

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company

Country Life Buildings Limited

Company number

07072184

In the
Bristol County Court

(full name of court)


Court case number
12 of 2016(a) Insert full
name(s) and
address(es) of
administrator(s)I (a)
Laurence Russell
Albert Goodman LLP
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW*Delete as
applicable

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

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

(b) 9 March 2016

Signed


Joint Administrator(s)

Dated

9 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
formThe contact information that you give
will be visible to researchers of the
public recordLaurence Russell
Albert Goodman LLP
Mary Street House
Mary Street
Taunton
Somerset
TA1 3NW

DX Number DX No

01823 286096
DX ExchangeWhen you have completed and signed this form, please send it to the
Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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10/03/2016

#229

COMPANIES HOUSE

COUNTRY LIFE BUILDINGS LIMITED - IN ADMINISTRATION

BRISTOL COUNTY COURT NO. 12 OF 2016

The affairs, business and property of the company are being managed by the administrator, who acts as agent of the company.

ADMINISTRATOR'S REPORT AND PROPOSALS

PURSUANT TO PARAGRAPH 49 OF SCHEDULE B1 TO THE INSOLVENCY ACT 1986

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1 INTRODUCTION

I refer to my appointment as administrator of the above company by the directors on 14 January 2016

This is my report and proposals in accordance with paragraph 49(1) of schedule B1 to the Insolvency Act 1986 for achieving the objectives of the administration

This report contains the information required by rule 2.33 of the Insolvency Rules 1986

2. STATUTORY INFORMATION

The company's statutory information is as follows

Registered number	07072184		
Date of incorporation	11 November 2009		
Registered office	Mary Street House Mary Street Taunton Somerset TA1 3NW	Formerly at	One New Street Wells Somerset BA5 2LA
Directors	Tommy Lyons Bruce Ashmore Michael Dunne Daniel Lyons John McNulty		11 11 2009 to present 25 01 2013 to present 10 07 2014 to present 10 07 2014 to present 10 07 2014 to present
Company secretary	None		
Authorised share capital	100 ordinary £1 A shares 100 ordinary £1 B shares 100 ordinary £1 C shares 100 ordinary £1 D shares		
Issued share capital	100 ordinary £1 A shares 100 ordinary £1 B shares 100 ordinary £1 C shares 100 ordinary £1 D shares		
Shareholders	Tommy Lyons John McNulty Bruce Ashmore Mick Dunne		100 ordinary £1 A shares 100 ordinary £1 B shares 100 ordinary £1 C shares 100 ordinary £1 D shares

3. EC REGULATIONS

The administration constitutes "main proceedings" under the EC Regulations on Insolvency Proceedings. However, as the company's only operations are in the UK, this is of little practical relevance.

4 ADMINISTRATOR'S APPOINTMENT

I was first approached by one of the directors, Daniel Lyons, by telephone on 21 July 2015 regarding the company's financial position and the options available, in particular as there was disagreement amongst the directors/shareholders who were in deadlock.

I then had a brief meeting with the same director on 4 November 2015 to discuss the situation in more detail.

Following a further telephone conversation with Daniel Lyons on 7 December 2015, the necessary documentation was provided to place the company into administration should agreement not be forthcoming at an upcoming board meeting to place the company into liquidation.

A meeting was then held with Daniel Lyons, Tommy Lyons and John McNulty on 5 January 2016 to discuss the current financial position of the company, the options available and the consequences of the director / shareholder split in more detail

Following this advice, the director filed a notice of appointment of me as administrator on 14 January 2016

The objective of the administration is as follows -

- realising property in order to make a distribution to one or more secured or preferential creditors

5 CONDUCT OF THE ADMINISTRATION

Prior to my appointment the company had agreed the sale of a new build house and two plots of land at West End, Somerton, Somerset for £420,000

Following my appointment, I instructed Greenslade Taylor Hunt to value the above-mentioned property so that I could determine whether the sale price agreed by the company was fair and reasonable in the current market

My agents' advice was that the price was below the market value, which they believe to be between £450,000 and £475,000 if the house and two plots are sold together. It is possible that the value may be more if they were to be sold separately

On this basis, I advised the potential purchaser that the sale could not proceed at £420,000 and, as he was not prepared to increase his offer, I instructed my agents to commence marketing the land and property

Work has also commenced on the recovery of other assets as detailed in paragraphs 7.2 to 7.8 below

In addition, I have been requested to investigate a number of matters by certain creditors and this work is in progress. I am currently working on some of the issues concerned and am awaiting further evidence from those creditors to progress other issues

6 STATEMENT OF AFFAIRS

I requested a statement of affairs as at the date of my appointment from John McNulty, the director who was most involved with the company's administrative operations, and this is attached at appendix 1. The statement takes no account of the costs of the administration

I would summarise the position reflected in the statement of affairs as follows -

Assets

These comprise the following -

- A newly built property known as Meadow Sweet House, West End, Somerton, Somerset with an estimated to realise value of £330,000
- Two plots of land with planning permission for two houses at West End, Somerton, Somerset with an estimated to realise value of £180,000
- Trade debtors with a book value of £761,960, which includes debts due from the directors totalling £510,394 and an associated company of £247,036, a NHBC retention / bond of £15,000 and a director's loan account of £47,208. The combined estimated to realise value of these assets is £820,000, although this is stated before potential set-offs that may be available to the parties concerned, which could materially reduce the realisable value

