

The Insolvency Act 1986

Administrator's progress report

Name of Company

Caterham Sports Limited

Company number

07042086

In the
High Court of Justice

(full name of court)

Court case number
7424 of 2014(a) Insert full
name(s) and
address(es) of
administrator(s)I/We (a)
Finbarr Thomas O'Connell
Smith & Williamson LLP
25 Moorgate
London
EC2R 6AYHenry Anthony Shinnars
Smith & Williamson LLP
25 Moorgate
London
EC2R 6AY

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

From

To

(b) Insert date

(b) 17 September 2015

(b) 16 March 2016

Finbarr O'Connell

Signed

Joint / Administrator(s)

Dated

15 March 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 published on the public register

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Caterham Sports Limited (in administration)

Joint administrators' progress report for the period from 17
September 2015 to 16 March 2016

12 April 2016



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1. Glossary

Abbreviation	Description
the Company/CSL	Caterham Sports Limited
the administrators/joint administrators	Finbarr Thomas O'Connell, Henry Anthony Shinnars and Mark Christopher Ford
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
IR86	Insolvency Rules 1986 If preceded by R this denotes a rule number
SOA	Statement of Affairs
the Property	Leaffield Technical Centre, Langley, Oxfordshire, OX29 9EF
the Bank	Export-Import Bank of Malaysia Berhad ("EXIM")
ETR	Estimated to realise
HMRC	HM Revenue & Customs
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint an administrator
RPS	Redundancy Payments Service
S&WEBC	Smith & Williamson Employee Benefits Consultancy, a division of Smith & Williamson Financial Services Limited
S&WFS	Smith & Williamson Financial Services Limited
FCA	Financial Conduct Authority
Note	The IA86 and IR86 have been subject to a number of significant amendments since their original issue, including a number of substantial and important changes in April 2010. References to IA86 and IR86 in this report are to the legislation as it applies to this case.

2. Introduction

This report provides an update on the progress in the administration of the Company for the six month period ended 16 March 2016. It should be read in conjunction with any previous reports.

By way of reminder, Finbarr Thomas O'Connell, Henry Anthony Shinnars and Anthony Cliff Spicer, of Smith & Williamson LLP, 25 Moorgate, London, EC2R 6AY, were appointed administrators of the Company on 17 October 2014.

Anthony Cliff Spicer has ceased to act as office holder of this estate following an application for a block transfer Order on the grounds of his retirement. The Order was sealed on 15 February 2016 by District Judge Exton sitting in the Chancery Division of the High Court of Justice Bristol District Registry (Court No. 6 of 2016) and the effective date of Mr Spicer's removal is 22nd February 2016.

Mark Christopher Ford's appointment was made following the above mentioned Order and the effective date of his appointment is 22nd February 2016.

Statutory information in respect of the Company and the administration is set out at Appendix I.

3. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period from 17 September 2015 to 16 March 2016. This account includes cumulative figures for the period from 17 October 2014 to 16 March 2016.

The receipts and payments account would usually include a comparison with the director's SOA values. However, as previously reported, a SOA has not been received from the sole remaining director, Constantin Cojocar. In the absence of a statement of affairs we have compared the receipts and payments against an estimate of the Company's financial positions as at 30 September 2014 based on the books and records available to us.

We comment on the most significant receipts and payments below.

3.1 Freehold premises

As detailed in our previous reports, the Company owned the Property, which was subject to a fixed charge granted to EXIM. The sale of the Property completed in November 2015, and the Property was sold for the sum of £5,250,000. Compensation of £20,000 was paid by the purchaser in respect of the late completion of the sale.

3.2 Plant & machinery and stock

As previously reported, Wyles Hardy & Co has assisted the administrators with the valuation and sale of the Company's plant & machinery, computer equipment, memorabilia, stock and other assets.

Sales proceeds have been received in excess of £2,800,000 since the beginning of the administration and £37,119 in the period.

3.3 Cash at bank

During the period, the administrators became aware of a bank account held at AMB Bank. The sum of £51,564 was realised in respect of the funds held in the account.

3.4 Assets still to be realised

3.4.1 Debtors

We are continuing to review the Company's books and records to assess whether there are any further debtor balances due and recoverable.

3.4.2 Legal claims

We continue to liaise with the committee as to the progress made in our investigation of the Company's affairs. The administrators have presented to the committee a paper on the merits, possible value and costs of commencing legal actions.

These potential claims are for material sums and will require considerable additional legal work and possibly forensic accounting and accounts reconstruction. The administrators will require additional funding to complete the necessary investigations and for the considerable further legal costs. We have already met with several litigation funders to discuss funding arrangements and instigating legal action in the near future, dependant on the cost versus benefit to the estate.

The administrators' solicitors are continuing to liaise with the insurer with regard to the Directors' and Officers' insurance policy in relation to certain of these claims.

3.4.3 Disputed assets

Following mediation, a settlement was reached in February 2016 in respect of disputed assets. Some £195,000 of the net sale proceeds of £370,097 was paid to the other claimant with the balance retained by the Company.

4. Administrators' remuneration

On 2 March 2015 the creditors' committee approved that the basis of the administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration.

The administrators' time costs are

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
17 October 2014 to 16 April 2015	3,434.90	1,723,777.50	501.84	Nil
17 April 2015 to 31 August 2015	513.85	209,811.50	408.31	1,253,110.83
1 September 2015 to 16 September 2015	98.25	46,077.96	362.50	Nil
17 September 2015 to 16 March 2016	526.80	231,296.89	439.06	Nil
Total	4,573.80	2,210,963.85	483.40	1,253,110.83

Attached as Appendix III, is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report.

Also attached as Appendix IV is a cumulative time analysis for the period from 17 October 2014 to 16 March 2016, which provides details of the administrators' time costs since appointment. A total of £1,253,110.83 has been drawn on account of these costs.

As previously reported, on 6 May 2015, in response to a request of the creditors' committee, the administrators, S&WFS and S&WCF agreed to discount their fees by 2.5% from 17 October 2014 to 10 May 2015 and 5% from 11 May 2015.

The joint administrators anticipate the future joint administrators' time costs to be between £170,000 and £490,000 depending on the outcome of their investigations and any resulting legal actions. Legal fees will similarly depend on whether legal action is commenced and what actions are defended to trial. The joint administrators estimate that legal fees will be in the range of £200,000 to £2,000,000.

An explanation of these costs can be found in the 'Outstanding matters' section of this report.

