

The Insolvency Act 1986

Administrator's progress report

| | |
|--|--|
| Name of Company Rotundo Limited | Company number 5931984 |
| In the High Court of Justice [full name of court] | Court case number 8407 of 2008 |

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

We (a) Malcolm Cohen and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU

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

| | | |
|-----------------|----------------------|--------------------------|
| (b) Insert date | From | to |
| | (b) 29 March 2016 | (b) 28 September 2016 |

Signed

Joint/administrator(s)

Dated

14 October 2016

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 that you give will be visible to searchers of the public record.

| | |
|--|-------------------|
| c/o Ben Ezekiel, BDO LLP, 55 Baker Street, London, W1U 7EU | |
| Our Ref | Tel 020 7893 3258 |
| DX Number | DX Exchange |

COMPANIES HOUSE

If 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

FRIDAY



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London W1U 7EU

14 October 2016

Please ask for Ben Ezekiel
Direct line 0207 893 3258
ben.ezekiel@bdo.co.uk

Dear Sir/Madam

Algrave Limited and 726 Other Companies ('the Companies') - All in Administration

It is now ninety six months since my appointment in respect of the Companies. Herein follows a report on the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period 29 March 2016 to 28 September 2016.

1 Statutory Information

The Joint Administrators are Malcolm Cohen and Antony David Nygate of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the Companies on 29 September 2008. Under the provisions of paragraph 100(2) of schedule B1 of the Insolvency Act 1986, the Joint Administrators carry out their functions jointly and severally and neither Joint Administrator has exclusive power to exercise any function

The Joint Administrators were appointed by the corporate director of the Companies, pursuant to Paragraph 12 of Schedule B1 of the Insolvency Act 1986. As previously advised, an application was made to the High Court of Justice to consolidate the insolvency proceedings into one Administration. This report has, therefore, been prepared on a consolidated basis. The court case number is 8407 of 2008.

The registered office of the Companies is 55 Baker Street, London, W1U 7EU and the registered numbers are listed on the attached schedule.

2 Receipts & Payments

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £766,306. There were no receipts or payment during the period

3 Future of the Administration

The Joint Administrators' proposals, agreed on 5 December 2008, stated that the Companies would exit Administration by way of dissolution under the provisions of Paragraph 84 of Schedule B1 of the Insolvency Act 1986.

As previously reported, the table below summarises the extensions to the period of Administration that have previously been granted by the Court.



| Duration | Source of extension | Extended until |
|-----------|---------------------|-------------------|
| 12 Months | Court application | 28 September 2010 |
| 12 Months | Court application | 28 September 2011 |
| 12 Months | Court application | 28 September 2012 |
| 18 Months | Court application | 28 March 2014 |
| 12 Months | Court application | 28 March 2015 |
| 12 Months | Court application | 28 March 2016 |
| 24 Months | Court application | 28 March 2018 |

As previously advised, the Joint Administrators have been served with a legal claim from the solicitors acting for the liquidators of Safe Business Services Limited ('SBS') in relation to a purported debt that they are seeking to have paid as an expense of the Administration and/or the Joint Administrators personally.

The Joint Administrators have retained solicitors to vigorously defend the claim. The matter is ongoing and as such I am unable to comment further at this time.

4 Prospects for Creditors

Under Section 176A of the Insolvency Act 1986, where after 15 September 2003 a company has granted to a creditor a floating charge, a proportion of the net property of the company must be made available purely for the unsecured creditors. The Companies did not grant a floating charge to any creditor after 15 September 2003 and consequently there is no prescribed part in this Administration.

The Joint Administrators may not make payments by way of distribution, under Paragraph 65 of Schedule B1 of the Insolvency Act 1986, to a creditor of the Companies who is neither secured nor preferential unless the Court provides permission.

To date, I have received four creditor claims totalling £6,648,252, one of which (for £228,991) has been rejected. Pursuant to a Court order granted on 28 May 2014, an interim distribution of £2,006,897 was made to the unsecured creditors. Once the claim from SBS has been concluded, the Joint Administrators will make a further application to Court to make a final distribution to the sole creditor, HM Revenue & Customs.

Upon payment of the final distribution it is the Joint Administrators' intention to exit the Administration by way of dissolution.

5 Joint Administrators' Remuneration

The creditors of the Companies have approved that the Joint Administrators' remuneration be fixed as a percentage of the value of the property, with which I have to deal with and this has been capped at £1,750 plus VAT inclusive of general disbursements, per company.

I can confirm that no work that is usually carried out by the Joint Administrators has been subcontracted outside my firm.

Time costs incurred to date total £1,299,486 represented by 3,772 hours at an average charge out rate of £344. To date, the Joint Administrators have drawn remuneration

totalling £1,158,987 plus VAT, for the period from 29 September 2008, the date of appointment, to 28 September 2016

Attached is a schedule which summarises the time costs drawn to date and indicates the work undertaken in that respect. Remuneration and disbursements drawn to date total £1,243,180, which is within the agreed cap of £1,750 per company, which totals £1,272,250

6 Joint Administrators' Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as Category 1 disbursements. These disbursements have been detailed below

| Type of disbursement | Incurred since 29/03/2016 £ | Total £ |
|--|-----------------------------------|------------------|
| Advertising | - | 62,120.99 |
| Bonding | 19.00 | 14,600.00 |
| Printing / photocopying / postage / courier services (specifically allocated) | - | 6,203.89 |
| Forensics imaging equipment | - | 200.00 |
| Companies House searches | - | 35.00 |
| Travel | - | 790.60 |
| Storage | - | 252.00 |
| Total | - | 84,202.48 |

These disbursements have been drawn with the consent of creditors

Some Administrators recharge expenses for example postage, stationery, photocopying charges, telephone and fax costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors, before they can be drawn, and these are known as Category 2 disbursements. The policy of BDO LLP is not to charge any Category 2 disbursements

For your reference a creditors' guide to the Administrators' fees may be found at the following website <http://www.icaew.com/en/technical/insolvency/creditors-guides>.

7 Other Matters

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.



I attach to this report an extract from the Insolvency Rules 1986 setting out the rights of creditors to request further information and/or challenge the remuneration or fees within the Administration

Should you have any queries please contact Ben Ezekiel on the telephone number shown above.

Please note, the affairs, business and property of the Company are being managed by the Joint Administrators who act only as agents of the Company and without personal liability.

Yours faithfully
For and on behalf of
Algrave Limited and 726 Other Companies

A handwritten signature in black ink, appearing to read 'M. Cohen'.

Malcolm Cohen
Joint Administrator

Enc

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:-

Rule 2.48A Creditors' request for further information

(1) 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) 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

(3) 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

(4) 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

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

(1) 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)

(1A) 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, or
- (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

(1B) 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) 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

Statement from the Insolvency Rules 1986 (as amended) regarding the rights of creditors in respect of the Joint Administrators' fees and expenses (continued):-

Rule 2 109 (continued)

(3) 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

(4) 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

(5) 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

Algrave Limited and 726 other companies
All In Administration

Summary of Joint Administrators' Receipts And Payments from 29 September 2008 (date of Administration) to 28 September 2016

| RECEIPTS | 29/03/2016 to 28/09/16 £ | Total £ |
|-------------------------------|--------------------------------|---------------------|
| Book Debts | - | 33,311 61 |
| Tax Refunds | - | 402 63 |
| Book Debts | - | 14,468 01 |
| VAT Refunds (Pre Appointment) | - | 36 31 |
| Cash at Bank | - | 3,960,997 20 |
| Cash at Solicitors | - | 116,657 95 |
| Bank Interest - Gross | - | 77,472 43 |
| Bank Interest - Net | - | 22,863.34 |
| VAT | - | 2.00 |
| | - | <u>4,226,211 48</u> |

PAYMENTS

| | | |
|-------------------------------------|---|---------------------|
| Joint Administrators' Fees | - | 1,158,987.00 |
| Joint Administrators' Disbursements | - | 84,183.48 |
| Legal Fees & Disbursements | - | 149,823.32 |
| Professional Fees | - | 10,613.66 |
| PAYE Services | - | 900.00 |
| Corporation Tax | - | 16,247.33 |
| Storage Costs | - | 7,525.70 |
| ISA Charge | - | 25.75 |
| Bank Charges | - | 52 46 |
| Input VAT | - | 24,648.69 |
| | - | <u>1,453,007 39</u> |

Distribution to Creditors

| | |
|---|---------------------|
| Payment in full to 2 unsecured creditors | 6,897 34 |
| Dividend of x p in the £ to remaining sole creditor | 2,000,000 00 |
| | <u>3,459,904 73</u> |

| | |
|-----------------|---------------------|
| Balance in Hand | 766,306 75 |
| | <u>4,226,211 48</u> |

BDO LLP
55 Baker Street
London
W1U 7EU

M Cohen and A Nygate
Joint Administrators
14 October 2016

N B A statement of affairs was not submitted in respect of the Administration

Algrave and 727 other Companies - In Administration

Detailed Time Charged and Rates Applicable for the Period From 29 March 2016 to 28 September 2016

| Description | PARTNER | | MANAGER | | SENIOR EXECUTIVE | | EXECUTIVE | | OTHER STAFF | | GRAND TOTAL | | AVERAGE RATE |
|--------------------------|---------|-----------|---------|-----------|------------------|---------|-----------|----------|-------------|---------|-------------|-----------|--------------|
| | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | £ |
| D General Administration | 13 50 | 9,521 00 | 53 40 | 22,952.60 | | | 7 60 | 739 80 | 0 15 | 10 05 | 74 65 | 33,223 45 | 445 06 |
| I Reporting | 1 00 | 726 00 | 0 40 | 122.00 | | | 3 80 | 612.00 | | | 5 20 | 1,460 00 | 280 77 |
| Total | 14 50 | 10,247 00 | 53 80 | 23,074 60 | | | 11 40 | 1,351 80 | 0 15 | 10 05 | 79 85 | 34,683 45 | 434 36 |

| | | |
|---------------------|-------|------------|
| Net Total | 79 85 | 34,683 45 |
| Other Disbursements | | 9 00 |
| Billed | | 0 00 |
| Grand Total | | £34,692.45 |

Detailed Time Charged and Rates Applicable for the Period From 29 September 2008 (date of appointment) to 28 September 2016

[illegible]

Algrave Limited and 726 other companies Limited - In Administration

Detailed Time Charged and Rates Applicable for the Period From 29 September 2008 (date of appointment) to 28 September 2016

| Description | PARTNER | | MANAGER | | ASSISTANT MANAGER | | SENIOR ADMINISTRATOR | | ADMINISTRATOR | | OTHER STAFF | | GRAND TOTAL | | AVERAGE RATE |
|------------------------------|---------|------------|----------|------------|-------------------|------------|----------------------|------------|---------------|-----------|-------------|----------|-------------|------------|--------------|
| | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | Hours | Total £ | |
| I Reporting | 1 50 | 1 027 50 | 6 90 | 2,178 50 | 15 20 | 3,873 40 | 15 00 | 3,880 00 | 60,65 | 6,919 40 | | | 99 25 | 17,978 80 | |
| 01 Statutory Reporting | 51 00 | 33,236 00 | 160 55 | 72,173 30 | 84 40 | 21,723 30 | 100 80 | 24,804 10 | 17 95 | 2,596 05 | | | 51 00 | 33,236 00 | |
| 02 Reporting to Appointer | | | | | 73 70 | 18,949 40 | | | 1 00 | 118 00 | | | 343 70 | 121,306 75 | |
| 04 Reporting to Creditors | | | | | | | | | 2 60 | 252 80 | | | 74 70 | 19,067 40 | |
| 06 Reporting to other bodies | 1 00 | 685 00 | 167 45 | 74,351 80 | 173 30 | 44,655 10 | 115 80 | 28,684 10 | 82 20 | 9,886 25 | | | 3 60 | 937 80 | |
| 99 Other Matters | 53 50 | 34 948 50 | | | | | | | | | | | 592 15 | 192,826 75 | 325 08 |
| I Sub Total | | | | | | | | | | | | | | | |
| J Distribution & Closure | | | | | | | | | | | | | | | |
| 02 Distributions | | | | | | | 37 50 | 9,187 50 | 2 00 | 224 00 | | | 37 50 | 9,187 50 | |
| 05 Closure Meetings | | | | | | | 37 50 | 9,187 50 | 2 00 | 224 00 | | | 2 00 | 224 00 | |
| J Sub Total | | | | | | | | | | | | | 39 50 | 9,411 50 | 238 27 |
| | 330 85 | 220,592 15 | 1,513 40 | 624,708 00 | 726 95 | 187,635 95 | 611 10 | 188,783 95 | 529 25 | 72,481 00 | 60 20 | 5,286 25 | | | |

Net Total 3,771 75 1,299,486 30 344 53

Other Disbursements 84,202 48

Billed 1,243 180 48

Grand Total £140,808 30