34B, "Notice of move from Administration to Creditors' Voluntary Liquidation", was filed at Companies House on 6 October 2014. The Company therefore exited Administration and moved into Liquidation on that date.

CONCLUSION

Should you require any further information, in addition to that already given, please contact Lee Spencer at this office, on 020 7509 9120.

A handwritten signature in black ink, appearing to read 'D J Oprey', with a stylized flourish at the end.

D J OPREY

Joint Administrator

Licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales

APPENDIX 1

**STATUTORY INFORMATION
AND
FORMS 2.24B AND 2.34B**

The Insolvency Act 1986

Notice of move from administration to creditors' voluntary liquidation

2.34B

Name of Company Pedersen (Liverpool) Limited	Company number 05931286
In the The High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 6978 of 2013

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

I/We (a) David Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Richard Toone
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Adrian Hyde
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

(b) Insert name and
address of the
registered office of
company

having been appointed administrator(s) of (b) Pedersen (Liverpool) Limited
Chantrey Vellacott DFK LLP Russell Square House 10-12 Russell Square LONDON

(c) Insert date of
appointment

on (c) 9 October, 2013

(d) insert name of
appointor/applicant
(e) Insert name(s)
and address(es) of
liquidator(s)

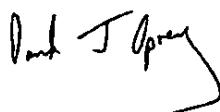
by (d) National Asset Loan Management Ltd

hereby give notice that

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is
proposed that (e) David Oprey, Richard Toone & Adrian Hyde
will be the liquidator(s) of the company (IP No(s) 5814, 9146 & 9664)

attach a copy of the final progress report

Signed



Dated

Joint Administrator
25 September 2014

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

David Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

DX Number

020 7509 9000
DX Exchange

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

WEDNESDAY

A22

A3J167UZ

22/10/2014

#146

COMPANIES HOUSE

2.24B

The Insolvency Act 1986

Administrator's progress report

Name of Company

Pedersen (Liverpool) Limited

Company number

05931286

In the

The High Court of Justice, Chancery Division,
Companies Court

(full name of court)

Court case number

6978 of 2013

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

I/We (a)

David Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LFRichard Toone
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LFAdrian Hyde
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

administrator(s) of the above company attach a progress report for the period

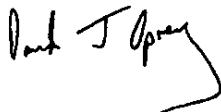
From

To

(b) Insert date

(b) 9 October 2013

(b) 6 October 2014



Signed

Joint Administrator

Dated

16 October 2014

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
formDavid Oprey
Chantrey Vellacott DFK LLP
Russell Square House
10-12 Russell Square
London
WC1B 5LF

DX Number

020 7509 9000
DX ExchangeWhen 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

**PEDERSEN (LIVERPOOL) LIMITED
IN ADMINISTRATION**

STATUTORY INFORMATION

Scheduled below are extracts concerning the Company obtained from the file at Companies House or from the Company.

i) Directors

The directors of the Company are:

	Date Appointed	Date Resigned
Maurice Saleh Gourgey	11/09/2006	N/a
Neil Joseph Gourgey	11/08/2010	N/a

ii) Company Secretary

Pedersen Group Management Ltd

iii) Shareholder Information (as advised by the Director)

Issued Share Capital – 1,000 ordinary shares at £1 per share

Name	Number of Shares held
Pedersen (UK) Ltd	1
Total	<u>1</u>

iv) Registered Office

The Registered Office of the Company is situated at:

Chantrey Vellacott DFK LLP, Russell Square House, 10-12 Russell Square, LONDON, WC1B 5LF

Prior to the appointment of the Administrators, the Registered Office was.

35 Ballards Lane, London, N3 1XW

v) **Company Number**

The Company's registered number is 05931286

vi) **Date of Incorporation**

The Company was incorporated on 11/09/2006.

vii) **Court Proceedings**

The High Court of Justice, Chancery Division, Companies Court No 6978 of 2013

viii) **Other**

The proceedings constitute Main Proceedings as defined in Article 3 of the EC Regulations

ix) **Statement for the purpose of paragraph 100(2) of Schedule B1 to the Insolvency Act**

All functions, powers and duties of the Administrators may be exercised by either of them acting jointly and severally

x) **Joint Administrators**

David Oprey
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Richard Toone
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Adrian Hyde
Russell Square House
10-12 Russell Square
London
WC1B 5LF