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and investigating the former officers of the Company as required by the Company Directors' Disqualification Act 1986

A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from the R3 website at the following address

https://www.r3.org.uk/media/documents/technical_library/SIPS/SIP%209%20Dec%202015.pdf

It should be noted that, whilst this statement makes reference to the need to provide creditors with a fees and costs estimate in the event that fees are being drawn on a time costs basis, this requirement only applies to appointments on or after 1 October 2015, the date that the Insolvency (Amendment) Rules 2015 ("new rules") took effect. Prior to the new rules, there was no statutory obligation to produce fee and cost estimates

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at Appendix V

4.1 S&WFS and S&WCF

S&WFS and S&WCF, companies associated with Smith & Williamson LLP, have assisted with the Company's pension affairs and the marketing and negotiations to sell the CaterhamF1 Team

Payments to parties in which administrators or their firm have an interest must be disclosed to, and approved by, creditors, or, in this case, the creditors' committee

S&WFS and S&WCF's time cost rates were included in the administrators' proposals and provided to the creditors' committee. The creditors' committee has approved these rates and that they are paid by reference to these time costs

S&WFS' time costs for the reporting period 17 September 2015 to 16 March 2016 are £2,465.75. This represents 13.3 hours at an average rate of £185.39 per hour. In the period covered by this report no fees have been drawn in relation to these costs

Details of S&WFS' current charge out rates are included at Appendix V

Since our last report, S&WCF has not charged any time

Details of S&WCF's current charge out rates are included at Appendix V

These time costs are to be recovered as administrators' fees and are included in the time analysis at Appendix IV. Further narrative detail of the work done by our colleagues in S&WFS and S&WCF are included in Appendix III

5. Administration expenses

5.1 Subcontractors

We have not utilised the services of any subcontractors in this period

5.2 Professional advisers

On this assignment we have used the professional advisers listed below. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis

Name of professional adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Mishcon de Reya LLP/ Legal advisors	Hourly rate and disbursements	208,896 00	86,510 75	212,472 89
Wyles Hardy & Co Ltd/Auction of assets and advice	10 %Commission on sales and hourly rates for other assistance and disbursements	46,274 62	97,840 27	413,482 67

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid

*Wyles Hardy & Co has incurred £303,298 of disbursements. This includes a significant quantum of portage costs in relation to the 6,750 auction lots and crowdfunding fulfilment

5.3 Administrators' disbursements

We have paid and/or incurred the following disbursements in the current period

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Travel and disbursement costs for investigations (Non Smith & Williamson staff)	3,076 91	0 00	3,076 91
Company and other searches	5 00	0 00	8 00
Miscellaneous	173 30	0 00	173 30
Courier costs	129 00	0 00	129 00
Fish food	0 00	0 00	211 25
Third party mailing assistance (for statutory reports)	3,333 48	0.00	5,381 26
Storage costs	611 52	611 52	0 00
Total	7,329.21	611 52	8,979.72

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid

5.4 Category 2 disbursements

No Category 2 disbursements have been incurred and/or paid in the current period

5.5 Other expenses

Other expenses (i.e. those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix II. Detailed below are those expenses which we consider to be significant in the context of this case. Also detailed below are expenses incurred but not paid in the current period.

Supplier/Service provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Willis Limited	Insurance premiums	4,504.99	29,861.99	0.00

Note: The sum paid in the current period covers the insurance for the period 17 October 2014 to 5 November 2015.

5.6 Policies regarding use of third parties and disbursement recovery

Appendix V provides details of Smith & Williamson LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of disbursements.

6. Estimated outcome for creditors

The estimated outcome for each class of creditors is set out below.

6.1 Secured creditors

EXIM holds a fixed and floating charge over the Company's assets. At the date of the administration the indebtedness was estimated at £5,504,302. The administrators have since admitted a claim in the amount of £5,504,302.

In the period covered by this report, fixed charge distributions in the sum of £4,425,000 were paid to EXIM following the sale of the Property. It is anticipated that further distributions of up to £200,000 in total will be available under the fixed charge.

6.2 Prescribed Part

The Company granted a floating charge to EXIM on 12 July 2013. Accordingly, we are required to create a Prescribed Part fund out of the Company's net floating charge property for unsecured creditors.

Based on present information, without significant successful legal action, it is unlikely that there will be sufficient net property to allow a dividend to unsecured creditors from the Prescribed Part. However, should there be a successful outcome to legal proceedings being considered by the joint administrators and the creditors' committee, resulting in a Prescribed Part distribution, this can be made by the joint administrators in the administration, following the changes made by the Small Business, Enterprise and Employment Act 2015 with effect from 26 May 2015.

6.3 Preferential creditors

We set out below a summary of preferential claims received

Preferential creditor	SOA claims £	Claims received £
Department for Business Innovation & Skills	0 00	24,173 13
Total	0 00	24,173 13

The claim from the Department for Business Innovation & Skills is in respect of compensatory awards to fifty former employees of the Company. The funds were awarded following an employee tribunal brought by the former employees for unfair dismissal.

In the event that there are sufficient floating charge realisations above the costs of the administration we anticipate that preferential claims will be paid in full.

6.4 Unsecured creditors

We have received claims totalling £22,894,838.08 from 335 creditors.

We have not yet adjudicated these claims. Dividend prospects for unsecured creditors will depend on the outcome of the proposed future legal proceedings. However, the investigations that the joint administrators are currently undertaking and any subsequent legal proceedings may well produce funds to allow a distribution to the unsecured creditors.

7. Creditors' committee

By way of reminder, the constitution of the creditors' committee is as follows:

- Ian Barry Dearing of Steele & Son representing Pankl Drivetrain Systems GmbH & Co KG
- Anthony Indaimo of Withers LLP representing Renault Sport s a s
- Christopher Harding of PricewaterhouseCoopers representing Excel Technical Consulting Limited
- Alistair Rew of Red Bull Racing representing Red Bull Racing Limited
- Graham MacDonald of Caterham Cars Limited representing Caterham Cars Limited

The purpose of the creditors' committee is to represent the interests of the creditors as a whole, not just the interests of the individual members. It may also serve to assist the administrators generally and act as a sounding board to obtain views with regard to matters pertaining to the administration.

The creditors' committee is responsible for fixing the basis of the administrators' remuneration and to review the adequacy of the administrators' security for the proper performance of their functions.

Members are also permitted to be paid as an expense of the administration any reasonable travelling expenses directly incurred either by attending meetings or otherwise on committee business.