Secured creditors

The following charges are shown as outstanding at Companies House -

- a fixed charge dated 1 May 2014 in favour of Julie and John Summerhayes over the house and plots at West End, Somerton, Somerset
- a fixed charge dated 28 January 2015 in favour of Elizabeth Rylands over the house and plots at West End, Somerton, Somerset

The statement of affairs includes an amount due to Julie and John Summerhayes of £199,469 and an amount due to Elizabeth Rylands of £55,084. Whilst the amounts due are secured on the property and land at Somerton, these have been shown on the statement of affairs incorrectly as preferential claims

Preferential creditors

The statement of affairs shows preferential creditors as follows -

	£
Julie and John Summerhayes	199,469
Elizabeth Rylands	55,084
H M Revenue & Customs	76,490
Employees' arrears of pay	2,677
Total	<u>333,720</u>

As mentioned above, the amounts due to Julie and John Summerhayes and Elizabeth Rylands are actually secured debts and are not preferential claims

Additionally, the amount shown as being due to H M Revenue & Customs is unsecured and not preferential

Therefore, preferential creditors may transpire to be just £2,677 in respect of employees' arrears of pay, although no such claims have been received to date

Unsecured creditors

The statement of affairs shows unsecured creditors totalling £1,637,682

As mentioned above, the amount shown as being due to H M Revenue & Customs of £76,490 has been incorrectly shown in the statement of affairs as preferential, whereas it should have been treated as an unsecured claim

Accordingly, for the purpose of the attached estimated outcome statement, I have estimated total unsecured creditors to be £1,714,172

As also mentioned above, some of the amounts due to unsecured creditors may be set-off against debts due to the company, which could ultimately reduce the level of unsecured claims

Prescribed part for unsecured creditors

Where a company has granted a floating charge after 15 September 2003 and funds are available under that floating charge, the administrator must make part of the company's net property available for the satisfaction of unsecured debts

As there is no floating charge in this case, this provision does not apply

7. RECEIPTS AND PAYMENTS ACCOUNT

I enclose a copy of my receipts and payments account to 6 March 2016, which incorporates an estimated outcome statement at appendix 2, and I would comment as follows -

7.1 House and building plots

As explained in section 5 above, I have instructed my agents to sell the house and building plots at West End, Somerton, Somerset

Based on their advice with regard to the likely values obtainable, for the purposes of my proposals I have anticipated that the house will realise £278,000 and the land £185,000, being an average of the range of values they have provided. In total, this is less than shown in the statement of affairs

After allowing for the costs of sale and the amounts due to the chargeholders, the latter of which are likely to total approximately £263,533 including accruing interest based on a sale by 31 May 2016, a surplus in the region of £190,000 is anticipated upon disposal

7.2 Book debts

The company's records show four book debts outstanding totalling £4,500

Initial letters of demand have been sent and the debts have all subsequently been disputed. One debt of £99 has been written off as a result as it is uneconomic to pursue. My enquiries are continuing with regard to resolving the disputes on the remaining three debts

For the purposes of my proposals, I have shown future book debt realisations as uncertain

7.3 Debts due from connected parties

The company records show three debts totalling £510,394 due from the directors which are all disputed and, in any event, the directors are likely to claim set off in part as they are also creditors of the company. I am liaising with the directors and third parties to establish the position and the availability of set off

Additionally, there is a debt of £247,036 due from an associated company, but the company records also show an amount due to the same company in excess of this, and therefore it is likely that set off may also apply, subject to my enquiries into the quantification of the balances concerned and whether set-off can be applied

Due to the above-mentioned disputes and potential set-offs, I have again shown future realisations from these debts as uncertain for the purposes of these proposals

7.4 Director's loan account

The company records show an overdrawn director's loan account with a book value of £47,208

I understand that the director is claiming set-off in respect of amounts due to him in respect of unpaid salary

My investigations are continuing with regard to the calculation of the balance shown as due and the set-off claim and, for the purposes of these proposals, I have also shown an uncertain realisable value in respect of the director's loan account

7.5 NHBC bond / retention

The statement of affairs shows a bond / retention due from NHBC of £15,000

I have requested details from NHBC and am currently waiting for their response

However, I have recently received details of a claim made to NHBC for defects from the owner of a house purchased from the company, and this may result in some or all of the bond / retention being used to settle the claim

Therefore, until the position has been clarified, I have again placed an uncertain value on future realisations from this source

7.6 Motor vehicles

The majority of the company's vehicles were subject to hire agreements and not owned by the company. I was advised that there was one vehicle that was owned by the company, but it has subsequently transpired that this was scrapped approximately six months' prior to my appointment.

Following a review of the company's accounts, I discovered that the company did in fact own three more vehicles which were not disclosed on the statement of affairs.

One of these vehicles has been off the road for some time due to outstanding repairs. I have instructed my agents to make enquiries as to whether there is any benefit in undertaking the repairs prior to sale, or whether the vehicle should be sold in its current position, possibly as scrap.

With regard to the remaining two vehicles, I have instructed my agents to collect and sell these at auction, provided there is a benefit for creditors in doing so after collection and sale costs have been taken into account.