Date of Appointment 09/10/2013

Details of Appointer National Asset Loan Management Ltd

x) **Summary of Outstanding Registered Charges and Debentures**

Holder		Date of creation	Date of Registration	Type
Irish Nationwide Building Society		23/12/2009	30/12/2009	Legal Charge
Irish Nationwide Building Society		07/08/2007	09/08/2007	Mortgage
Irish Nationwide Building Society		07/08/2007	09/08/2007	Debenture
Liverpool PSDA Ltd		07/08/2007	10/08/2007	Security Deposit

APPENDIX 2

RECEIPTS AND PAYMENTS ACCOUNT

Pedersen (Liverpool) Limited
(In Administration)

Summary of Receipts & Payments

RECEIPTS	Statement of Affairs (£)	From 09/10/2013 To 09/04/2014 (£)	From 10/04/2014 To 06/10/2014 (£)	Total (£)
Freehold Property		0 00	12,589,999 00	12,589,999 00
Investment		0 00	1 00	1 00
Sales		526,253 00	261,303 00	787,556 00
Cash at Bank		388,139 36	0 00	388,139 36
Contribution to Costs		0 00	1,400 00	1,400 00
Bank Interest Gross		89 66	274 83	364 49
		914,482.02	12,852,977.83	13,767,459.85
PAYMENTS				
Rent paid to Purchaser		0 00	170,415 00	170,415 00
Accor Loan Repayments		81,798 61	40,495 05	122,293 66
Legal Fees		2,996 00	0 00	2,996 00
Agents/Valuers Fees		6,305 72	103,516 44	109,822 16
Undertaking Payment		0 00	6,000 00	6,000 00
Insurance		0 00	4,810 77	4,810 77
Bank Charges		30 00	15 00	45 00
Secured Creditor		500,000 00	12,338,219 00	12,838,219 00
		591,130 33	12,663,471 26	13,254,601 59
Net Receipts/(Payments)		323,351.69	189,506.57	512,858.26
MADE UP AS FOLLOWS				
Vat Receivable		1,860.34	20,703 29	22,563 63
Bank 1 Current		374,421 15	138,297.88	512,719 03
Cash held by Solicitor		0 00	82,766 00	82,766.00
Vat Payable		-105,250 60	-52,260 60	-157,511.20
Vat Control Account		52,320 80	0.00	52,320 80
		323,351.69	189,506 57	512,858.26

APPENDIX 3

ESTIMATED OUTCOME STATEMENT

Pedersen (Liverpool) Limited - In Administration

Estimated Outcome Statement as at 6 October 2014

	Receipts & Payments to Date (net of VAT) £	Estimated Future Receipts & Payments (net of VAT) £	Estimated Total Receipts & Payments (net of VAT) £
ASSETS SPECIFICALLY PLEDGED			
The Hotel - Novotel Liverpool	12,589,999	-	12,589,999
Investment	1	-	1
Accor - Rent	617,141	-	617,141
Less amounts withheld by Accor	(122,294)	-	(122,294)
	<u>13,084,847</u>	-	<u>13,084,847</u>
Administration Costs - Fixed Charge			
Joint Administrators' Remuneration	-	(30,000)	(30,000)
Agent's Sales Fee and Disbursements	(103,866)	-	(103,866)
Quantity Surveyor's Fee	(5,956)	-	(5,956)
Legal Fees & Disbursements	(2,998)	(97,004)	(100,000)
Insurance	(4,811)	-	(4,811)
Undertaking Payment	(4,600)	-	(4,600)
Misc Other Costs	-	(2,000)	(2,000)
	<u>(122,229)</u>	<u>(127,004)</u>	<u>(239,822)</u>
Funds available for Fixed Charge Holder	12,962,618	(127,004)	12,845,025
Less National Asset Management Agency of Ireland	<u>(12,638,219)</u>	<u>(12,680,986)</u>	<u>(25,319,205)</u>
	<u>324,399</u>	<u>(12,807,990)</u>	<u>(12,474,180)</u>
ASSETS NOT SPECIFICALLY PLEDGED			
Cash at Bank (IBRC Deposit Account)	388,139	-	388,139
Associated Debtors/Dividends from Pedersen Administrations	-	Uncertain	Uncertain
Deposits	-	-	-
Bank Interest	385	Uncertain	385
	<u>388,504</u>	-	<u>388,504</u>
Administration Costs - Floating Charge			
Joint Administrators' Remuneration	-	(5,000)	(5,000)
Joint Administrators' Disbursements	-	(250)	(250)
Corporation Tax	-	-	-
Misc Other Costs	(45)	(955)	(1,000)
	<u>(45)</u>	<u>(8,205)</u>	<u>(8,250)</u>
Surplus for Preferential Creditors	388,459	(8,205)	382,254
PREFERENTIAL CREDITORS			
Employee claims	-	-	-
Net property available for prescribed part	388,459	(8,205)	382,254
Estimated prescribed part for unsecured creditors	-	(79,451)	(79,451)
Surplus/(Deficiency) available to Floating charge creditors	388,459	(85,656)	302,803
National Asset Management Agency of Ireland	<u>(200,000)</u>	<u>(12,807,990)</u>	<u>(12,474,180)</u>
Deficiency for Floating Charge Creditor c/d			<u>(12,171,377)</u>
Total Funds Held	<u>512,858</u>		
Estimated prescribed part for unsecured creditors			79,451
UNSECURED CREDITORS			
Unsecured Creditors		<u>(1,752,420)</u>	<u>(1,752,420)</u>
			(1,672,969)
Deficiency for Floating Charge Creditor b/d			<u>(12,171,377)</u>
Surplus/(Deficiency) as regards creditors			(13,844,346)
Issued and Called up Share Capital			<u>(20)</u>
Surplus/(Deficiency) as regards Members			<u>(13,844,366)</u>