Full details on creditors' committees can be found in the Statement of Insolvency Practice 15 <http://www.icaew.com/-/media/Files/Technical/Insolvency/regulations-and-standards/sips/england/sip-15-e-w-reporting-and-providing-information-on-their-functions-to-committees-in-formal-insolvencies.ashx>

8. Outstanding matters and future costs

The joint administrators anticipate that their future time costs in respect of the outstanding matters to be in the region of £170,000 excluding legal fees (on the basis that significant legal actions are not pursued), or up to £490,000 should further investigation, forensic accounting, accounts reconstruction and legal action be required and the majority of these further costs will be paid out of litigation funding monies or out of the proceeds from potential legal actions

The remaining actions to be concluded in the administration are as follows

8.1 Collection of outstanding debts and settling the remaining asset ownership disputes

As detailed in 3.4.1, the administrators will continue to review the Company's books and records to assess any balances due, and to ascertain whether these are recoverable. This will include consideration of the recoverability of any such debts and may include investigation of the debtor's financial affairs

The administrators are continuing to consider and pursue a number of assets or cash balances where there are disputed ownership claims

Future costs in this regard are expected to be in the region of £40,000, plus legal costs. However, given the poor accounting records and the nature of any dispute, this level of future costs could be up to £100,000. Legal fees in this regard could be up to £1,500,000

8.2 Various investigation matters and related claims for the recovery of funds

The joint administrators are continuing to review possible actions

As detailed in the report, a summary of the proposed actions have been put to the committee and a cost estimate provided. Further administrator's costs are estimated to be £100,000 but could rise to £300,000 depending on what additional investigation and accounting work is required. Legal costs will vary depending on what legal actions are commenced but, should the matter progress to a full trial, the legal costs could reach £500,000. The majority of these future costs will be paid out of litigation funding monies or out of the proceeds from potential legal actions

8.3 Statutory matters, conclusion of the administration, including preparing and issuing of the final report

The joint administrators will, at the appropriate time in the future, obtain tax clearance and if there are sufficient funds, declare a first and final dividend to creditors

Further costs relating to statutory and procedural matters are estimated to be £15,000 every six months. The joint administrators' time costs in this regard would be £30,000 if the administration is concluded within the next twelve months, or, if legal action(s) were required, £90,000 if concluded in thirty six months' time

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and reporting on the former officers of the company as required by the Company Directors' Disqualification Act 1986

9. Ending the administration

The period of the administration was extended by the consent of creditors until 16 October 2016

The administrators will be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect

Authorisation for discharge from liability was granted by the creditors' committee on 6 May 2015

10. Creditors' rights

Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this report make an application to court on the grounds that, in all the circumstances, the basis fixed for the administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the administrators, as set out in this report, are excessive

These rights apply only to matters which have not been disclosed in previous reports

Further information regarding creditors' rights is available on application to the administrators

11. Next report

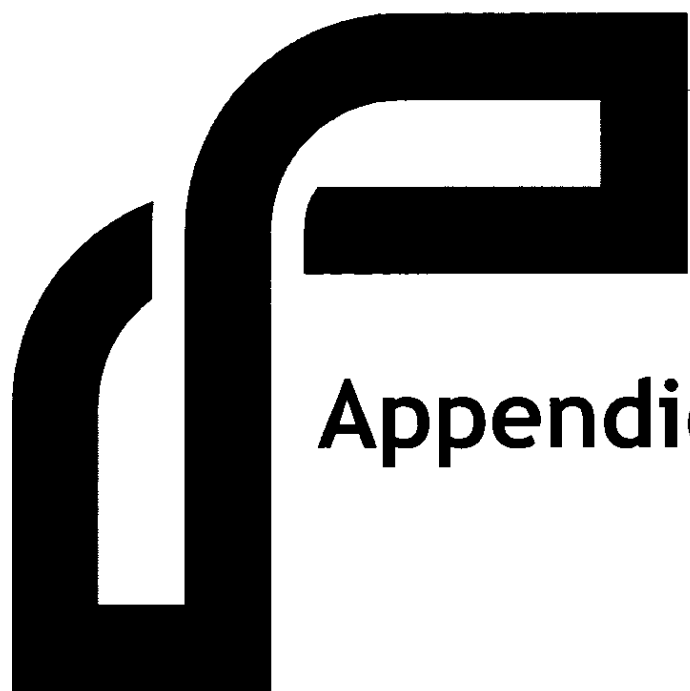
We are required to provide a further report on the progress of the administration within one month of the end of the next six month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report



Finbarr Thomas O'Connell, Henry Anthony Shinnars and Mark Christopher Ford

Joint Administrators

Date: 12 April 2016



Appendices

I Statutory information

Relevant Court	High Court of Justice
Court Reference	7424 of 2014
Trading Name(s)	Caterham Sports Limited Also known as Caterham Formula 1 Racing Team
Trading Addresses	Leafield Technical Centre, Langley, Oxfordshire, OX29 9EF
Former Name(s)	1Malaysia Racing Team (UK) Limited
Registered Office	25 Moorgate, London, EC2R 6AY (Formerly Leafield Technical Centre, Langley, Oxfordshire, OX29 9EF)
Registered Number	07042086
Joint Administrators	Finbarr Thomas O'Connell and Henry Anthony Shinnars and Mark Christopher Ford all of 25 Moorgate, London, EC2R 6AY (IP No(s) 7931, 9280 and 9521) In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally
Date of Appointment	17 October 2014
Appointor	EXIM
Extension to period of administration	The period of the administration was extended by the consent of creditors until 16 October 2016