For the purposes of these proposals, I have ascribed an estimated realisable value of £1,500 in respect of the three motor vehicles.

7.7 Plant and machinery

The company's accounts for the year ended 30 June 2014 show plant and machinery with a book value of £1,188.

I have been advised that the only plant and machinery remaining is a broken cement mixer. My enquiries are continuing with regard to what happened to the remaining items that were included in the company's accounts.

Accordingly, for the purpose of these proposals, I have shown future realisations from this source as uncertain, which are likely to be limited in any event.

7.8 Fixtures, fittings and office equipment

Fixtures, fittings and office equipment with a book value of £3,223 were shown in the company's accounts for the year ended 30 June 2014.

I have been advised that some items of office equipment remain at the company's trading premises, although at this stage it is not known whether it is economically viable to instruct agents to collect them for sale at auction. My enquiries are continuing with regard to what happened to the remaining items shown in the company's accounts.

Again, for the purposes of these proposals, I have shown future realisations from this source as uncertain, which are also likely to be limited in any event.

8. PROFESSIONAL ADVISORS

The following professional advisors have been instructed in this case -

<u>Advisor</u>	<u>Nature of work</u>	<u>Fee arrangement</u>
Greenslade Taylor Hunt	Valuation and sale of the house and building plots	A fixed fee of £700 in respect of the valuation report and commission of 1.5% on sales, both plus disbursements
Ashfords LLP	Advising on pre-appointment and employee issues and matters arising in the administration generally	Time cost basis
MST Auctioneers Ltd	Selling the owned motor vehicles	Commission of 15% and insurance at 1% on sales, and fixed fees of £150 for collection and £20 per lot for lotting

The above advisors have been appointed on the basis of their experience and ability to undertake the work necessary, bearing in mind the complexity and nature of the instruction

9 PROPOSALS FOR ACHIEVING THE OBJECTIVE OF THE ADMINISTRATION

Purpose of the administration

The purposes of an administration consist of three hierarchical objectives

The first objective is the rescue of the company as a going concern. As the company had ceased building operations prior to my appointment, and had no funds immediately available to develop its two remaining plots, I concluded that this objective was not realistically achievable

The second objective is achieving a better result for the company's creditors as a whole than would be likely if it were wound up in the first instance. This will not be achieved as voluntary liquidation would have been likely to have achieved the same or a better result than administration. However, due to the director / shareholder split mentioned in section 4 above, consensus could not be reached as to a choice of proposed liquidator and therefore the required resolution could not be passed to place the company into liquidation

The third and final objective is to realise property in order to make a distribution to one or more secured or preferential creditors. As explained above, the company's house and building plots will be sold, which should result in the secured creditors being repaid in full. Additionally, should any preferential claims arise in the administration, then I anticipate that these will also be paid in full. I therefore consider that this administration purpose will be achieved

Exit from administration

Paragraph 76 of Schedule B1 to the Insolvency Act 1986 provides that the appointment of the administrator should cease to have effect at the end of the period of one year beginning with the date on which it takes effect

I propose that I remain in office for the time being to deal with the realisation of the house and building plots, complete my investigations into the affairs of the company, take whatever action necessary arising from those investigations and to fulfil my statutory duties

As there is anticipated to be funds available for unsecured creditors, I propose that I will apply to Court pursuant to Paragraph 65 of Schedule B1 of the Insolvency Act 1986 to make the distribution to unsecured creditors and exit the administration by dissolution

However, in the event that my investigations reveal any potential action against the directors that can only be pursued by a liquidator and not by an administrator, such as misfeasance, I propose that the administration is exited by way of conversion to a voluntary liquidation by filing a notice with the Registrar of Companies once the sale of the house and building plots has been concluded and the administration costs paid

In accordance with Rule 2.33 of the Insolvency Rules 1986, in this instance I can advise that I propose that I act as liquidator. Should creditors wish to nominate a different person as liquidator, then this should be made before these proposals are approved in accordance with paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117A(2)(b) of the Insolvency Rules 1986

I further propose that as administrator I be discharged from liability under paragraph 98 of schedule B1 to the Insolvency Act 1986 the day my appointment ceases to have effect

10. ADMINISTRATOR'S REMUNERATION AND DISBURSEMENTS

Pre-appointment costs

I have incurred pre-appointment time costs in assisting the directors with all matters leading up to my appointment amounting to £3,371, together with disbursements in respect of the Court filing fee of £50, £5 in respect of a swearing fee and £23 in respect of travel expenses

The time costs were incurred as a result of telephone conversations and meetings with a number of the directors concerning the company's financial position and the options available, particularly with reference to the director / shareholder split. I also liaised with a solicitor in this respect and more generally, and time was spent in preparing the relevant documentation for the administration and filing the notice of appointment in Bristol County Court.

My time costs schedule at appendix 3 provides details of the time incurred.

Unless any creditors' committee determines whether and to what extent the unpaid pre-appointment costs are approved for payment, in accordance with Rule 2.67A(3) of the Insolvency Act 1986 I will be seeking approval for payment of my pre-appointment costs on a time cost basis plus disbursements by a resolution of creditors, and this is explained further in section 11 below.