APPENDIX 4

**SUMMARY OF JOINT ADMINISTRATORS'
REMUNERATION AND DISBURSEMENTS**

Time and Chargeout Summary for the period 09/10/2013 to 06/10/2014							
Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Portfolio Management	0 00	0 00	0 20	0 00	0 20	50 00	250 00
Total for	0 00	0 00	0 20	0 00	0 20	60 00	250 00
Administration & Planning							
(A)Appointment Documents	0 10	0 00	3 10	0 80	4 00	874 00	218 50
(A)Appointment Meetings	0 40	0 00	0 00	0 00	0 40	140 00	350 00
(A)Case Reviews	3 40	0 30	3 80	0 00	7 50	2,225 50	298 73
(A)Cashing	0 00	0 00	3 20	6 50	9 70	1,759 00	181 34
(A)General Administration	2 80	4 50	2 70	5 60	15 60	3,418 00	219 10
(A)General advice/meetings	1 00	1 20	0 00	0 00	2 20	713 00	324 09
(A)JA Correspondence	0 00	0 00	0 20	0 90	1 10	125 50	114 09
(A)Money Laundering & ethics	0 10	0 00	0 00	0 00	0 10	35 00	350 00
(A)Pension Matters	0 00	0 00	0 10	0 00	0 10	25 00	250 00
(A)SOA/DOS	0 20	0 00	0 00	0 00	0 20	70 00	350 00
(A)Statutory Filing, advertising &	0 40	0 00	0 70	0 00	1 10	315 00	286 36
Total for Administration & Planning	8 40	6 00	13 80	13 80	42 00	9,700 00	230 95
Investigations							
(I)Antecedent Transactions	0 40	0 00	0 00	0 00	0 40	140 00	350 00
(I)D Conduct reports/returns	0 50	0 80	3 40	0 00	4 70	1,261 00	268 30
(I)Investigations (not SIP2/CDDA)	0 40	2 50	0 00	0 30	3 20	901 50	281 72
Total for Investigations	1 30	3.30	3.40	0 30	8 30	2,302 50	277 41
Realisation of Assets							
(R)Agents & Valuations	33 40	0 00	0 10	0 00	33 50	11,715 00	349 70
(R)Book Debts	0 30	0 90	1 10	0 00	2 30	645 50	280 65
(R)Cash at Bank	4 20	0 40	0 00	0 00	4 60	1,588 00	345 22
(R)Insurance	1 30	0 00	0 50	0 00	1 80	580 00	322 22
(R)Other Assets	1 30	0 30	0 50	0 00	2 10	668 50	318 33
(R)Property	99 70	0 20	0 00	0 00	99 90	34,957 00	349 92
(R)Sales of Business	6 90	0 00	0 20	0 00	7 10	2,465 00	347.18
(R)Subsidiaries/Investments	0 90	0 00	0 30	0 00	1 20	390 00	325 00
Total for Realisation of Assets	148 00	1 80	2 70	0 00	152.50	53,009 00	347 60
Creditors							
(C)Claims & Proofs	0 00	0 00	0 10	0 10	0 20	33 00	165 00
(C)Correspondence	0 90	0 00	0 30	0 20	1 40	406 00	290 00
(C)Preferential Creditors	0 00	0 00	0 00	0 10	0 10	8 00	80 00
(C)Reports & Circulars	10 00	7 60	16 20	5 70	39 50	10,443 00	264 38
(C)Sec Claims & Proofs	0 00	0 00	0 00	0 20	0 20	16 00	80 00
(C)Sec Correspondence	12 20	0 00	0 00	0 00	12 20	4,270 00	350 00
(C)Sec Dividends	0 30	0 00	0 30	0 00	0 60	180 00	300 00
(C)Sec Reports & Circulars	19 70	0 00	0 00	0 00	19 70	6,895 00	350 00
Total for Creditors	43 10	7 60	16 90	6 30	73 90	22,251 00	301 10