II Receipts and payments account

Receipts and payments account to 16 March 2016

**Caterham Sports Limited
(In Administration)
Joint Administrators' Trading Account**

Statement of Affairs	From 17/09/2015 To 16/03/2016 £	From 17/10/2014 To 16/03/2016 £
POST APPOINTMENT SALES		
Crowdfunding	NIL	237,200 24
Bank Interest Gross Re Trading	93 50	555 65
Sales - Sponsorship	NIL	2,000 00
Customer Overpayment	NIL	56 93
Driver Income	NIL	515,298 55
Customer Postage	NIL	9,182 40
	<u>93 50</u>	<u>764,293 77</u>
PURCHASES		
Purchases Abu Dhabi	NIL	96,390 42
Ransom Payments	NIL	22,624 85
	<u>NIL</u>	<u>(119,015 27)</u>
OTHER DIRECT COSTS		
Consultancy Fee	NIL	22,170 95
Consultancy Expenses	NIL	95,057 11
Bank Charges Re Trading	2 50	530 90
	<u>(2 50)</u>	<u>(117,758 96)</u>
TRADING EXPENDITURE		
Travel & Accommodation	NIL	92,271 19
Carriage	NIL	1,348 40
Insurance	NIL	25,000 00
Professional Fees	5,000 00	5,250 00
Legal Fees Trading	14,851 50	14,851 50
Hire of Equipment	NIL	37,500 00
Repairs & Maintenance	NIL	300 00
Sundry Expenses	NIL	500 00
Track Costs	NIL	57,211 31
Ransom Payment - Racing Costs	NIL	28,534 70
Crowdcube Fee	NIL	20,319 71
Stripe Fee	NIL	11,060 28
Catering Costs	NIL	30,168 00
Security	NIL	3,989 94
Agents Expenses	75 95	111,311 37
Agents Fees	(75 95)	42,769 05
	<u>(19,851 50)</u>	<u>(482,385 45)</u>
TRADING SURPLUS/(DEFICIT)	<u>(19,760 50)</u>	<u>45,134 09</u>

Caterham Sports Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 17/09/2015 To 16/03/2016 £	From 17/10/2014 To 16/03/2016 £
GENERAL FIXED CHARGE		
Loan from Floating Charge	(10,001 25)	NIL
	<u>(10,001 25)</u>	<u>NIL</u>
PROPERTY & LAND		
Interest received from Solicitors FCR	15 83	15 83
Compensation for late completion FCR	20,000 00	20,000 00
4,200,000 00 Sale of Property FCR	5,250,000 00	5,250,000 00
	<u>5,270,015 83</u>	<u>5,270,015 83</u>
GENERAL FIXED CHARGE		
Bank Interest Gross FCR	1,136 42	1,136 42
Bank Charges FCR	(59 20)	(60 45)
	<u>1,077 22</u>	<u>1,075 97</u>
PROPERTY & LAND		
Property Maintenance & Clearance FCR	46,253 11	46,253 11
Security FCR	68,039 90	68,039 90
Interest on Loan Principal Borrowing F	4,244 66	4,244 66
Agent/Valuers Fees FCR	78,375 00	88,375 00
Property Expenses FCR	302,786 78	302,786 78
Property Related Insurance FCR	23,749 47	23,749 47
Agency Expenses FCR	3,201 70	3,201 70
Legal Fees FCR	23,450 00	23,450 00
Legal Expenses FCR	784 74	784 74
	<u>(550,885 36)</u>	<u>(560,885 36)</u>
DISTRIBUTIONS		
(5,504,302 00) Fixed Charge Creditor	4,245,000 00	4,245,000 00
	<u>(4,245,000 00)</u>	<u>(4,245,000 00)</u>
GENERAL FIXED CHARGE		
Irrecoverable VAT FCR	11,859 94	11,859 94
Professional Fees FCR	5,000 00	5,000 00
	<u>(16,859 94)</u>	<u>(16,859 94)</u>
ASSET REALISATIONS		
Plant & Machinery	37,118 83	2,641,721 87
Funds Returned by Sherriff	NIL	339 00
Misc Cash Sales	NIL	409 18
Catalogue Sales	NIL	1,815 00
Foreign Exchange Gains/Losses	NIL	113 17
Pre Appointment VAT Refund	3,374 97	24,505 18
Pre Appointment Insurance Refund	NIL	151 02
Cash at Bank	51,563 72	54,325 61
Rent	1,891 25	20,508 55
Stock	NIL	158,995 28
Bank Interest Gross	755 04	3,137 37
Petty Cash	NIL	714 91
TRADING SURPLUS/(DEFICIT)	(19,760 50)	45,134 09
Rates Refund	NIL	10,496 36
Service Charge	2,337 51	19,257 57
Sale of Motor Vehicles	5,995 99	5,995 99
	<u>83,276 81</u>	<u>2,987,620 15</u>

Caterham Sports Limited
(In Administration)
Joint Administrators Abstract of Receipts & Payments

Statement of Affairs	From 17/09/2015 To 16/03/2016 £	From 17/10/2014 To 16/03/2016 £
COST OF REALISATIONS		
Security FLT	52,513 08	NIL
Payments Against Liens	NIL	(218,330 71)
Creditors Meeting Costs	NIL	(916 67)
Property Maintenance	21,866 24	NIL
Agent/Valuers Pre Appointment Fees	NIL	(40,000 00)
Property Clearance Costs	8,698 53	NIL
Petitioners Expenses	NIL	(866 13)
Petitioners Costs	NIL	(4,691 00)
Interest on Loan Principal Borrowing F	(2 983 16)	(21 053 94)
Joint Administrators Pre Appt Fees	NIL	(22 818 75)
Administrators Fees	NIL	(1,253,110 83)
Administrators Expenses	NIL	(21,189 65)
Committee Expenses	NIL	(614 08)
Professional Fees	(3,423 08)	(18,885 87)
Transport, Storage and Maintenance	(1,043 00)	(97,359 51)
Agents/Valuers Fees	(16,138 92)	(135,043 81)
Agents/Valuers Expenses	3 326 35	(188,736 66)
Legal Fees (1)	(38,869 00)	(294,487 78)
Legal Expenses	(8,555 51)	(49,060 15)
Payroll Services	NIL	(2,185 77)
Loan to Fixed Charge	10,001 25	NIL
Storage Costs	(611 52)	(2,799 60)
Ransom Payment Re Insurance	NIL	(479 93)
Statutory Advertising	NIL	(892 40)
IT Services	(1,207 29)	(24,036 65)
Other Property Expenses	261,992 58	NIL
Insurance of Assets	(6,479 27)	(11,779 27)
Bank Charges	(10 25)	(182 65)
Professional Expenses	(66 00)	(66 00)
Utility costs	(15 000 00)	(15,000 00)
	<u>264,011 03</u>	<u>(2 424 587 81)</u>
PREFERENTIAL CREDITORS		
(177,600 00) Employees Wage Arrears	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
UNSECURED CREDITORS		
(16,195,627 00) Trade & Expense Creditors	NIL	NIL
(1,098,000 00) HMRC	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
DISTRIBUTIONS		
1 00 Ordinary Shareholders	NIL	NIL
	<u>NIL</u>	<u>NIL</u>
(18,775,528 00)	<u>795 634 34</u>	<u>1,011 378 84</u>
REPRESENTED BY		
VAT Receivable FLT		11,098 43
Clients Deposit (Int Bear) FCR		432,508 49
Clients Deposit Re Kickstart Caterha		30 924 84
Clients Deposit A/c (Int Bear) FLT		426,177 62
VAT Payable FLT		(6,685 97)
VAT Control Account FLT		87,308 17
VAT Control A/c Trading		11,229 13
VAT Receivable FCR		2 450 00
VAT Control Account FCR		13,388 01
VAT Receivable Trading		2 970 30
VAT Payable Trading		9 82
		<u>1,011 378 84</u>