Post-appointment costs

I am obliged to fix my remuneration as administrator in accordance with Rule 2.106(2) of the Insolvency Rules 1986. This permits my remuneration to be fixed either as a percentage of the value of the property with which I have to deal, by reference to the time properly given by me and my staff in attending to matters as set out in a fees estimate or as a fixed amount. My remuneration may be fixed on one or more of the aforementioned bases, with different bases being fixed in respect of different things to be done by the administrator in respect of the latter.

It is for the creditors' committee, if there is one, to determine which of the above bases are to be fixed and, where appropriate, in what combination, and the percentage or percentages, if any, to be used and the amount, if any, to be set.

In accordance with Rule 2.106(5) of the Insolvency Act 1986, provided there is no creditors' committee formed, or if the committee does not make the requisite determination, the basis of my remuneration may be fixed by a resolution of creditors.

In this case I will be seeking approval on a time cost basis with authority to draw fees on account from time to time subject to the enclosed fee estimate of £44,214 at appendix 4. Further details are explained in section 11 below as to how I will be seeking such approval.

Also attached at appendix 3 is a summary of my time costs to 6 March 2016, which total £13,716, excluding the pre appointment time costs of £3,371 referred to above. The former are included in my fees estimate and, as the basis of my remuneration has not yet been agreed, I have not currently drawn any fees in this matter.

General

Creditors may, within 21 days of receipt of this report, make a request in writing for further information about the remuneration and expenses set out in this report. Such a request may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5% in value of unsecured creditors including that creditor, or the permission of the court.

In addition any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of unsecured creditors including that creditor or the permission of the court, may within eight weeks of receipt of these proposals apply to the court on the grounds that the remuneration, charges or expenses incurred by the administrator as set out in this progress report are excessive or, in relation to the basis fixed for the administrator's remuneration, inappropriate.

A Guide to Administrators' Fees can be downloaded at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Oct_2015.pdf and is also available free of charge on request from this office.

11 MEETING OF CREDITORS

I do not intend to call an initial meeting of creditors pursuant to section 52(1)(c) of Schedule B1 of the Insolvency Act 1986, as the obligation to summon an initial meeting is not applicable as neither of the first two administration objectives as set out in paragraph 9 above can be achieved.

I would also confirm that it is not my intention to request that a committee be formed in this case on the basis that, at the present time, I have not become aware of any issues that would require the assistance of a committee.

Creditors whose debts amount to at least 10% of the total debts of the company may requisition a meeting, providing the requisition is in the prescribed format and a deposit for the costs of summoning and holding a meeting is provided. If no such meeting is requisitioned within 8 business days of the date on which these proposals are circulated, then my proposals are deemed to be accepted under Rule 2.33(5) of the Insolvency Rules 1986.

I will write again after the expiry of this period to confirm the deemed approval of the proposals, or alternatively to confirm that a meeting is to be held.

However, as explained in section 10 above the basis of my remuneration, my fee estimate and my pre-appointment costs need to be approved by a resolution of creditors. In accordance with Rule 2.48 of the Insolvency Rules 1986, I intend to do this business by correspondence rather than at a creditors' meeting and I enclose form 2.25B in this respect.

Votes must be received by 12.00 noon on the closing date specified on the form, which is 29 March 2016, and must be accompanied by a statement in writing in support of your debt unless you have already submitted details of your claim in the administration.

12 CONCLUSION

Provided an initial meeting of creditors is not requisitioned as referred to in paragraph 11 above, I will report to creditors on progress again approximately six months after the commencement of the administration, or at the conclusion of it if earlier.

Please do not hesitate to contact this office if you have any queries.

A - Summary of Assets

Assets

Assets subject to fixed charge

MORROW SWIFT HOUSE, SOMERTON
LAND WITH PLANNING PERMISSION,
WEST END, SOMERTON

Assets subject to floating charge:

Uncharged assets

TRADE DEBTORS
NHBC Retention
Directors Loan A/C

Book Value £	Estimated to Realise £
330,000	330,000
180,000	180,000
—	—
761,960	
15,000	
47,208	
824,168	820,000
	1,330,000

Estimated total assets available for preferential creditors

Signature  Date 16-2-16

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£ 1,330,000
Liabilities	
Preferential creditors:-	
Estimated deficiency/surplus as regards preferential creditors	£ 333,720
Estimated prescribed part of net property where applicable (to carry forward)	£ —
Estimated total assets available for floating charge holders	£ —
Debts secured by floating charges	£ —
Estimated deficiency/surplus of assets after floating charges	£ —
Estimated prescribed part of net property where applicable (brought down)	£ —
Total assets available to unsecured creditors	£ —
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£ 1,637,682
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	- 641,372
Shortfall to floating charge holders (brought down)	£ —
Estimated deficiency/surplus as regards creditors	£ 400
Issued and called up capital	
Estimated total deficiency/surplus as regards members	- £ 641,772

Signature



Date

16-2-16

Appendix 2

COUNTRY LIFE BUILDINGS LIMITED - IN ADMINISTRATION
RECEIPTS AND PAYMENTS ACCOUNT INCORPORATING AN ESTIMATED OUTCOME STATEMENT
AS AT 6 MARCH 2016