Time and Chargeout Summary for the period 09/10/2013 to 08/10/2014							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Trading							
(T)Accounting & Financial	0 00	0 00	0 70	0 00	0 70	175 00	250 00
(T)Employees (Trading)	0 00	0 30	0 00	0 00	0 30	88 50	295 00
(T)Management of operations	0 00	0 10	0 00	0 00	0 10	28 00	280 00
(T)Sales	3 50	0 00	0 00	0 00	3 50	1,225 00	360 00
Total for Trading	3 50	0 40	0 70	0 00	4 60	1,516 50	329 67
Case Specific Matters							
(CS)Legal Matters (non invest)	0 10	0 00	0 00	0 00	0 10	45 00	450 00
(CS)Other Special Issues	0 10	0 00	0 00	0 00	0 10	35 00	360 00
(CS)Post appointment tax returns	2 00	10 70	0 00	0 00	12 70	3,482 00	274 17
(CS)Pre Appointment Taxation	0 40	0 00	0 00	0 00	0 40	140 00	360 00
Total for Case Specific Matters	2 60	10 70	0 00	0 00	13 30	3,702 00	278 35
Shareholdings							
(S)Correspondence	0 00	0 00	0 20	0 00	0 20	50 00	260 00
Total for Shareholdings	0 00	0 00	0 20	0 00	0 20	50 00	260 00
Fixed Charge Matters							
(F)Claims & Proofs	0 20	0 00	0 00	0 00	0 20	70 00	360 00
(F)Correspondance	1 60	0 00	0 00	0 00	1 60	560 00	360 00
(F)Dividends	0 10	0 00	0 00	0 00	0 10	35 00	360 00
(F)Property	2 00	0 00	0 00	0 00	2 00	700 00	360 00
(F)Reports & Circulars	1 00	0 00	0 00	0 00	1 00	350 00	360 00
Total for Fixed Charge Matters	4 90	0 00	0 00	0 00	4 90	1,715 00	360 00
Total Hours	211 80	29 80	37 90	20 40	299 90	94,296 00	314 42
Total fees Claimed	74,160.00	8,385 00	9,452.00	2,299 00	94,296 00		

Category 2 Disbursements	
Other 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	
Type and Purpose	£
Hotel	63 87
Mileage	36 00
Motor Expenses	123 75
Other	100 23
Subsistence	44 35
Travel	367 00
	735 20

PEDERSEN (LIVERPOOL) LIMITED ADM - PEDE59649

Time and Chargeout Summary for the period 09/04/2014 to 08/10/2014							
Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	1 00	0 40	4 00	2 90	8 30	1,825 50	219 94
Investigations	0 30	0 00	0 00	0 30	0 60	129 00	215 00
Realisation of Assets	57 40	0 20	0 30	0 00	57 90	20,217 00	349 17
Creditors	22 80	2 80	11 70	5 70	43 00	12,386 50	288 06
Trading	0 40	0 00	0 00	0 00	0 40	140 00	350 00
Case Specific Matters	0 40	6 40	0 00	0 00	6 80	1,804 00	265 29
Shareholdings	0 00	0 00	0 10	0 00	0 10	25 00	250 00
Fixed Charge Matters	1 60	0 00	0 00	0 00	1 60	560 00	350 00
Total Hours	83 90	9 80	16 10	8 90	118 70	37,087 00	312 44
Total fees Claimed	29,365 00	2,646 00	4,025 00	1,051 00	37,087 00		