Notes and further information required by SIP 7

- The basis of the administrators' remuneration was approved by the creditors' committee on 2 March 2015, and amended on 6 May 2015
- Details of significant expenses paid are provided in the body of our report
- Details of payments made to sub-contractors are shown in the body of our report
- Information concerning our remuneration and disbursements incurred is provided in the body of the report
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report
- All bank accounts are interest bearing
- There are no foreign currency holdings that we are aware of
- Wyles Hardy applies a Buyers' Premium on all auction sales. This is paid by the buyer to Wyles Hardy directly. For their own reporting purposes Wyles Hardy also charge the Company this Buyers' Premium and the Company recharges the Buyers' Premium to Wyles Hardy under self-billing arrangements. This is a cash and VAT neutral arrangement whereby creditors and HMRC are not impacted by the Buyers' Premium. This charging to the Company and recharging back to Wyles Hardy of the Buyers' Premium is not reflected in the receipts and payments
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT

III Time analysis for the period

From 1 September 2015 to 16 September 2015

Caterham Sports Limited (In Administration)
Breakdown of time spent by Smith & Williamson LLP employees
for the period 1 September 2015 to 16 September 2015

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Administration and planning							£	£
Statutory returns reports & meetings	0 00	0 00	4 50	19 25	0 00	23 75	7 767 50	327 05
Cashiering general, including bonding	0 00	0 00	0 00	0 00	2 15	2 15	537 50	250 00
Job planning reviews and progression (inc 6 month reviews and planning meetings checklist & diary)	0 00	0 00	0 00	1 00	0 00	1 00	310 00	310 00
Post appointment taxation (VAT PAYE/NIC Corp Tax that are not trading related)	0 15	0 00	0 00	0 75	0 00	0 90	326 25	362 50
Filing file and information management	0 00	0 00	0 00	0 00	0 25	0 25	25 00	100 00
Director/manager review approval and signing	0 00	0 00	0 00	0 00	0 10	0 10	31 00	310 00
Other	0 00	0 35	0 00	0 00	0 00	0 35	183 75	525 00
Investigations								
Investigation of legal claims	23 50	3 75	0 00	3 75	0 00	31 00	17 818 75	574 80
SIP2 and SIP4 obligations (inc CDDA86 forms)	0 00	2 60	0 00	0 00	0 00	2 60	1 365 00	525 00
Enquiries of advisers	0 00	0 00	0 00	0 50	0 00	0 50	155 00	310 00
Realisation of assets								
Fixed charge Property (land and buildings)	0 70	14 70	0 00	0 85	0 00	16 25	8 418 50	518 06
Stock	0 00	2 45	0 00	0 00	0 00	2 45	1 286 25	525 00
Liaising with agents (general)	0 00	0 00	0 00	1 25	0 00	1 25	387 50	310 00
Trading								
Premises issues (inc landlord and site clearance)	0 00	0 00	0 00	0 50	0 00	0 50	155 00	310 00
Security	0 00	0 00	0 00	0 35	0 00	0 35	108 50	310 00
Creditors								
Fixed charge creditors	0 00	0 55	0 00	0 00	0 00	0 55	288 75	525 00
Employees & pension (other) (incl Jobcentre/CSA etc)	0 00	0 00	0 50	0 00	0 00	0 50	200 00	400 00
Unsecured creditors	0 00	6 30	0 00	0 00	0 00	6 30	3 307 50	525 00
Creditors committee	0 00	0 55	0 50	0 00	0 00	1 05	488 75	465 48
ROT Claims	0 00	0 00	1 00	0 00	0 00	1 00	400 00	400 00
Corporate Tax								
Corporate Tax	4 20	0 00	0 00	0 00	0 00	4 20	2 154 96	513 09
Forensics								
Forensics	0 00	0 00	0 00	1 25	0 00	1 25	362 50	290 00
Total	28 55	31 25	6 50	29 45	2 50	98 25	46 077 96	468 99

Caterham Sports Limited (In Administration)
Breakdown of time spent by Smith & Williamson Financial Services employees
for the period 1 September 2015 to 16 September 2015

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Smith & Williamson Financial Services							£	£
SWFS Employee Benefits Consultancy	0 00	0 00	0 10	0 00	0 00	0 10	18 50	185 00
Total	0 00	0 00	0 10	0 00	0 00	0 10	18 50	185 00

Information supplement to our previous report

The joint administrators' second progress report for the period 17 April 2015 to 16 September 2015 included a time analysis for the period to 31 August 2015. The time analysis above details the time spent by the administrators and their staff for the period 1 September 2015 to 16 September 2015, which was not detailed in our previous report.

Details of the work undertaken in this period is included in the explanation of major work activities below

From 17 September 2015 to 16 March 2016

Caterham Sports Limited (In Administration)
Breakdown of time spent by Smith & Williamson LLP employees and by S&WFS and S&WCF
for the period 17 September 2015 to 16 March 2016

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Administration and planning							£	£
Statutory returns reports & meetings	0.00	0.20	1.00	16.95	0.30	18.45	3,755.50	203.55
Initial post appointment notification letters including creditors	0.00	0.00	0.00	3.00	2.00	5.00	1,130.00	226.00
Cashiering general, including bonding	0.00	2.50	0.00	0.00	21.75	24.25	6,660.00	274.64
Job planning reviews and progression (inc 6 month reviews and planning meetings checklist & diary)	0.35	2.25	1.50	37.50	0.00	41.60	13,088.00	314.62
Post appointment taxation (VAT PAYE/NIC Corp Tax that are not trading related)	0.00	3.75	3.25	2.95	0.00	9.95	4,036.25	405.65
Travelling	0.00	0.00	0.00	1.25	0.00	1.25	293.75	235.00
Filing file and information management	0.00	0.00	0.00	0.00	0.50	0.50	50.00	100.00
Agents and advisers general	0.00	8.60	0.00	0.50	0.00	9.10	4,640.00	509.89
Filing Administration and planning	0.00	0.00	0.00	0.20	0.00	0.20	62.00	310.00
Director/manager review, approval and signing	4.45	0.00	0.00	0.00	2.55	7.00	3,516.75	502.39
Other	0.00	9.45	0.00	3.65	0.25	13.35	6,005.00	449.81
Investigations								
Directors correspondence & conduct questionnaires	0.00	0.00	0.00	0.35	0.00	0.35	108.50	310.00
Investigation of legal claims	111.25	3.60	0.00	18.75	0.00	133.60	76,296.25	571.08
Asset tracing (e.g. Land Registry and Company Searches)	0.00	1.40	0.00	0.00	0.00	1.40	735.00	525.00
Enquiries of advisers	0.00	2.55	0.00	0.00	0.00	2.55	1,308.75	513.24
Other	0.00	0.40	1.00	0.50	0.00	1.90	735.00	386.84
Realisation of assets								
Fixed charge Property (land and buildings)	5.50	58.10	1.00	19.05	0.00	83.65	38,976.50	465.95
Debtors not financed (includes reassigned debtors)	0.00	0.00	0.00	1.50	0.00	1.50	375.00	250.00
Stock	0.00	0.00	0.00	0.00	0.75	0.75	232.50	310.00
Other chattel assets	0.00	4.20	0.00	0.00	0.00	4.20	2,205.00	525.00
Sale of business as a whole including liaison with legal advisers agents etc	2.00	0.00	0.00	0.00	0.00	2.00	1,250.00	625.00
Cash at Bank	0.25	0.00	0.00	0.75	0.00	1.00	388.75	388.75
Liaising with agents (general)	0.00	0.00	0.00	3.00	0.00	3.00	735.00	245.00
Director/manager review approval and signing	0.30	0.00	0.00	0.00	0.00	0.30	187.50	625.00
Other	0.00	9.15	0.50	2.00	0.00	11.65	5,503.75	472.42
Trading								
Purchasing/suppliers (not landlord)	0.00	0.75	0.00	0.00	0.00	0.75	393.75	525.00
Insurances	0.00	0.00	0.50	0.00	0.00	0.50	200.00	400.00
Creditors								
Fixed charge creditors	0.00	18.65	0.00	0.00	0.00	18.65	9,791.25	525.00
HP & lease creditors	0.00	0.45	0.00	0.00	0.00	0.45	235.25	525.00
RPO and ERA claims & tribunals	0.00	0.00	1.00	1.00	0.00	2.00	710.00	355.00
Employees & pension (other) (Incl Jobcentre/CSA etc)	0.00	0.00	1.50	2.30	0.00	3.80	1,253.00	329.74
Unsecured creditors	0.00	5.15	1.15	5.75	0.00	12.05	4,726.50	392.24
Creditors committee	5.00	17.20	20.75	1.50	0.00	44.45	20,890.00	469.97
Other	0.00	0.25	0.00	0.00	0.00	0.25	131.25	525.00
Corporate Tax								
Corporate Tax	23.80	0.00	22.60	15.25	0.00	61.65	19,653.64	318.79
Forensics								
Forensics	0.00	0.00	0.00	3.75	0.00	3.75	1,087.50	290.00
Total	152.90	148.60	55.75	141.45	28.10	526.80	231,296.89	439.06

Caterham Sports Limited (In Administration)
Breakdown of time spent by Smith & Williamson Financial Services employees
for the period ended 17 September 2015 to 16 March 2016

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Smith & Williamson Financial Services							£	£
S&WFS Employee Benefits Consultancy	0.05	0.00	13.15	0.00	0.00	13.20	2,447.25	185.40
Total	0.05	0.00	13.15	0.00	0.00	13.20	2,447.25	185.40

Explanation of major work activities undertaken

A description of work undertaken in the period is as follows

Administration and planning

This section of the analysis encompasses the cost of the administrators and their staff in complying with their statutory obligations and internal compliance requirements. This work includes the following

- Dealing with routine correspondence and phone calls
- Maintaining physical case files and electronic case details on IPS (electronic case management software)
- Preparation and sending of the joint administrators' reports
- Preparation of the extension documentation
- General case planning and administration
- Ensuring statutory lodgement and tax lodgement obligations are met
- Maintaining and managing the administrators' cash book and bank accounts
- Cashiering duties such as bank reconciliations and paying invoices
- Filing and file management of routine correspondence

Investigations

This section is in relation to the investigation of the Company's assets and the conduct of the directors. This covers both statutory requirements of the administrators and independent investigation carried out in order to realise further assets for the creditors.

Understandably as our investigations are ongoing the details must remain confidential. Some general work that has been carried out includes the following

- Liaising with S&W's Forensic department (our Forensic department have been assisting with the preservation and maintenance of the Company's electronic records)
- Complying with our ongoing statutory duties in accordance with the Directors' Disqualification Act 1986
- Investigation of possible legal claims including consideration of the Company's incomplete accounting records
- Investigation of the financial position of parties against whom legal action is being considered
- Preparation of information on the merits and risks of any legal action to the committee
- Meetings, telephone call and correspondence with solicitors
- Arranging for travel and accommodation of former Company executives to attend investigative meetings and asset tracing within the UK

Realisation of assets

This section is in relation to the realisation of the Company's assets. The work includes the following work carried out by the administrators' case team

- Considering reasonable and likely offers for the Property
- Discussions with EXIM in relation to the Property
- Liaising with our agents to sell the assets held at the Leafield site
- Corresponding with BNP Paribas and Carter Jonas in selling the Property
- Lengthy discussions with the purchaser of the Property
- Negotiation on the sale of the Property and on the specific terms in the sale contract
- Investigation, review and negotiations for the ownership and right to sell various assets whose ownership is disputed
- Investigating assets that are overseas
- Preparing for and attending a mediation meeting to determine the competing interests in the proceeds from the sale of disputed assets

Trading

Detailed below is a breakdown of time spent in relation to trading

- Maintaining appropriate insurance and paying the final premium
- Ensuring that payments made and/or received in the trading period are reflected in the cash book
- Payment of suppliers
- Removal or withdrawal of undertakings
- Maintaining adequate security on site

Creditors

Work under this section includes correspondence and other contact with the creditors of the Company. The work includes the following

- Dealing with creditor and employee correspondence via email, telephone and letter
- Uploading and updating creditors' (including employee) information on our Insolvency Practitioners' computerised case management system
- Discussions with the RPO, our pensions team, the pension provider and their agents, regarding the outstanding pension contributions
- Liaising with creditors in relation to third party assets i.e. subject to leasing agreements
- Taking employee related calls and responding to creditors emails in regards to the status of the business and the prospect of sale
- Preparing for, calling, holding and documenting of the creditors' committee meetings
- Corresponding and speaking with EXIM, the secured creditor, and their advisors
- Obtaining written consent from EXIM for the costs associated with the sale of the Property including an element of the joint administrators' time costs

Forensic

Time has been incurred by S&W's Forensic team in relation to preserving, imaging and downloading the information from the Company's electronic records on to a format in which it may be searched during our investigation work

- Supporting the Restructuring team members in using the forensic software
- Strategy meetings to discuss the various investigation work
- Preservation of the Company's electronic records

Corporate Tax & VAT

- Investigating and recovering possible tax assets in the UK, Europe, India and Australia
- Planning for the tax efficient sale of the Company's assets
- Preparing the Company's Corporation Tax returns

Pensions

- Working with our pension department to ensure all outstanding pension contributions are claimed from The Redundancy Payments Office
- Investigating the shortfall to the pension scheme and reviewing the pension scheme

IV Cumulative time analysis

From 17 October 2014 to 16 March 2016

Caterham Sports Limited (in Administration)
Breakdown of time spent by Smith & Williamson LLP employees and by S&WFS and S&WCF
for the period ended 16 March 2016

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Administration and planning							£	£
Statutory returns reports & meetings	16.90	37.10	35.75	108.90	2.80	201.45	73,057.00	362.66
Initial post appointment notification letters including creditors	0.00	5.55	3.50	12.25	7.00	28.30	8,256.25	291.74
Cashiering general, including bonding	0.00	9.85	8.80	68.90	47.05	134.60	36,997.75	274.87
Job planning review and progression (inc 6 month reviews and planning meetings checklist & diary)	2.90	42.45	23.90	77.35	0.00	146.60	54,919.25	374.62
Post-appointment taxation (VAT PAYE/NIC Corp Tax that are not trading related)	0.40	5.30	4.00	13.55	0.00	23.25	8,095.00	348.17
Protection of company records (incl electronic)	0.00	3.15	0.00	0.00	0.00	3.15	1,653.75	525.00
Insurance & general asset protection	0.00	2.55	3.50	0.35	0.00	6.40	2,821.00	440.78
Traveling	22.75	35.00	11.30	17.75	0.00	86.80	40,226.00	463.43
Filing file and information management	0.00	2.00	3.90	17.45	9.25	32.60	7,733.00	237.21
Agents and advisers general	0.00	9.65	4.05	2.15	0.00	15.85	7,232.50	456.31
Filing Administration and planning	0.00	0.00	0.00	0.80	4.00	4.80	648.00	135.00
Director/manager review approval and signing	19.60	0.00	10.25	0.00	5.50	35.35	17,450.00	493.64
Other	23.25	13.25	2.80	12.25	0.75	52.30	25,641.50	490.28
Investigations								
Directors correspondence & conduct questionnaires	0.00	0.00	0.00	1.35	0.00	1.35	358.50	265.56
Creditor & shareholder complaints	2.00	0.00	0.00	0.00	0.00	2.00	1,250.00	625.00
Statutory books and accounting records review	0.00	19.70	2.75	0.00	0.00	22.45	11,442.50	509.69
Investigation of legal claims	469.00	41.15	7.50	26.50	0.00	544.15	324,786.25	596.83
SIP2 and SIP4 obligations (inc CDDA86 forms)	0.00	10.75	3.50	24.25	0.00	38.50	13,106.25	340.42
Asset tracing (e.g. Land Registry and Company Searches)	0.00	13.85	0.00	0.50	0.00	14.35	7,396.25	515.42
Enquiries of advisers	0.00	4.55	4.00	0.50	0.00	9.05	4,113.75	454.56
Filing investigations	0.00	1.65	0.00	0.00	0.00	1.65	866.25	519.00
Director/manager review approval and signing	1.30	0.00	0.00	0.00	0.00	1.30	812.50	625.00
Other	0.00	2.95	1.35	2.50	0.00	6.80	2,706.75	398.05
Realisation of assets								
Fixed charge Property (land and buildings)	171.80	126.05	2.00	37.60	0.00	337.45	183,757.25	544.55
Fixed charge other (e.g. chattel mortgages)	85.25	1.20	0.00	0.00	0.00	86.45	53,911.25	623.61
Debtors not financed (includes reassigned debtors)	1.00	4.30	0.00	5.00	0.00	10.30	4,132.50	401.21
Stock	0.00	28.50	0.00	0.00	0.75	29.25	15,195.00	519.49
Other chattel assets	5.70	36.50	2.50	0.00	0.00	44.70	23,680.00	529.75
Financed assets (only if equity otherwise creditors incl HP and leasing)	0.20	0.00	0.00	0.00	0.00	0.20	125.00	625.00
Sale of business as a whole including liaison with legal advisers agents etc	529.00	16.20	0.10	0.00	0.00	545.30	339,159.50	621.97
Smith & Williamson Corporate Finance	549.25	0.00	0.00	10.50	0.00	559.75	334,715.00	597.55
Cash at Bank	0.25	0.00	0.00	1.50	0.00	1.75	576.25	329.29
Liaising with agents (general)	0.00	0.75	1.50	9.25	0.00	11.50	3,366.25	292.72
Sale of business post completion matters	0.00	3.15	0.00	0.00	0.00	3.15	1,653.75	525.00
Director/manager review approval and signing	4.60	0.00	0.00	0.00	0.00	4.60	2,875.00	625.00
Other	12.00	15.95	0.70	6.00	0.00	34.65	17,769.75	512.84
Trading								
Trading on decision and day 1-3 operations	6.00	2.45	9.50	15.00	0.00	32.95	12,511.25	379.70
Sales and customers	0.00	16.05	24.50	4.75	0.00	45.30	17,137.50	378.31
Purchasing/suppliers (not landlord)	0.70	132.15	8.00	15.80	0.00	156.65	77,164.25	492.59
Accounting	0.00	6.05	0.00	4.00	0.00	10.05	4,176.25	415.55
Insurances	0.00	0.00	11.00	2.35	0.00	13.35	4,987.50	371.60
Staff and payroll (inc PAYE/NIC for trading period)	0.00	0.55	1.00	0.00	0.00	1.55	688.75	444.35
Premises issues (inc landlord and site clearance)	0.00	13.15	14.45	4.50	0.00	32.10	12,422.75	387.00
Health & Safety	0.00	0.00	0.25	0.00	0.00	0.25	73.75	299.00
Security	0.00	0.00	0.00	0.35	0.00	0.35	87.50	250.00
Director/manager review approval and signing	2.25	0.00	0.00	0.00	0.00	2.25	1,406.25	625.00
Other	1.15	54.50	13.80	51.20	6.00	126.65	50,932.25	402.15
Creditors								
Fixed charge creditors	19.75	34.95	0.00	0.00	0.00	54.70	30,692.50	561.11
Floating charge creditors	0.25	2.75	0.00	0.00	0.00	3.00	1,600.00	533.33
HP & lease creditors	14.60	4.20	10.85	6.80	0.00	36.45	16,330.00	448.01
RPO and ERA claims & tribunals	0.75	0.00	17.75	1.00	0.00	19.50	7,878.75	404.04
Employees & pension (other) (incl Subcontract/CSA etc)	84.70	23.40	31.45	18.35	0.00	157.90	80,612.00	510.33
S&WFS Employee Benefits Consultancy	8.80	0.00	33.45	0.35	0.00	42.60	8,801.50	206.61
Crown (not RPO etc)	0.00	0.00	2.25	0.00	0.00	2.25	420.00	186.67
Unsecured creditors	19.15	28.55	21.95	53.85	3.25	126.75	50,604.75	399.25
Creditors committee	11.35	53.30	34.75	29.00	0.00	128.40	56,786.25	438.37
ROT Claims	7.20	22.80	40.15	57.60	0.00	127.75	45,200.25	353.82
Director/manager review approval and signing	0.30	0.00	0.00	0.00	0.00	0.30	187.50	625.00
Other	0.00	0.40	0.00	0.25	0.00	0.65	272.50	419.23
Case-Specific 3 AML/Compliance								
AML if done post appointment	0.00	0.00	5.55	4.00	0.00	9.55	3,073.00	321.78
Corporate Tax								
Corporate Tax	109.90	1.70	77.10	39.40	0.00	228.10	72,180.85	316.44
Forensics								
Forensics	0.50	0.00	3.00	98.85	0.00	102.35	22,769.50	222.47
Total	2,204.50	890.00	498.40	894.55	86.35	4,573.80	2,210,963.65	483.40

Pre-Appointment								
Initial meetings	0 00	0 00	4 75	3 50	0 00	8 25	2 750 00	333 33
General advisory work insolvent	16 00	5 00	0 00	0 00	0 00	21 00	12 625 00	601 19
Appointment formalities	0 00	5 65	3 50	0 00	0 00	9 15	4 321 25	472 27
Preparation of pre-appointment documents	0 00	0 00	1 00	0 00	0 00	1 00	400 00	400 00
Job planning	7 60	0 00	4 75	0 00	0 00	12 35	6 650 00	538 46
Travelling	0 00	0 00	0 00	2 50	0 00	2 50	625 00	250 00
Total	23 60	10 65	14 00	6 00	0 00	54 25	27 371 25	504 54

Caterham Sports Limited (In Administration)
Breakdown of time spent by Smith & Williamson Financial Services employees
for the period ended 16 March 2016

Classification of work function	Hours					Total hours	Time cost	Average hourly rate
	Partner	Associate director	Manager/ Assistant Manager	Senior Administrator/ Administrator	Assistants & support staff			
Smith & Williamson Financial Services							£	£
SGWFS Employee Benefits Consultancy	9 10	0 00	56 05	0 35	0 00	65 50	13 069 50	199 53
Total	9 10	0 00	56 05	0 35	0 00	65 50	13 069 50	199 53

V Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are

- Smith & Williamson LLP's policies in relation to
 - Staff allocation and the use of subcontractors
 - Professional advisers including S&WFS
 - Disbursement recovery
- Smith & Williamson LLP's and S&WFS' current charge out rates

Staff allocation and the use of subcontractors

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a partner and a partner or director or associate director as joint office holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including

- The industry and/or practice area expertise required to perform the required work
- The complexity and nature of the assignment
- The availability of resources to meet the critical deadlines in the case
- The charge out rates or fee structures that would be applicable to the assignment
- The extent to which we believe that the advisers in question can add value to the assignment

S&WFS

S&WEBC is a pension consultancy firm which specialises in providing advice to Insolvency Practitioners on their appointment in relation to all aspects of pensions. It is a division of S&WFS, a company associated with Smith & Williamson LLP.

S&WEBC may be engaged to deal with the Company's pension affairs. Payments to parties in which the administrators or their firm have an interest must be disclosed to, and approved by, creditors. Fees for their services are accrued on a time costs basis. Consequently, details of the charge out rates for S&WEBC are provided to creditors.

Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 disbursement, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 disbursements.

Details of any Category 2 disbursements incurred and/or recovered in the period covered by this report are set out in the body of this report.

Charge out rates

A schedule of Smith & Williamson LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved. Charge out rates for S&WFS were also provided to creditors at the time the basis of their fees was approved.

The rates applicable to this appointment are set out below. There have been no changes to the charge out rates during the period of this report.

Smith & Williamson LLP Restructuring & Recovery Services Charge out rates as at 1 July 2015	London office £/hr	Regional offices £/hr
Partner / Director (from 1 January 2016)	625	350
Associate Director	525	295-325
Managers	295 - 400	310
Other professional staff	250-310	235
Support & secretarial staff	100	90

Notes

- 1 Time is recorded in units representing 3 minutes or multiples thereof.
- 2 It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
- 3 The firm's cashiering function is centralised and London rates apply. The cashiering function time is incorporated within "Other professional staff" rates.

S&WFS Employee Benefits Consultancy	Per hour
Charge out rates from 1 July 2015	£
Director	260-415
Associate Director	190-250
Manager	185-195
Administrator	50-170

Corporate Finance	Per hour
Charge out rates from 1 July 2014	£
Director	625
Administrator	80

Corporate Tax & VAT	London
Charge out rates from 1 July 2015	office
	£/hr
Partner	570-505
Associate Director	375
Managers	320-200
Other professional staff	90-165
Support & secretarial staff	60

Forensic	London
Charge out rates from 1 July 2015	office
	£/hr
Partner	700
Managers	400
Other professional staff	330
Support & secretarial staff	80-95

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Principal offices: London, Belfast, Birmingham, Bristol, Dublin, Glasgow, Guildford, Manchester, Salisbury and Southampton

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