	As per statement of affairs £	Realised £	Anticipated £	Total £
Receipts				
Assets subject to fixed charge				
Freehold property - Meadow Sweet House, West End, Somerton	330,000	-	278,000	278,000
Freehold land - West End, Somerton	180,000	-	185,000	185,000
	<u>510,000</u>	<u>-</u>	<u>463,000</u>	<u>463,000</u>
Less agents' fees	-	-	(7,645)	(7,645)
legal fees (estimated)	-	-	(2,000)	(2,000)
insurance (estimated)	-	-	(365)	(365)
	<u>510,000</u>	<u>-</u>	<u>452,990</u>	<u>452,990</u>
Less due to chargeholders	-	-	(263,533)	(263,533)
	<u>510,000</u>	<u>-</u>	<u>189,457</u>	<u>189,457</u>
Uncharged assets				
Book debts		-	Uncertain	Uncertain
Debts due from connected parties	820,000	-	Uncertain	Uncertain
Director's loan account		-	Uncertain	Uncertain
NHBC bond / retention		-	Uncertain	Uncertain
Motor vehicles	-	-	1,500	1,500
Plant and machinery	-	-	Uncertain	Uncertain
Fixtures, fittings and office equipment	-	-	Uncertain	Uncertain
	<u>1,330,000</u>	<u>-</u>	<u>190,957</u>	<u>190,957</u>
Payments				
Agents' fees	-	-	(450)	(450)
Legal fees	-	-	(2,000)	(2,000)
Pre-appointment costs inc disbursements	-	-	(3,449)	(3,449)
Administrator's fees	-	-	(44,214)	(44,214)
Statutory advertising	-	-	(159)	(159)
Insolvency bond	-	-	(312)	(312)
Company searches	-	-	(5)	(5)
Storage of books and records	-	-	(1,500)	(1,500)
Travel expenses	-	-	(23)	(23)
Identification checks	-	-	(10)	(10)
	<u>1,330,000</u>	<u>-</u>	<u>138,835</u>	<u>138,835</u>
Less preferential creditors	<u>(333,720)</u>	<u>-</u>	<u>Uncertain</u>	<u>Uncertain</u>
	996,280	-	138,835	138,835
Less unsecured creditors	<u>(1,637,682)</u>	<u>-</u>	<u>(138,835)</u>	<u>(138,835)</u>
	<u>(641,402)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Estimated dividend re preferential creditors			100%	100%
Estimated dividend re unsecured creditors			8%	8%

Note 1

The figures on the receipts and payments account incorporating an estimated outcome statement are net of VAT

Note 2

As there is no floating charge, the net prescribed part provisions do not apply

Appendix 3 (1)

APPENDIX REGARDING INSOLVENCY PRACTITIONER'S REMUNERATION

Case name	Country Life Buildings Limited
Court and number	Bristol County Court No 12 of 2016
Office holder	Laurence Russell
Firm	Albert Goodman LLP
Address	Mary Street House Mary Street Taunton Somerset TA1 3NW
Telephone	01823 286096
Reference	LR/190202
Type of appointment	Administrator
Date of appointment	14 January 2016

1 OVERVIEW OF THE CASE

This has been provided in the body of the proposals to which this appendix has been attached

2 EXPLANATION OF INSOLVENCY PRACTITIONER'S CHARGING AND DISBURSEMENT RECOVERY POLICIES

All staff who worked specifically on this assignment had their time costed and charged to it, including secretaries and cashiering time

CHARGEOUT RATES

The current charge out rates of the grades of staff likely to work on this assignment are as follows -

Insolvency Practitioner	£185 per hour
Senior Manager	£115 per hour
Administrators	£65 to £86 per hour
Support Staff	£41 per hour

INCREASES IN CHARGE OUT RATES

It is the policy of this firm to review staff charging rates periodically but no increases have been applied since my appointment

DISBURSEMENTS POLICY

Disbursements are split into two categories as follows

Category 1: These are specific costs met by this firm which relate to a particular insolvency case. Such items of expenditure include advertising, Companies House and Land Registry searches, external printing costs, external storage and fees for swearing legal documents. Approval is not required for category 1 disbursements.

Appendix 3 (i)

Category 2. These are expenses which are paid or are payable to my firm or to any other party in which my firm or I have an interest, and primarily relate to the non-case specific recovery of overhead costs. Creditors' approval is required before a category 2 disbursement can be drawn by an Insolvency Practitioner. It is this firm's policy that the only disbursements recharged to an assignment relate to the simple reimbursement of actual payments made to third parties relating to a particular case, which are category 1, except for mileage. Mileage is charged at standard rates which comply with H M Revenue and Customs limits. There are no disbursements levied in respect of the recovery of overhead costs.

3 NARRATIVE DESCRIPTION OF WORK CARRIED OUT

Appendix 2(ii) outlines the time costs incurred in relation to activities undertaken during the administration, which can be summarised as follows. Staff of different levels were involved in the activities shown depending upon the experience required and, where significant, further information is provided. The Insolvency Practitioner was heavily involved in all discussions and meetings in the lead up to his appointment and in the post-appointment case administration and planning due to the complexities involved and experience required, especially with regard to the director / shareholder split.

Pre-appointment

- Liaising and meeting with certain directors to discuss the company's financial position and to consider the options available
- Undertaking conflict checks in respect of the assignment
- Setting up the case file
- Preparing the necessary paperwork in respect of the commencement of the administration
- Liaising with solicitors in terms of the proposed property sale and the prospective administration generally
- Travelling to Bristol County Court to file the notice of appointment

Administration and planning

The following activities have been undertaken -

- Case planning
- Statutory filing in respect of the appointment
- Changing the company's registered office address
- Statutory advertising of the appointment
- Advising creditors and other interested parties of appointment
- Setting up case records and opening the administration bank account
- Arranging the statutory insolvency bond
- Undertaking money laundering checks on the directors and shareholders
- Issuing a director with the notice to prepare the statement of affairs

Realisation of assets

Please refer to the main body of the report, but in summary the following activities have been undertaken -

- Liaising with my agents, the prospective purchaser, his agent, the directors and solicitors with regard to the valuation and sale of the house and building plots, including obtaining the information required
- Arranging insurance in respect of the house and building plots
- Book debt collection including liaising with the directors and debtors with regard to the disputes arising
- Pursuing debts due from connected parties including liaising with the directors
- Examining the overdrawn director's loan account and the set-off claim made
- Reviewing the company's accounts and records to identify assets and making enquiries with the company's accountants and the directors

Appendix 3 (1)

- Liaising with the directors and agents with regard to the disposal of the company's motor vehicles, plant and machinery and fixtures, fittings and office equipment

Creditors

The following activities have been undertaken -

- Communication with creditors by telephone, post and email as appropriate
- Recording and maintaining a list of creditors' claims
- Liaising with certain directors regarding their status as employees of the company

Investigations

The following activities have been undertaken -

- Corresponding with the directors
- Meeting two of the directors
- Reviewing completed creditors' questionnaires
- Reviewing concerns raised by certain creditors and making enquiries / seeking further information in this respect
- Examining the company records

4 TIME AND CHARGE OUT SUMMARY

A summary of the time spent on this assignment and the costs charged to it as a result is provided at appendix 3(ii)

I can advise that I have not drawn any remuneration in respect of the above time costs, which amounted to £17,086 85 at 6 March 2016. These time costs include £3,370 80 in respect of my pre-appointment time.

5 CATEGORY 2 DISBURSEMENTS

In accordance with the disbursements policy shown in section 2 above, no category 2 disbursements have been charged to this assignment in respect of general overheads. Mileage has been charged at a standard rate which complies with H M Revenue & Customs limits.

6 SUPPORTING DOCUMENTS

A receipts and payments account for this assignment is provided as part of the proposals to which this appendix is attached.

Country Life Buildings Limited - In Administration

Time costs analysis as at 6 March 2016

Work type	Hours				£	£
	Insolvency practitioner	Manager	Administrators	Assistant & support staff	Total hours	Average hourly cost
Administration/planning	13 5	11 8	21 9	4 3	51 5	5,886 40
Realisation of assets	7 1	6 0	15 6	1 6	30 2	3,395 55
Creditors	5 4	4 3	10 7	2 6	22 9	2,505 30
Investigations	3 0	0 1	15 7	0 4	19 2	1,928 80
Pre-appointment	13 1	5 8	3 2	0 4	22 4	3,370 80
Total hours	41 90	27 95	67 00	9 25	146 10	
Total costs						17,086 85
Fees drawn						0 00
Outstanding time costs						17,086 85

ESTIMATE OF FEES AND EXPENSES

Case name	Country Life Buildings Limited
Court and number	Bristol County Court no 12 of 2016
Insolvency Practitioner	Laurence Russell
Firm	Albert Goodman LLP
Address	Mary Street House Mary Street Taunton Somerset TA1 3NW
Telephone	01823 286096
Reference	LR/190202
Type of appointment	Administrator
Date of appointment	14 January 2016

1 EXPLANATION OF INSOLVENCY PRACTITIONER'S TIME CHARGING AND DISBURSEMENT RECOVERY POLICIES

All staff who work specifically on this assignment will have their time costed and charged to it, including secretaries and cashing time

CHARGEOUT RATES

The current charge out rates of the grades of staff likely to work on this assignment are as follows -

Insolvency Practitioner	£185 per hour
Senior manager	£115 per hour
Administrator	£86 per hour
Support Staff	£41 per hour

INCREASES IN CHARGE OUT RATES

It is the policy of this firm to review staff charging rates periodically and increase them where it is considered appropriate to do so. This estimate does not take account of any increase in rates that may apply over the course of the case, or staff promotions or changes

DISBURSEMENTS POLICY

Disbursements are split into two categories as follows

Category 1: These are specific costs met by this firm which relate to a particular insolvency case. Such items of expenditure include the insolvency bond, advertising, Land Registry searches and fees and agents and solicitors costs regarding the sale of assets. Approval is not required for category 1 disbursements

Appendix 4(i)

Category 2: These are expenses which are paid or are payable to my firm or to any other party in which my firm or I have an interest, and primarily relate to the non-case specific recovery of overhead costs. Creditors' approval is required before a category 2 disbursement can be drawn by an Insolvency Practitioner. It is this firm's policy that the only disbursements recharged to an assignment relate to the simple reimbursement of actual payments made to third parties relating to a particular case, which are category 1, except for mileage. Mileage is charged at standard rates which comply with HM Revenue and Customs limits. There are no disbursements levied in respect of the recovery of overhead costs.

2 NARRATIVE DESCRIPTION OF WORK THAT WILL BE CARRIED OUT

Staff of different levels will be involved in the activities shown depending upon the experience required and, where significant, further information is provided in this respect.

Administration and planning

Case planning is necessary to ensure that the case is dealt with in a timely and efficient manner, in addition to which there are various administrative tasks that are undertaken in order to comply with current rules, regulations and best practice.

The following have or will be undertaken in this respect -

- Case planning
- Statutory filing in respect of the appointment
- Changing the company's registered office address
- Statutory advertising of the appointment
- Advising creditors and other interested parties of appointment
- Setting up and maintaining the case records and an administration bank account to the required professional standards
- Arranging and monitoring a statutory insolvency bond
- Undertaking money laundering checks on the directors and shareholders
- Issuing a director with the notice to prepare the statement of affairs
- Preparing the administrator's proposals, seeking creditors' approval and advising creditors of the outcome
- Considering the appropriate exit route from administration
- Preparing the fee estimate
- Seeking creditors' approval of the fee estimate by correspondence
- Obtaining and cataloguing the company's books and records and arranging for them to be placed into safe storage
- Completing and filing VAT returns where necessary and dealing with deregistration when appropriate
- Completing periodic corporation tax returns for the administration period
- Undertaking progress reviews of the case at months 1, 3, 6 and every 6 months thereafter until closure
- Preparing six-monthly progress reports to creditors

Realisation of assets

The following activities have or will be undertaken -

- Liaising with my agents, the prospective purchaser, his agent, the directors and solicitors with regard to the valuation and sale of the house and building plots, including obtaining the necessary information, which are anticipated to realise in the region of £190,000 for the benefit of the administration
- Arranging insurance in respect of the house and building plots
- Obtaining the consent of the secured creditors with regard to the sale of the property subject to the fixed charges
- Book debt collection including liaising with the directors and debtors with regard to the disputes arising
- Pursuing debts due from connected parties including liaising with the directors

Appendix 4(i)

- Examining the director's overdrawn loan account and pursuing the amount properly payable
- Seeking legal assistance as required with regard to the recovery of all amounts due to the company
- Recovering the bond / retention currently held by NHBC
- Reviewing the company's accounts and records to identify assets and making enquiries with the company's accountants and the directors
- Liaising with the directors and agents with regard to the disposal of the company's motor vehicles, plant and machinery and fixtures, fittings and office equipment

Creditors

The following activities have or will be undertaken -

- Recording and maintaining a list of creditors' claims
- Communicating with creditors by telephone, post and email as appropriate
- Liaising with the directors regarding their status as employees of the company
- Applying to Court for permission to make a distribution to unsecured creditors
- Advertising for claims and issuing notice(s) of intention to pay a dividend to unsecured creditors
- Chasing the receipt of claims
- Adjudicating on claims received
- Paying dividend(s) to any preferential and unsecured creditors
- Dealing with a creditors' committee if one is appointed

Investigations

The following activities will be undertaken

- Corresponding and meeting with the directors and other relevant parties
- Reviewing completed creditors' questionnaires and other information provided by concerned parties
- Examining the company records to identify and substantiate any potential actions against the directors or other parties
- Seeking further information from third parties as required
- Completion of a report under the Company Directors Disqualification Act
- Follow-up investigations and action as appropriate

At this early stage, it is difficult to estimate what the time costs and expenses are that may be incurred with regard to investigations. This fee estimate reflects the anticipated work in identifying any potential actions and if any are identified and additional work is required, the administrator may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Closure

The following activities will be undertaken -

- Corresponding with HMRC to obtain tax clearance to close the case
- Preparation of the final report to creditors
- Statutory filing in respect of closure
- Closure of the administration bank account

3 TIME ESTIMATE

A summary of my fee estimate is provided at appendix 2(ii). I estimate that my post-appointment fees will be £44,214 on the assumption that the case will progress as currently anticipated and the administration is exited by way of dissolution.

If this estimate is exceeded or is likely to be exceeded then I am required to seek further approval from creditors. Based on current information I do not anticipate that it will be

Appendix 4(i)

necessary to seek additional approval from creditors for fees in excess of the estimate, except any additional work that may be required with regard to investigations

Please note that this estimate reflects the work undertaken and time expected to be incurred for the full period of the administration and it therefore includes the time already incurred since my appointment, details of which are shown in appendix 3

In accordance with Rule 2 106(2B) I have chosen not to include the fees and expenses that will be incurred in the event that the administration be exited by conversion to liquidation, as opposed to dissolution, from the point when the administration is converted into the liquidation should this occur as it is difficult to ascertain at this point the likely fees and expenses that may be incurred in this respect. Once a liquidator has been appointed then another fee estimate will need to be provided to creditors for the liquidation

4 ANTICIPATED DISBURSEMENTS

I anticipate that the following expenses will be or are likely to be incurred as also shown in my estimated outcome statement -

	Category		£
Statutory advertising	1		159
Insolvency bond	1		312
Company search fees	1		5
Identification checks	1	2 @ £5	10
Travel expenses	1	51 miles @45p	23
Insurance - estimate	1		365
Agents' fees re property – estimate	1	1.5% on 463,000 plus £700 valuation fee	7,645
Agents' fees re other tangible assets - estimate	1		450
Legal fees re property - estimate	1		2,000
Legal fees non property – estimate	1		2,000
Storage of company books and records - estimate	1		1,500

5 CATEGORY 2 DISBURSEMENTS

In accordance with the disbursements policy shown in section 2 above, no category 2 disbursements will be charged to this assignment in respect of general overheads. Mileage will be charged at a standard rate which complies with HM Revenue & Customs limits

6 FURTHER INFORMATION

A Guide to Administrators' Fees is available to download at https://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Oct_2015.pdf and it is also available free of charge on request from this office. In addition, further information regarding insolvency is available at www.creditorinsolvencyguide.co.uk

Country Life Buildings Limited - In Administration

Fee estimate as at 6 March 2016

Work type	Hours				£	£
	Insolvency practitioner	Manager	Administrators	Assistant & support staff	Total hours	Average hourly cost
Administration/planning	40 6	33 2	65 4	17 9	157 0	17,581 55
Realisation of assets	19 0	9 9	41 9	1 5	72 2	8,347 20
Creditors	14 0	14 3	29 5	3 8	61 5	6,905 80
Investigations	20 4	2 0	68 7	2 5	93 6	10,010 40
Closure	2 5	2 0	7 5	1 0	13 0	1 369 00
Total hours	96 40	61 25	212 90	26 65	397 20	44,213 95

ALBERT GOODMAN LLP

DISBURSEMENTS POLICY

Disbursements are split into two categories as follows

Category 1 These are specific costs met by this firm which relate to a particular insolvency case. Such items of expenditure include advertising, Companies House and Land Registry searches, external printing costs, external storage and fees for swearing legal documents. Approval is not required for category 1 disbursements.

Category 2 These are expenses which are paid or are payable to my firm or to any other party in which my firm or I have an interest, and primarily relate to the non-case specific recovery of overhead costs. Creditors' approval is required before a category 2 disbursement can be drawn by an Insolvency Practitioner. It is this firm's policy that the only disbursements recharged to an assignment relate to the simple reimbursement of actual payments made to third parties relating to a particular case, which are category 1, except for mileage. Mileage is charged at standard rates which comply with H M Revenue and Customs limits.

There are no disbursements levied in respect of the recovery of overhead costs.

CHARGEOUT RATES

The current charge out rates of the grades of staff likely to work on this assignment are as follows -

Insolvency Practitioners	£185 per hour
Senior manager	£115 per hour
Administrators	£65 - £86 per hour
Support Staff	£41 per hour

Time is generally charged in units of 6 minutes although time can be charged in increments of 0.01 unit, being 36 seconds which is the minimum amount of time chargeable.

Rule 2 48

Notice of conduct of business by correspondence

Name of Company

Country Life Buildings Limited

Company number

07072184

In the
Bristol County Court

(full name of court)

Court case number
12 of of 2016(a) Insert full name(s)
and address(es) of
administrator(s)

Notice is hereby given by (a)
 Laurence Russell
 Albert Goodman LLP
 Mary Street House
 Mary Street
 Taunton
 Somerset
 TA1 3NW

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

to the creditors of (b) Country Life Buildings Limited
 Mary Street House
 Mary Street
 Taunton
 Somerset TA1 3NW

(c) Insert number of
resolutions enclosed

that, pursuant to paragraph 58 of Schedule B1 to the Insolvency Act 1986, enclosed are (c)
 three resolutions for your consideration Please indicate below whether you are in favour or
 against each resolution

(d) Insert address to
which form is to be
delivered

This form must be received at (d)
 Albert Goodman LLP
 Mary Street House Mary Street
 Taunton Somerset
 TA1 3NW

(e) Insert closing date

by 12 00 noon on (e) 29 March 2016 in order to be
 counted It must be accompanied by details in writing of your claim unless those details
 have already been submitted Failure to do so will lead to your vote(s) being disregarded

Repeat as necessary for
the number of

Resolution (1) for the acceptance of the
 administrator's proposals relating to the fee
 being on a time cost basis subject to the fee
 estimate of £44,213 95 and disbursements
 as outlined in section 10 of the proposals

I am *in Favour / Against

resolutions attached

Resolution (2) for Albert Goodman LLP to be
 paid their pre-appointment costs totalling
 £3,449 as outlined in section 9 of the
 proposals

I am *in Favour / Against

*Delete as appropriate

Resolution (3) for the administrator to be
 discharged from liability under paragraph 98
 of Schedule B1 to the Insolvency Act 1986
 the day his appointment ceases to have
 effect

I am *in Favour / Against

TO BE COMPLETED BY CREDITOR
 WHEN RETURNING FORM

Name of creditor

Signature of creditor

(If signing on behalf of creditor, state
capacity e.g. director/solicitor)

If you require any further details or clarification prior to returning your votes, please
contact me at the address above

Signed

A handwritten signature in black ink, appearing to be 'J. M. Brown', written in a cursive style.

Administrator

Dated 9/3/16