Category 2 Disbursements	
Other 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	
Type and Purpose	£
Motor Expenses	75 00
Travel	158 70
	233 70

APPENDIX 5

CHARGE OUT RATES AND DISBURSEMENT RECOVERY POLICIES

CHANTREY VELLACOTT DFK LLP

CHARGEOUT RATES AND DISBURSEMENT RECOVERY POLICIES

Chargeout Rates

In accordance with the provisions of Statement of Insolvency Practice 9 ("SIP 9"), the firm's chargeout rates applicable to this appointment, exclusive of VAT, are as follows

	From 1 August 2013 £ per hour	From 1 August 2011 £ per hour	From 1 August 2010 £ per hour
Partners / Office Holders	350 - 450	350 - 450	350 - 430
Consultants	350 - 450	350 - 450	350 - 450
Directors	325 - 350	325 - 340	320 - 330
Senior Manager	300 - 325	300 - 315	270 - 310
Managers	280 - 295	280 - 295	250 - 280
Assistant Managers	260 - 280	260 - 275	230 - 260
Senior Executive / Analyst	220 - 250	220 - 250	175 - 250
Executive	135 - 180	125 - 175	100 - 170
Cashier	125 - 165	120 - 160	115 - 180
Secretaries / Support / Junior Analyst	80 - 115	80 - 110	70 - 110

Chargeout rates are normally reviewed annually on 1 July when rates are adjusted to reflect such matters as inflation, increases in direct wage costs, and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case will be charged to the estate at cost, with no uplift. These include but are not limited to such items as case advertising, storage, online reporting facilities, bonding and other insurance premiums and properly reimbursed expenses incurred by personnel in connection with the case.

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate

Circulars to creditors

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT is levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

Chantrey Vellacott DFK LLP

Effective 1 August 2013

Chantrey Vellacott DFK is a limited liability partnership registered in England and Wales (NoOC313147) whose registered office is at Russell Square House, 10-12 Russell Square, London, WC1B 5LF. The term "partner" denotes a member of a limited liability partnership. A list of members of Chantrey Vellacott DFK LLP is available at our registered office.

APPENDIX 6

**RULE 2.48A AND 2.109
OF
THE INSOLVENCY RULES 1986 (AS AMENDED)**

2.48A and 2.109 of The Insolvency Rules 1986

2.48A Creditors' request for further information

2.48A(1) [Duty of Administrator] If-

- (a) within 21 days of receipt of a progress report under Rule 2.47-
 - (i) a secured creditor, or
 - (ii) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question), or
- (b) with the permission of the court upon an application made within that period of 21 days, any unsecured creditor

makes a request in writing to the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2.47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

2.48A(2) [Compliance by administrator] The administrator complies with this paragraph by either—

- (a) providing all of the information asked for, or
- (b) so far as the administrator considers that—
 - (i) the time or cost of preparation of the information would be excessive, or
 - (ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
 - (iii) the administrator is subject to an obligation of confidentiality in respect of the information,giving reasons for not providing all of the information.

2.48A(3) [Application to court by creditor] Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

- (a) the giving by the administrator of reasons for not providing all of the information asked for, or
- (b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

2.48A(4) [Power of court to extend period] Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2.109(1B) by such further period as the court thinks just

2.109 Creditors' claim that remuneration is or other expenses are excessive

2.109(1) [Which creditors may apply to court] 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 the court for one or more of the orders in paragraph (4)

2.109(1A) [Grounds for application] An application may be made on the grounds that—

- (a) the remuneration charged by the administrator,
- (b) the basis fixed for the administrator's remuneration under Rule 2.106,
- (c) expenses incurred by the administrator,

is or are in all the circumstances, excessive, or in the case of an application under sub-paragraph (b), inappropriate

2.109(1B) [Time limit for application] The application must, subject to any order of the court under Rule 2.48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

2.109(2) [Power of court to dismiss etc] The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard,

and give notice to the applicant accordingly

2.109(3) [Notice to administrator] The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

2.109(4) [Court order if application well-founded] If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the administrator was entitled to charge,
- (b) an order fixing the basis of remuneration at a reduced rate or amount;
- (c) an order changing the basis of remuneration,
- (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,
- (e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

2.109(5) [Costs of application] Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration