

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Homeform Group Limited	Company number 6132417
In the High Court of Justice, Manchester District Registry, Chancery Division (full name of court)	Court case number 1140 of 2011

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

I/We (a)
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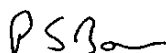
*Delete as applicable

attach a copy of our proposals in respect of the administration of the above company

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

(b) 17 August 2011

Signed



Joint / Administrator(s)

Dated

17 August 2011

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 researchers of the public record

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When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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COMPANIES HOUSE

Homeform Group Limited

Court Case No. 1140 of 2011

- In Administration ("the Company")

**JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS PURSUANT TO
PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)**

17 August 2011

**Philip Stephen Bowers and William Kenneth Dawson
Joint Administrators of the Company - In Administration
Deloitte LLP
2 Hardman Street
Manchester**

Philip Stephen Bowers and William Kenneth Dawson were appointed Joint Administrators of Homeform Group Limited on 6 July 2011. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Disclaimer Notice

- This Statement of Proposals ("Proposal" or "Proposals") has been prepared by Philip Stephen Bowers and William Kenneth Dawson, the Administrators of Homeform Group Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 (as amended) to lay before creditors a statement of their proposals for achieving the purposes of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This Proposal has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company.
- Any estimated outcomes for creditors included in this Proposal are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this Proposal for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 (as amended) does so at their own risk. To the fullest extent permitted by law, the Administrators do not assume any responsibility and will not accept any liability in respect of this Proposal.
- The Administrators act as agents for Homeform Group Limited and contract without personal liability. The appointments of the Administrators are personal to them and, to the fullest extent permitted by law, Deloitte LLP does not assume any responsibility and will not accept any liability to any person in respect of this Proposal or the conduct of the Administration.
- All licensed Insolvency Practitioners of Deloitte LLP are licensed in the UK to act as Insolvency Practitioners.

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ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"the Act"	Insolvency Act 1986 (as amended)
"the Rules"	Insolvency Rules 1986 and the Insolvency (Amendment) Rules 2010
"the Administrators"	Philip Stephen Bowers and William Kenneth Dawson of Deloitte LLP
"Deloitte"	Deloitte LLP
"Director"	Chris Pavlosky
"the Company"	Homeform Group Limited (in Administration)
"the Bank" / "Barclays"	Barclays Bank plc
"the Court"	Manchester District Registry, Chancery Division
"(L)/EBIT"	(Loss)/Earnings before interest and tax
"CID"	Confidential invoice discounting
"FYXX"	Financial year ended XX
"SPA"	Sale & Purchase Agreement
"RCF"	Revolving credit facility
"RPO"	The Redundancy Payments Office
"ROT"	Retention of Title
"EOS"	Estimated Outcome Statement
"PP"	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986 (as amended)
"QFCH"	Qualifying Floating Charge Holder
"SIP13 (E&W)"	Statement of Insolvency Practice 13 (England & Wales)
"Sun"	Sun Capital Partners IV LP
"HFUK3"	HF Group UK 3 Limited
"Secured Creditors"	Barclays and HFUK3

1. BACKGROUND

1.1. Introduction

This report is prepared pursuant to Paragraph 49 of Schedule B1 of the Act, which requires the Administrators to provide creditors with details of their proposals to achieve the purposes of the Administration

To assist the creditors and enable them to decide on whether or not to vote for the adoption of the proposals, the following information is included in the report

- background of the Group, and
- the circumstances giving rise to the appointment of the Administrators

There are insufficient funds for a distribution to the unsecured creditors from asset realisations or via the prescribed part, a fund set aside for the benefit of unsecured creditors by virtue of Section 176A(2)(a) of the Act, and consequently in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act, the Administrators will not be convening a creditors' meeting, unless required to do so

Should creditors of the Company whose total debts amount to at least 10% of the total debts of the Company wish to request a meeting be held they should complete the attached Form 2 21B (Appendix 7) and return it within the deadline stated. A deposit of £750 towards the costs of convening the meeting should be enclosed with the request per rule 2 37(3) of the Rules

In the event no request (in the prescribed manner) is received within 8 business days of issue of this statement, the proposals will be deemed approved and a notice will be filed at Companies House

1 2. Background

The Company was established on 1 March 2007 in order to purchase the business and assets of Sharps, Moben, Dolphin and Kitchens Direct out of Administration

The principal activity of the Company was the manufacture, retail and installation of fully-fitted home improvement products, including kitchens, bathrooms and bedrooms

The Company is wholly owned by HFUK3, a non-trading holding company, and has no subsidiaries

1 3. Overview of Financial Information

Extracts from the audited Company accounts for the 12 months to 31 March 2009, 12 months to 31 March 2010, and unaudited management accounts to 31 March 2011 are shown below

Please note that this information has not been verified by the Administrators or by Deloitte

Furthermore the comments below each table reflect management's explanations of the amounts included in the profit and loss account and balance sheet

Group Summary Profit and Loss Account

	Draft Management Accounts for year to 31 March 2011 £m	Audited Statutory Accounts for year to 31 March 2010 £m	Audited Statutory Accounts for year to 31 March 2009 £m
Turnover	134 1	151 2	148 2
Cost of Sales	(76 7)	(84 5)	(87 4)
Gross Profit	57 4	66 7	60 8
Gross Margin %	42 8%	44 1%	41 0%
Other Expenses	(69 4)	(70 4)	(70 8)
(L)/EBIT	(15 1)	(3 7)	(9 9)

Source Management/Audited Accounts

Group Summary Balance Sheet

	Draft Management Accounts for year to 31 March 2011 £m	Audited Statutory Accounts for year to 31 March 2010 £m	Audited Statutory Accounts for year to 31 March 2009 £m
Tangible assets	8 8	8 2	9 4
Fixed assets	8 8	8 2	9 4
Current Assets			
stock	5 3	8 2	6 0
debtors	12 7	13 5	12 3
cash	2 8	6 9	10 3
	20 8	28 6	28 6
Liabilities			
trade creditors	(15 9)	(20 1)	(15 8)
other	(76 4)	(61 6)	(60 9)
Total Liabilities	(92 3)	(81 7)	(76 7)
Net Liabilities	(62 7)	(44 9)	(38 8)

Source Management/Audited Accounts

Tangible assets principally comprise manufacturing equipment at Bilston, fixtures and fittings at Cornbrook, and showroom display units. Other liabilities includes secured debt from HF Group UK 3 Limited of £59.6m. The Bank provided merchant services facilities and holds first

fixed and floating charge against potential liabilities relating to the provision of such services, however this liability is contingent and therefore not reflected in the balance sheet

1.4. HFUK3

HFUK3 is the parent of the Company. It is non-trading, being the vehicle through which the ultimate beneficial owners of the Group provided funding. HFUK3 holds second ranking fixed and floating charge security behind the Bank.

1.5. Management and Employees

As at 6 July, the Company employed approximately 1,208 staff.

Statutory information on the Company, including details of the Directors and Company Secretary, Bankers & Shareholders is provided at Appendix 2.

2 THE CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF THE JOINT ADMINISTRATORS

2.1. Events prior to the Administration

We refer you to our SIP 16 letter, attached as Appendix 1 to this report, for details of relevant events that took place prior to the Administration

2.2. Details of the Appointment of the Joint Administrators

Philip Stephen Bowers and William Kenneth Dawson, of Deloitte were appointed Joint Administrators of the Company by the Director on 6 July 2011, following the filing of a Notice of Appointment of Administrators by the Director of the Company

The Court having conduct of the proceedings is Manchester District Registry, Chancery Division (case number 1140 of 2011)

For the purposes of Paragraph 100(2) of Schedule B1 of the Act the Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly or severally

2.3. Purpose of the Administration

The purpose of an Administration under The Enterprise Act 2002 is split into three parts

- 1 To rescue a company as a going concern (in other words a restructuring which keeps the actual entity intact)
- 2 If the first purpose is not reasonably practicable (or the second purpose would clearly be better for the creditors as a whole), then the Administrators must perform their functions with the objective of achieving a better result for creditors than would be obtained through an immediate liquidation of the company This would normally envisage a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation)
- 3 If neither of the first two parts of the purpose are reasonably practicable, the Administrators must perform their functions with the objective of realising property in order to make a distribution to secured and/or preferential creditors as applicable

The Company had significant secured and unsecured creditor liabilities and therefore a restructuring of these creditors would have been required to meet the first objective It was apparent that there was insufficient value placed on the Company assets by third parties in order to effect a restructuring of the Company's considerable debt and the Administrators concluded that the first option was not possible to achieve The Company's Management had for some time (prior to Administration) been trying to facilitate a restructuring of the debts, but without success

Accordingly, the purpose of the Administration was to achieve a better result for creditors than would be obtained through an immediate liquidation of the Company

2.4. Electronic communication with creditors

In an effort to reduce the costs of the Administration, all communications with creditors, including updates and progress reports, are posted onto a website, which has been set up specifically for this purpose. The web address is www.deloitte.com/uk/homeform.

A letter will be issued to all creditors each time the website is updated with a statutory notice or report. All creditors' statutory notices will be retained on the website for 3 months after being uploaded to the site.

3. THE MANNER IN WHICH THE AFFAIRS OF THE COMPANY HAS BEEN MANAGED AND FINANCED AND WILL CONTINUE TO BE MANAGED AND FINANCED IF THE JOINT ADMINISTRATORS' PROPOSALS ARE APPROVED

3.1 Sales of Certain Assets of the Business

In order to maximise value for all creditors, the Administrators sold certain assets of the business relating to the 'Sharps' division immediately following their appointment

Full details of this transaction are as set out in our SIP 16 letter at appendix 1

3.2. Assets Excluded from the Sale

Following the sale noted above all assets relating to the remaining divisions (principally Moben, Dolphin, Kitchens Direct) were excluded from the sale

The Administrators have instructed agents to market the remaining stock, fixtures and fittings of the Company for sale. This process is currently ongoing

The remaining brands of the Company (Moben, Dolphin, Kitchens Direct) have been marketed for sale, with a number of firm offers received to date. The Administrators are currently in advanced negotiations with one party with a view to finalising a sale of all remaining brands

3.3. Post Appointment Strategy

Immediately following the appointment of the Administrators on 6 July 2011, members of the Administrators' staff attended the head office at Cornbrook, Old Trafford to advise the remaining employees of the Administrators appointment. Staff were briefed with regards to the Administration and informed that a sale of certain business and assets had been completed to Sharps Bedrooms Limited. Those staff transferring with the Sharps business were then informed that their employment had been transferred under the Transfer of Undertakings (Protection of Employment) Regulations ("TUPE"). The non-Sharps divisions of the Company had ceased trading prior to the Administrators' appointment. Those staff not required by the Administrators on appointment were made redundant with immediate effect. 25 staff remain employed by HGL.

The Administrators' staff are in the process of collating creditor claims and have handled creditor queries as they have arisen which include telephone calls and correspondence

The Administrators' legal advisors advised in respect of all legal issues arising on the sale of business and assets and have been assisting the Administrators with post appointment matters

Legal advice has been required in relation to the various properties and leases. Sharps Bedrooms Limited was granted a licence to occupy various leasehold properties of the Company on completion of the sale of business and assets whilst consent is obtained from the relevant landlords for the assignment of the leases. The Administrators have instructed their legal advisers to manage the assignment of leases (where applicable) and this process is ongoing

The Administrators' staff will continue to liaise with Sharps Bedrooms Limited to progress any unresolved issues or future matters that may arise during the Administration

4. DIRECTORS' STATEMENTS OF AFFAIRS

4.1. Introduction

A Statement of Affairs has been submitted by the Director of the Company, as at 6 July 2011, a summary of which is attached at Appendix 4

In accordance with the standard format of the Statement of Affairs form, no provision has been made in the Statement of Affairs for the costs of the Administration (including agents, legal and other professional fees)

The Administrators have not carried out any work of the nature of an audit on the information

There are a number of different classes of creditors within the Company. These include

- **Secured creditors** They have fixed and floating charge debenture security across the Company and as such are paid in priority to other creditors. This priority is subject to payments to preferential creditors and unsecured creditors under the PP, (see section 4.5). Further details of the Company's security are set out in section 4.3
- **Preferential creditors** These relate to specific employee wage arrears, holiday pay and certain pension contributions and are paid in priority to unsecured creditors out of net floating charge realisations before the PP and before payment to the secured floating chargeholder
- **Unsecured creditors** They rank behind secured and preferential creditors and receive any surplus available from net realisations

The Administrators have not included the addresses of all the creditors in view of the fact that the information includes private individuals' names and addresses and it would not be appropriate to do so. A list of creditor names is available upon request

4.2 Notes to the Director's Statement of Affairs

The Directors' have stated the following

- The net book values have been taken from the Company's management accounts prepared to 6 July 2011,
- The estimated realisable values are based on the Director's understanding of the consideration achieved by the Administrators for the sale of the trade, business and assets of the Sharps division on 6 July, and his judgement,
- No provision has been made in the Statement of Affairs for the costs of the Administration (including agents, legal and professional fees)

It should also be noted that the Bank provided clearing facilities in addition to merchant services. As a result of the Administration, the Bank exercised its right of set-off and the credit balance included in the Statements of Affairs was applied against the potential exposure to the Bank arising from its merchant service provision. Consequently, the cash shown in the related Statement of Affairs is not an asset available for creditors

4.3. Secured creditors

The Company's estimated debt to the Secured Creditors as at the date of appointment was

- Barclays £5.5m
- HF UK 3 £60.5m

4.4. Preferential Claims

Preferential claims exist in HGL relating to arrears of wages and accrued holiday pay due to employees. The Administrators do not anticipate a dividend will be paid to preferential creditors based on current estimates of realisations from floating charge assets.

4.5. The Prescribed Part

By virtue of Section 176A(2)(a) of the Act, the Administrators must make a PP of the Company's net property available for the satisfaction of unsecured debts. Net property is the amount of the Company's property which would, but for this section, be available for the holders of floating charges created by the Company.

The PP applies where there are floating charge realisations, net of costs 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
- Subject to a maximum of £600,000

No net floating charge realisations are currently anticipated and so no PP is currently expected to be available to unsecured creditors of the Company.

4.6. Unsecured Claims

The unsecured creditors' position as at 6 July 2011 per the Directors' Statements of Affairs (excluding any shortfall to floating charge holders) is summarised in the table below:

	£m
Trade Creditors	13.5
HMRC	5.4
Customer Deposits	1.8
Sub-Contractors	1.5
Other Trade Creditors	6.6
TOTAL	28.8

After discharging the costs of the Administration, we do not anticipate there will be any realisations from floating charge assets.

Accordingly, we do not expect any funds to be available to pay a dividend to the unsecured creditors of the Company by way of a prescribed part (as noted above) or otherwise.

4.7. Creditors Meeting

As the Administrators do not expect any funds will be available to the unsecured creditors a meeting of creditors will not be held. A request in the prescribed manner that the Administrators call a meeting can be made by creditors representing 10% or more of the total debts of the Company (individually or jointly). Creditors wishing to submit this request should complete the attached Form 2.21B and return it to the Administrators no later than 29 August 2011.

A deposit of £750 towards the costs of convening the meeting should be enclosed with the request per rule 2.37(3) of the Rules.

5. PRE-ADMINISTRATION COSTS

5.1 Introduction

A Statement of Pre-Administration costs is provided at Appendix 5

Pre-Administration costs are defined as the remuneration charged and expenses incurred by the Administrators (or other person qualified to act as such) before the company entered into Administration but with a view to its doing so

5.2 Approval of costs

There will be no funds available to the unsecured creditors, therefore, approval of the unpaid Pre-Administration costs will be sought in accordance with Rule 2.67A(3)(b) of the Rules, which is outlined below

Determination of whether and to what extent the unpaid Pre-Administration costs are approved for payment shall be by the approval of each secured creditor of the Company

The Secured Creditors have not yet approved payment of the unpaid Pre-Administration costs, as detailed at Appendix 5

6. JOINT ADMINISTRATORS' REMUNERATION AND EXPENSES

6.1. Introduction

There will be no funds available to the unsecured creditors, therefore, fixing the basis of the Administrators' remuneration will be approved in accordance with Rule 2 106(5A) of the Rules, which is outlined as follows

- Where the Administrators have made a statement under Paragraph 52(1)(b) of Schedule B1 of the Act the basis of the Administrators' remuneration may be fixed by approval of
 - each secured creditor, or
 - if the Administrators intend to make a distribution to preferential creditors, with the approval of each secured creditor and 50% of preferential creditors who respond to an invitation to consider approval

As there are insufficient funds for the benefit of preferential creditors the secured creditor(s) will approve the basis of the Administrators' remuneration in due course

In line with Paragraph 52(1)(b) of Schedule B1 of the Act outlined above there is no requirement for unsecured creditors to pass a resolution in respect of Administrators' remuneration

The Administrators' time costs incurred to 10 August 2011 total £409,460 representing 1,087 hours at an average hourly rate of £377. These have not been analysed further as approval for their payment has not yet been sought. Any resolutions passed in respect of remuneration drawn will be covered in our first progress report to creditors.

6.2 Administrators' Expenses

As no expenses have been approved for payment at this stage, no information has been disclosed. This will be covered in our first progress report to creditors.

6.3. Other Professional Costs

To advise on appropriate legal matters and to prepare required legal documentation (including business sale agreements) the Administrators instructed DLA Piper LLP, a firm of lawyers with the appropriate expertise and experience in dealing with these types of Administrations.

To date their billed costs have amounted to £65,565 (plus VAT) and they have estimated that their further fees will be in the region of £85,000 (plus VAT) in total.

In addition, GVA, a firm of chattel agents, have been instructed by the Administrators to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate, and market the remaining such assets for sale. To date no costs have been billed by GVA.

All professional fees are based upon their recorded time costs incurred at discounted charge out rates and will be reviewed by the Administrators' staff before being approved for payment

6.4. Creditors' right to request information

Any secured creditor or, unsecured creditor with the support of at least 5% in value of the unsecured creditors or, with leave of the Court, may, in writing, request the Administrators to provide additional information regarding remuneration or expenses to that already supplied within this document. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2.47(1)(fa) and 2.48A of the Rules.

6.5. Creditors' right to challenge Remuneration and/or Expenses

Any secured creditor or, unsecured creditor with the support of at least 10% in value of the unsecured creditors or, with leave of the Court, may apply to the Court for one or more orders (in accordance with Rule 2.109(4) of the Rules), challenging the amount or the basis of remuneration which the Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred. Such applications must be made within 8 weeks of receipt by the applicant(s) of the report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2.109 of the Rules.

7. OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

7.1. Directors' conduct

As part of their statutory duties, the Administrators will consider the conduct of the Directors and any person they consider a shadow or de facto director in relation to their management of the affairs of the Company and the causes of failure and will submit a confidential report to the Insolvency Service, a division of the Department for Business, Innovation and Skills

As part of their investigations the Administrators will consider, among other matters, the following

- statutory compliance issues,
- misfeasance or breach of duty, and
- antecedent transactions (including transactions at an under value and preferences)

Creditors who wish to draw any matters to the attention of the Administrators should write to the Administrators at the address given on the front of this report

7.2 SIP13 (E&W) – Transactions with connected parties

In accordance with the guidance given in SIP13 (E&W), details of the Company's transactions with connected parties during the period of this report and the two years prior to our appointment are provided below

On 6 July 2011, the sale of certain assets owned by the Company took place for a consideration of £7.5m. Details of the transaction are set out in detail in the SIP 16 Letter at Appendix 1. We have summarised to include the name of the counterparty and connection below

Sharps Bedrooms Limited is a wholly owned subsidiary of Sun, who are also the ultimate owner of HGL, and as such there is a commonality of ownership between the purchaser and HGL

We have reviewed these transactions and are of the opinion that all parties took appropriate legal advice. The Administrators were advised by DLA Piper LLP. Sharps Bedrooms Limited and Sun were advised by Linklaters LLP, and the Bank was advised by Addleshaw Goddard LLP

7.3. Exit Routes from Administration

In accordance with the provisions of the Act incorporated by the Enterprise Act 2002, all Administrations automatically come to an end after one year, unless an extension is granted by the Court or with consent of the creditors

There are several exit routes which are available to the Administrators such as,

- an application to Court (in the event of a Court appointment),

- filing a notice in Court and with the Registrar of Companies confirming that the purpose of Administration has been sufficiently achieved, or
- in the event that the Company has no property the Administrators may notify the Registrar of Companies to that effect at which time the appointment of the Administrators ceases and three months following that date the company is deemed to be dissolved

In addition the Administrators could propose to place the Company into Creditors' Voluntary Liquidation, a Compulsory Liquidation or a Company Voluntary Arrangement. Reference will be made in the resolutions within this report as to the exit route most suitable to the circumstances of each Administration.

The exit route chosen in relation to the Company will largely depend on the circumstances of the Administration. In this case, given the likely level of realisations, and therefore the likelihood that there will be no distribution to unsecured creditors, dissolution currently represents the most likely exit route.

If funds do become available for a distribution under the PP, the Administrators may apply to the Court for the authority to make a distribution to unsecured creditors (under the PP) and then take the requisite steps to dissolve the Company, or if appropriate, to apply to the Court to obtain an order pursuant to Section 176A(5) that Section 176A(2) (PP for unsecured debts) shall not apply.

If there is a distribution to unsecured creditors (other than via the PP), the Administrators are discharged from liability in respect of any action of theirs as Administrators pursuant to Paragraph 98(1) of Schedule B1 of the Act upon registration of the notice given pursuant to Paragraph 84 of Schedule B1 of the Act. Where there will be no distribution to unsecured creditors, the Administrators will seek their discharge from the secured creditor.

7.4. EC Regulations

As stated in the Administration Order in respect of the Company, Council Regulation (EU) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that Regulation.

7.5 Third Party Assets

Should you believe that you own items that may have been present at the Company's former trading premises at the date of appointment please contact the Administrators as soon as possible.

8. STATEMENT OF PROPOSALS PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 OF THE INSOLVENCY ACT 1986 (AS AMENDED)

Homeform Group Limited

Court Case No. 1140 of 2011

In Administration ("the Company")

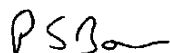
The Administrators' proposals are as follows

- 1 the Administrators continue to manage the affairs and any remaining assets of the Company and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the Directors of the Company and continue to assist any regulatory authorities with their investigation into the affairs of the Company,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against the Company unless the Administrators conclude, in their reasonable opinion, that the Company will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of the Company so determine, at a meeting of creditors, a Creditors Committee be appointed in respect of the Company comprising of not more than five and not less than three creditors of the Company,
- 6 that, if a Creditors' Committee is not appointed, the secured creditors of the Company shall be asked to fix the basis of the Administrators' remuneration in accordance with Rule 2 106(5A)(a), to be fixed by reference to the time properly given by the Administrators' and their staff in attending to matters arising in the Administrations, calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, and/or as percentage of realisations and/or as a set fee, plus VAT. In addition those creditors shall also be asked to agree the Administrators' expenses of which the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte at the time when the mileage is incurred, plus VAT where applicable,
- 7 that, if a Creditors' Committee is not appointed, the Administrators' Pre Administration Costs as detailed in Appendix 5 of the Administrators' Proposals be approved. And that the Administrators be authorised to draw their Costs, plus VAT, from the Administration estate,
- 8 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Company or alternatively, seeking to put the Company into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,
- 9 that, if the Company were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committee appointed will become the Liquidation Committee pursuant to Rule 4 174 of the Rules and that the basis of the Liquidators' remuneration be fixed by reference to the time given in attending to matters arising in the Liquidations, and/or as a percentage of realisations and/or as a set fee. As per Paragraph 83(7) of Schedule B1 of the Act and Rule 2 117A(2)(b) of the Rules, the creditors may nominate a different person to be

Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of Section 231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally, and

- 10 in the absence of Creditors' Committees, secured creditors of the Company agree that the Administrators be discharged from liability per Paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors and vacating office

Yours faithfully
For and on behalf of Homeform Group Limited



Philip Stephen Bowers
Joint Administrator of the Company - In Administration
Deloitte LLP
2 Hardman Street, Manchester

Philip Stephen Bowers and William Kenneth Dawson were appointed Joint Administrators of Homeform Group Limited on 6 July 2011. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

All licensed Insolvency Practitioners of Deloitte are licensed in the UK to act as Insolvency Practitioners

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**To All Known Creditors of Homeform Group Limited
(In Administration)**

Deloitte LLP
(P.O. Box 500)
2 Hardman Street
Manchester M50 2AT
Tel: +44 (0) 161 832 3555
Fax: +44 (0) 161 829 3800
www.deloitte.co.uk

6 July 2011

Our Ref: HGL/PSB/JH/ADML-013b/B

Dear Sirs

HOMEFORM GROUP LIMITED - In Administration ("the Company")

I write to inform you that Bill Dawson and I were appointed Joint Administrators ("the Administrators") of the Company on 6 July 2011. Formal notice of the appointment is attached on Form 2.12B.

Information Regarding the Pre-packaged Sale of part of the Business and Assets

Immediately following our appointment on 6 July 2011 part of the Company's business and assets (being one of the four business operations "Sharps") was sold to an affiliate of Sun European Partners LLP ("Sun"). In order to provide full information to creditors in line with S1P16 I write to inform you of the following details regarding the sale of the business and assets and the events leading up to it.

Background Information

The Company provides kitchens, bathrooms and bedrooms under the Moben, Kitchens Direct, Dolphin and Sharps brands through a network of c. 170 showrooms being a combination of leased premises and concessions. The majority of stores provide displays of all brands. The Company employs c. 1,200 employees.

The Company has experienced significant difficulties due to the current economic climate, particularly in the kitchen and bathrooms markets. The trading downturn resulted in a short term funding requirement of over £10 million that management attempted to bridge through a number of different funding providers and cash initiatives. Prior to administration we understand that the Director formed the view that the funding options that were sought were not capable of being

Important Notice: Partners, Associate Partners and Directors acting as receivers and administrators consult without personal liability, unless otherwise shown, of appointment taking Partners, Associate Partners and Directors are authorized by The Institute of Chartered Accountants in England and Wales. In addition Brian William McInnes is a Licensed Insolvency Practitioner authorized by The Institute of Chartered Accountants of Scotland. All licensed insolvency practitioners of Deloitte LLP are licensed in the UK. To act as insolvency practitioners.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303679 and its registered office at 2 New Street Square, London EC4A 3DF, United Kingdom.

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Member of Deloitte Touche Tohmatsu Limited



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achieved, and as a result of this, the Director immediately took steps to place the Company into administration and filed a notice of intention to appoint Administrators on 23 June 2011. Part of this decision was based on Sun indicating on 22 June 2011 that having already provided funding of over £50 million they were not prepared to continue to fund the business in its current state any further. However, they also indicated that they would, if it were possible, seek a purchase of the Sharps and Kitchens Direct business from an Administrator in order to save those parts of the business.

Shortly after the notice of intention to appoint Administrators, the merchant services card provider indicated that it would exercise its set-off rights in relation to the Company's cash at bank and would stop making any payments to the Company. With no cash available to the Company it was clear that there would be no funds available for any administration trading and therefore the decision for any Administrator upon appointment was either (1) implement a part sale transaction through a pre-packaged sale (if one could be achieved) or (2) close the entire business.

We understand that following the notice of intention to appoint Administrators, the senior management team (Management) undertook a series of meetings and calls with key business stakeholders including Sun, merchant services provider, all concession partners, employees and key suppliers advising (1) the current position of the Company and (2) providing details of a potential transaction that would allow the continuation of the Sharps and Kitchens Direct businesses.

In addition we understand that the Company issued a press release on 23 June 2011 that stated:

The Board of Homeform Group Limited have today (Thursday 23 June 2011) filed with the Court a Notice Of Intention to Appoint an Administrator. This process can take up to ten working days. At present, the Homeform Group remains under the control of its Directors. The Directors are close to securing a deal that will safeguard the future of the Sharps (Bedrooms) and Kitchen Direct businesses and have mandated advisers to seek a sale of the Moben and Dolphin brands. Further information will be provided in due course.

On the same day Management notified staff and sent them home (for Moben and Dolphin) and retained staff for Sharps and Kitchen Direct (but only to take orders) after explaining that they were seeking a transaction for those businesses. During the evening of 27 June 2011 the Kitchens Direct part of the transaction fell away leaving a potential Sharps only transaction (the "pre-pack" transaction). As a result on 28 June Management notified remaining Kitchens Direct staff and sent them home and closed a further 32 showrooms.

Over the course of the period to 6 July 2011, the prospective Administrator, Sun and Management worked together to seek to agree the transaction. The pre-packaged transaction could only be implemented if key stakeholders (concession parties, suppliers, merchant services provider as first fixed and floating charge holder, finance provider) all agreed to move forward with the new purchaser. By 6 July 2011 all key stakeholders had agreed to the transaction and therefore a sale was able to take place on 6 July 2011 to an affiliate company of Sun.

The Administrators believe that the pre-packaged sale will provide best value for the key stakeholders. The first charge holder will be paid in full (exposure some £5 million), Sun repaid in part (exposure some £62m), and a core business will be maintained which will protect c. 550 employees and a number of other unsecured creditor stakeholders (landlords, concession parties).

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Alternative Course of Action

In the absence of any funding and ability to trade, the only alternative course of action was closure and liquidation of assets and the financial outcome for all stakeholders in this scenario was significantly worse than for the pre-pack transaction both in respect of returns (nil to unsecured creditors) and increased claims (employees, landlords, concession parties and trade/other creditors)

Ability to Trade in Administration

It was not appropriate to trade the business in administration as the Company was unable to secure funding to support a period of trading in administration and merchant services providers were unwilling to provide facilities

Even with funding it would have been extremely difficult to trade the business due to a high degree of uncertainty resulting from industry specific factors including the nature of the products (large items requiring deposits and fitted over the course of 6-10 weeks), requirement to ring fence deposits, potentially significant ransom payments from suppliers and fitters and high other trading and property liabilities which would have required funding and/or indemnity protection

Details of Requests made to Potential Funders to Fund Working Capital Requirements

In April/May 2011 Management identified that the initial funding requirement based on the revised budget for the Financial Year 2011/2012 was £10.4m at December 2011. Initially the Company approached Sun to fund the full amount but this was rejected during May 2011. Management then worked on a revised proposal which included a series of cash generative initiatives and new funding, including an injection of equity investment from management.

We understand that certain of these initiatives were successful and after initial positive feedback on others, the various options were declined on or around 10 and 16 June 2011 respectively. Sun was then requested again to fund the full amount and they declined to do so on the evening of 22 June 2011.

Source and Extent of the Practitioners' Involvement Prior to Appointment

Deloitte was engaged in May 2011 by Sun (through its subsidiary company HF UK3 Limited) to advise them regarding their position. At that stage this also included an assessment of the insolvency options.

Just prior to the notice of intention to appoint the Director requested two partners within Deloitte to act as Administrators and this was confirmed with both the first secured Lender (Barclays under their merchant services agreement) and Sun as second secured Lender. The Administrators worked with Management over the course of the week from 21 June 2011 to prepare for an administration in the event a solvent solution was unable to be achieved.

Market Testing and Valuation

As noted above the funding options were all withdrawn by 22 June 2011 which then led to a notice of intention to appoint on 23 June 2011 when the Director concluded the Company was insolvent.

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In order to achieve additional value (above any prescribed part) for unsecured creditors, a sale had to achieve in excess of some £67 million, being the combined amount due to the first and second charge holders

The Director and Management had limited options available and considered that seeking to work towards a pre-packaged sale of Sharps and Kitchens Direct was in the circumstances the best option. The Director believed that exploring any other option would lead to a full closure of all businesses in view of the very limited time and funding available.

In order to consider whether the value of the Sharps/Kitchens Direct business could exceed c £67 million Deloitte performed some valuation analysis on the forecast EBITDA and post vulnerability / sensitivity I BITDA for the Sharps and Kitchens Direct businesses as "standalone" businesses. The illustrative values from the above analysis ranged from negative to £38.5m at the very high end for the combined businesses. The Sharps element resulted in illustrative values ranging from negative to less than the £38.5m for the combined businesses.

As noted above, in the absence of any sale, the Administrators would have made all employees redundant and mothballed the business and sought to realise value through the sale of the brands and associated assets. This strategy would have realised no recovery for unsecured creditors and left significant shortfalls for the secured creditors.

Following the publicity surrounding the filing of 'Notice to Appoint an Administrator' on Thursday 23 June 2011 various staff and partners in Deloitte received enquiries and expressions of interest from a number of organisations. Each interested party was updated as to the situation regarding the transaction, following which no party indicated that they were prepared to progress their interest having understood the circumstances of the prevailing position.

Assets and the nature of the transaction

All assets relating to the business of Sharps Bedrooms were sold for a total consideration of £7.5m. The consideration comprises:

Asset category	Consideration £m
Intellectual Property	7.3
Stock	0.1
Debtors	0.1
Total	7.5

The significant assets not included in the sale relate to the Moben, Kitchens Direct and Dolphin brands and associated assets. These remaining assets are being marketed for sale by the Administrators.

Other information

Identity of the purchaser	Sharps Bedrooms Limited, an affiliate of Sun
---------------------------	--

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Connection of purchaser to directors, shareholders, secured creditors	An affiliate of Sun is a secured creditor and ultimate shareholder. A director of Sharps Bedrooms Limited, Chris Pavlosky, is also a director of the Company. No guarantees have been given by Mr Pavlosky.
Any options, buy-back arrangements or similar conditions attached to the contract of sale	No options etc attached to the contract
Where consideration has been deferred, or is dependent upon future performance of the purchaser, the structure and timescale of any such payments should be made clear	The consideration for intellectual property of £7.3m will be paid by the purchaser through assumption of certain Company debt. £1.8m has been assumed on completion of the transaction, £2.0m on 6 July 2012 and the remaining £3.5m on 8 July 2013. The £0.2m consideration for stock and debtors has been paid in cash on completion.
Any security obtained for deferred consideration or confirmation that no security has been obtained	N/A

General matters to be brought to the attention of creditors

The effect of an Administration appointment is essentially to give protection to the Company and prevent any person taking action against it. During the period of the Administration the Company cannot normally be wound up, no Administrative Receiver can be appointed nor can steps be taken by any creditor to enforce security, repossess goods or commence any legal proceedings against the Company without the consent of the Administrators. The Administrators will manage the affairs, business and property of the Company for the duration of the Administration.

The Company ceased to trade with immediate effect on 6 July 2011. Pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 the Administrators will prepare proposals which will be submitted to the Company's creditors within eight weeks of the commencement of the Administration or such period as the Court may order. If appropriate a meeting of creditors will be convened.

The directors have been requested to prepare a Statement of Affairs as at the date of our appointment. In order to assist in our review of the Company's financial situation, I should be pleased to receive a detailed statement of the amount due to you at 6 July 2011 together with details of any security you may hold. I enclose a creditor's questionnaire and formal Proof of Debt form for you to complete and return to me.

The Administrators are obliged to consider the conduct of the directors of the Company during the last three years. If there are any matters you wish to bring to my attention, please let me know.

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VAT bad debt relief is now available in respect of all debts on supplies made on or after 1 April 1989, for which VAT was charged and accounted for to HM Revenue & Customs, which has been outstanding for a period of six months and is written off in the accounts. No further documentation is necessary.

Certain creditors may have a reservation of title claim over goods in the Company's possession. If you think you have a claim please contact Craig Keeton on 0113 292 1468 to make the necessary arrangements to deal with your claim. Such claims should be supported by relevant documentation and an indication of how such stocks may be identified to specific unpaid invoices.

Please direct queries to the numbers below

Trade Creditors	Craig Keeton	0113 292 1468
Retention of title	Craig Keeton	0113 292 1468
Employees	Michelle Rowntree	0191 202 5416
	Andrea Harris	0161 455 8774
Subcontractors	Karen Thornley	0115 936 3831
Customers	Customer Services	0800 840 0118

Please note that the Joint Administrators contract only as agents for the Company and without personal liability

Yours faithfully
For and on behalf of Homeform Group Limited



Phil Bowers
Joint Administrator

The affairs business and property of the Company are currently managed by Phil Bowers and Bill Dawson as Joint Administrators

Enc Form 2 12B, Proof of Debt Form, Creditor Questionnaire

HOMEFORM GROUP LIMITED (IN ADMINISTRATION)
STATUTORY INFORMATION

Company Name	Homeform Group Limited
Previous Names	
Proceedings	In Administration
Court	Manchester District Registry
Court Reference	1140 of 2011
Date of Appointment	6 July 2011
Joint Administrators	PS Bowers and WK Dawson Deloitte LLP
Registered office Address	c/o Deloitte LLP 2 Hardman Street, Manchester, M60 2AT
Company Number	06132417
Incorporation Date	01/03/2007
Company Secretary	-
Bankers	Barclays Bank PLC
Auditors	Grant Thornton LLP
Appointment by	Director
Directors at date of Appointment	Christopher John Pavlosky
Directors' Shareholdings	-

**Homeform Group Limited
(In Administration)**

**Income and Expenditure Account
06 July 2011 to 10 August 2011**

INCOME	Total (£)
Third Party Funds	400,000 00
License Fee Received	1,098,185 45
Stock/WIP	100,000 00
Book Debts	100,000 00
Rates Refund	3,822 16
Bank Interest Gross	38 96
	<u>1,702,046.57</u>
 EXPENDITURE	
Wages	77,232 06
Subcontractor Payments	13,791 69
IT Costs	2,000 00
Legal Fees (1)	65,564 79
Security	4,208 50
Statutory Advertising	76 50
Bank Charges	75 00
Rents under License	166,666 00
	<u>329,614.54</u>
 Balance	<u>1,372,432.03</u>
 MADE UP AS FOLLOWS	
VAT Receivable	50,453 48
IB Current A/C	1,286,647 95
RBS IB Current A/C	53,823 54
PAYE Payable	(8,398 99)
Nat Ins Payable	(10,093 95)
	<u>1,372,432.03</u>

Notes to the Income and Expenditure Account

- Third party funds received were funds provided to the administrator under a funding agreement for the purpose of payment of costs. Repayment of this facility will be as an expense of the administration
- License fee income is income from Sharps which is to be paid over to the respective landlords, therefore the net receipt will be nil

DIRECTORS' STATEMENT OF AFFAIRS

Rule 2.29

Form 2.14B

Statement of affairs

Name of Company
Homeform Group Limited

Company number
06132417

In the
Manchester District Registry, Chancery Division

Court case number
1140 of 2011

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

Statement as to the affairs of (a) Homeform Group Limited, C/o Deloitte LLP, 2 Herdman Street,
Manchester, M60 2AT

on the (b) 6 July 2011, the date that the company entered administration

(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the
affairs of the above named company as at (b) 6 July 2011 the date that the company entered
administration

Full name Christopher John Pavlosky

Signed CJP

Dated 10/8/11

A – Summary of Assets**Assets**

	Book Value £k	Estimated to Realise £k
Assets subject to fixed charge		
Intellectual property	0	8,000
Cash (escrow)	2,700	2,700
Cash at bank	1,502	1,502
Less Barclays Merchant Services liabilities (*)	(5,500)	(5,500)
Less Secured amount owing to HF Group UK 3 Limited	(60,548)	(60,548)
Deficit to fixed chargeholders	(61,846)	(53,846)
Assets subject to floating charge		
Fixed assets	7,747	70
Stock	5,329	200
Trade debtors	1,834	200
Other debtors and prepayments	7,146	0
Uncharged assets		
Estimated total assets available for preferential creditors	22,056	470

Signature C. Sporn Date 10/8/11

*Estimated liability for deposit/outstanding fit clawback/costs

A1 – Summary of Liabilities

	£k	Estimated to realise £k
Estimated total assets available for preferential creditors (carried from page A)		470
Liabilities		
Preferential creditors -		
Employees arrears of wages	(2,567)	(2,567)
Estimated deficiency/surplus as regards preferential creditors		(2,097)
Estimated prescribed part of net property where applicable (to carry forward)	0	0
Estimated total assets available for floating charge holders		(2,097)
Debits secured by floating charges	(53,846)	(53,846)
Estimated deficiency/surplus of assets after floating charges		(55,943)
Estimated prescribed part of net property where applicable (brought down)	0	0
Total assets available to unsecured creditors	0	0
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade Creditors	(13,474)	
HMRC (VAT, PAYE NI)	(5,414)	
Customer deposits *	(1,809)	
Fitters *	(1,218)	
Designers	(261)	
Other Creditors and accruals	(3,578)	
Other reserves and provision	(3,083)	(28,837)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)		(84,780)
Shortfall to floating charge holders (brought down)		0
Estimated deficiency/surplus as regards creditors		(84,780)
Issued and called up capital	0	0
Estimated total deficiency/surplus as regards members		(84,780)

Signature C. J. Plom Date 10/8/11

*Net of estimated Barclays recoveries

COMPANY CREDITORS

Note: You must include all creditors and identify all creditors under hire-purchase, chattel leasing or conditional sale agreements *and* customers claiming amounts paid in advance of the supply of goods or services *and* creditors claiming retention of title over property in the company's possession

Name of creditor or Claimant	Address (with postcode)	Amount of debt £	Details of any security held by creditor	Date security given	Value of security £
Customer deposits/Designers /Fitters/Employees	Individual details withheld	Individual details withheld			
Supplier	See list attached				

Signature C. J. Long Date 10/8/14

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No of shares held	Nominal Value	Details of Shares held
HF Group Uk 3 Limited	Counbrook, 2 Brindley Road, Old Trafford, Manchester, M16 9JQ	100	£1	Ordinary shares
TOTALS				

Signature CS P. m Date 10/8/11

STATEMENT OF PRE-ADMINISTRATION COSTS

Pursuant to Rule 2.33(2)(ka) of the Insolvency (Amendment) Rules 2010

1 GENERAL

Pre-Administration Costs are defined as the fees charged and expenses incurred by the Administrators (or other person qualified to act as such) before the Company entered into Administration but with a view to it doing so

This Statement gives a detailed analysis of the Pre-Administration Costs for Homeform Group Limited incurred by the Administrators

2 APPROVAL

There will be no funds available to the unsecured creditors, therefore, approval of the unpaid Pre-Administration costs will be sought in accordance with Rule 2.67A(3)(b) of the Rules, which is outlined as follows

Determination of whether and to what extent the unpaid Pre-Administration Costs are approved for payment shall be by the approval of each secured creditor of the Company

The Secured Creditors have yet to approve payment of the unpaid Pre-Administration Costs, as detailed below

3 PRE-APPOINTMENT FEES AND EXPENSES INCURRED BY THE ADMINISTRATORS FOR HOMEFORM GROUP LIMITED (IN ADMINISTRATION)

The Administrators have incurred time costs as detailed below on the following tasks and matters which were considered to be necessary to placing Homeform Group Limited into Administration

- Detailed planning for the Company to establish the steps required to deliver a pre-packaged transaction of the Sharps assets, including establishing whether completion of such a transaction is in the best interests of the Company and its creditors, and the potential alternative outcomes and strategies in the event that it does not. This process included liaison with key creditors of the Company
- Development of the Proposed Administrators' strategy for the realisation of assets not subject to the pre-packaged transaction, including detailed planning with the objective of maximising the level of realisations available to creditors

The work undertaken by the Administrators prior to their subsequent appointment was critical for the following reasons

- The work necessary to execute a transaction of this nature has been substantial. Our SIP 16 letters set out, in detail, the clear benefits to creditors of completing the transaction
- The Administrators' work in relation to the planning and preparation for their appointment has allowed them to develop and execute a strategy which will maximise the return to creditors, and deal with the affairs of the Company in an efficient manner

If the Administrators had not undertaken this work prior to their appointment, it is likely that

- This work would have been required to be undertaken post-appointment, and
- The resultant delay would have adversely affected the Administrators' ability to implement their strategy to the ultimate detriment of creditors

The overall effect of this preparatory work was to protect the asset base and maximise realisations in line with the statutory purpose of the Administration

4 ANALYSIS OF TIME INCURRED

In completing the above tasks, we have incurred gross time costs totalling £308,000 relating to 588 hours

The Administrators expect to seek full recovery of their pre-appointment time costs. To date no fees have been drawn by the Administrators in respect of pre-appointment time costs. A summary of our time costs are set out below

Classification of work function	Partners and Directors	Managers	Assistants & Support Staff	Total Hours	Time Cost £'000	Average Hourly Rate £
Preparation for Administration	38 50	312 50	-	351 00	157 83	449 66
Pre-Pack Negotiations	137 00	77 50	-	214 50	135 10	629 84
Liaison with Key Creditors	22 50	-	-	22 50	15 11	671 67
	<u>198 00</u>	<u>390 00</u>	<u>-</u>	<u>588 00</u>	<u>308 04</u>	<u>523 88</u>
Total Fees Claimed					-	
Total Fees Drawn					-	
Total Fees Unpaid as at the date of Appointment					308 04	

Preparation for Administration includes case strategy and planning, case set-up, statutory reporting, compliance

Pre-Pack Negotiations includes contract negotiations, business valuations and assessment of alternative options

Liaison with Key Creditors includes negotiations with secured lenders, negotiations with potential investors, negotiations with employee groups and government departments, negotiations with key suppliers and stakeholders

5 ANALYSIS OF EXPENSES INCURRED

The expenses incurred by the Administrators are as follows

Expense Type	Total £
Travel-Taxi	159 50
Travel-Train/Bus + Booking Fee	752 00
Accommodation-Hotel	1221 66
Mileage	680 73
Off Street Parking/M6&M4 Tolls	22 82
Subsistence-Costs Incurred	226 24
Grand Total	3,062 95

The Pre-Administration expenses were unpaid at the date of appointment and their payment needs approval by the secured creditors

PROOF OF DEBT - FORM 4 25

Rule 2.72

Form 4.25

PROOF OF DEBT - GENERAL FORM

In the matter of Homeform Group Limited
In Administration
and in the matter of The Insolvency Act 1986

Date of Administration 6 July 2011

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

Rule 2 72

Form 4 25

Software Supplied by Turnkey Computer Technology Limited Glasgow

PROOF OF DEBT - GENERAL FORM (CONTD)

Admitted to Vote for

£

Date

Administrator

Admitted preferentially for

£

Date

Administrator

Admitted non-preferentially for

£

Date

Administrator

Software Supplied by Turnkey Computer Technology Limited Glasgow

MEETING FORMS

Form 2.21B

Rule 2.37

Creditor's request for a meeting

Name of Company
Homeform Group Limited

Company number
6132417

In the
High Court of Justice, Manchester District
Registry, Chancery Division
(full name of court)

Court case number
1140 of 2011

(a) Insert full name and
address of the creditor
making the request

I (a)

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

request a meeting of the creditors of (b)
Homeform Group Limited

(c) Insert amount of claim

My claim in the administration is (c)

(d) Insert full name(s) and
address(es) of creditors
concurring with the
request (if any) and their
claims in the
administration if the
requesting creditor's claim
is below the required 10%

(d)

concur with the above request, and I attach copies of their written confirmation of
concurrence

(e) Insert details of the
purpose of the meeting

The purpose of the meeting is (e)

Signed

Dated
