

The Insolvency Act 1986

Administrator's progress report

| | |
|---|-----------------------------------|
| Name of Company Choc Limited | Company number 07847198 |
| In the High Court of Justice, Chancery Division, Companies Court, London [full name of court] | Court case number 3767 of 2013 |

(a) Insert full name(s) and
address(es) of
administrator(s)We Cameron Gunn, Simon Harris and Mark Supperstone of ReSolve Partners LLP, One America
Square, Crosswall, London EC3N 2LB

Joint Administrators of the above company attach a progress report for the period

from

to

28 November 2013

19 May 2014

(b) Insert dates

Signed

Joint Administrator

Dated 19 May 2014

Contact Details:You do not have to give any contact information
in the box opposite but if you do, it will help
Companies House to contact you if there is a
query on the form. The contact information that
you give will be visible to searchers of the public
record

ReSolve Partners LLP

One America Square
Crosswall
London
EC3N 2LB

Tel 020 7702 9775

DX Number

DX Exchange

WEDNESDAY



A38D4UBB

A22

21/05/2014

#159

COMPANIES HOUSE

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

Choc Limited t/a Daskalides
In Administration

Joint Administrators' final progress report

28 November 2013 to 19 May 2014

CONTENTS

- 1 Introduction
2. Summary of the Administrators' proposals
- 3 Steps taken during the Administration
- 4 Outcome of the Administration
- 5 Receipts and payments
- 6 Assets
7. Dividends
- 8 Investigation into the affairs of the Company
- 9 Pre-Administration costs
- 10 Administrators' remuneration and expenses
- 11 Further information and complaints
- 12 End of Administration
- 13 Summary

APPENDICES

- I Statutory information
- II Administrators' proposals
- III Receipts and payments account
- IV Administrators' charge out rates, disbursement policy and narrative
- V Administrators' time costs summary

1. INTRODUCTION

As you are aware, Cameron Gunn, Simon Harris and I, were appointed as Joint Administrators of the Company on 28 May 2013. This report is my second and final report on the progress of the Administration to date.

Statutory information on the Company is attached at **Appendix I**.

2. SUMMARY OF THE ADMINISTRATORS' PROPOSALS

A meeting of creditors of the Company was held by correspondence pursuant to paragraph 52(1) of schedule B1 of the Insolvency Act 1986 (the Act) on 5 August 2013 for the approval of the Administrators' proposals.

In accordance with rule 2.110(2)(a) of the Rules, attached to this report at **Appendix II** is a copy of the Administrators' proposals for the Company.

The proposals were approved by creditors.

3. STEPS TAKEN DURING THE ADMINISTRATION

A summary of the steps taken is provided below.

- On appointment the Joint Administrators' staff attended the Company's premises in order to assess the merits of continued trading as well as gather various information required for the purpose of the Administration generally.
- Following an initial assessment of the Company's business, including a review of its management accounts and recent sales figures, the Administrators decided to continue to trade the business from the Covent Garden premises.
- During the trading period the Company's performance was closely monitored to ensure that trading continued to be of a benefit to the Administration whilst the business and assets were marketed for sale.
- All required stock for the trading period was removed from the Wimbledon premises. The premises was subsequently closed and the lease surrendered. A rates refund was received in the sum of £178.95 in this respect.
- Instructed and corresponded with our agents, ES (Group) LLP (ES), regarding the valuation and sale of the Company's assets.
- A marketing campaign was undertaken for the purpose of achieving a sale of the Company's assets. A teaser document and non-disclosure agreement was circulated to circa 200 potentially interested parties.
- Gateley LLP (Gateley) were instructed in respect of legal advice regarding the assignment of the lease of the Company's Covent Garden premises.
- A sale of the Company's fixtures and fittings and an assignment of the lease of the Covent Garden premises was agreed for £25,000.00 plus VAT to Brompton Bicycle Limited (Brompton).
- Collection of the rent deposit held by the Landlord of the Covent Garden premises.
- Successfully realised £700.00 of the Company's book debts.
- Secured the funds in the Company's pre-appointment bank account totalling £6,111.26.
- Liaised with the Directors regarding their submission of their Directors' Questionnaires and Statement of Affairs.
- Undertook an investigation into the affairs of the Company leading up to the appointment and the conduct of the directors in the preceding years.
- Dealt with the day-to-day administration of the case including dealing with my statutory duties under the Act and other associated legislations.

4. OUTCOME OF THE ADMINISTRATION

The purpose of the Administration was to achieve one of the following hierarchical objectives

- a) Rescuing the Company as a going concern, or
- b) Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
- c) Realising property in order to make a distribution to one or more secured or preferential creditors

Following a review of the Company's financial position it became apparent that rescuing the Company as a going concern, objective (a), above could not be achieved. This was due to the fact the Company did not have the requisite funding available to implement a Company Voluntary Arrangement.

The Administrators carried out their actions with a view to achieving objective (b), achieving a better result for the Company's creditors as a whole than would be likely if the Company were to be wound up (without first being in Administration).

Due to the interest shown from third parties who seemed keen to take over the operations of the business, placing the Company into Administration was the best option.

Whilst the eventual purchaser did not wish to continue the business as a 'Daskalides' style shop, trading the business for a brief period helped to secure the rent deposit and preserved value in the assets as a whole.

Further details with regards to the above transaction can be found in **Section 6**.

5 RECEIPTS AND PAYMENTS

Attached at **Appendix III** is the receipts and payments account for the period 28 May 2013 to 19 May 2014.

6 ASSETS

Administration Trading

As advised in my previous reports, following an initial assessment of the Company's business the decision was made to continue to trade from the Company's Covent Garden premises.

Trade was continued for the purpose of preserving the value of the business of the Company whilst its assets were marketed for sale, and to aim to achieve a higher value for the business and assets of the Company than would have been achieved in a forced sale scenario.

Following a brief marketing campaign carried out by the Administrators and our agents, a preferred purchaser emerged. As the party did not wish to continue the business as a 'Daskalides' style shop, it was deemed that continued trade was not necessary to retain value in the business. Accordingly, in order to dispose of the remaining stock held at the premises, a closing down sale was implemented and on 14 June 2013 the remaining staff members were made redundant and the business closed.

Sales for the trading period totalled £6,581.67, and profit for the period is £4,804.77. A trading statement is attached at **Appendix III**.

Sale of the Company's assets – Covent Garden

As advised in my previous report, the assignment of the lease and the sale of the fixtures and fittings in situ at the Covent Garden premises was agreed for the total sum of £25,000.00 plus VAT to Brompton. I can confirm that funds in respect of this amount have been paid in full.

The rent deposit held by the Landlord as at the date of Administration totalled £48,000.00. Once deductions were made for outstanding rent, service charges and insurance for the period to 23 July 2013, the balance was transferred to the Administration. This totalled £30,917.94.

Sale of the Company's assets – Wimbledon

As advised in my previous report, the Company also operated from a rented warehouse based in Wimbledon. Our agents attended the premises in order to remove and store all assets that were located at the site comprising of various equipment and a motor vehicle. As the premises was not needed for the on-going trading of the Company, an informal surrender of the lease to the premises was duly offered to the Landlord.

A sale was agreed for the equipment in the sum of £3,000.00 plus VAT. I can confirm that the full amount has been transferred to the Administration.

Following the advertisement of the motor vehicle owned by the Company, our agents secured a sale in the sum of £5,666.00 plus VAT. Prior to completion of the sale, a replacement V5C certificate was requested from the Driver and Vehicle Licensing Agency (DVLA) for the total cost of £25.00.

Book debts

As advised in my previous report, the Company's debtor ledger totalled £1,698.60, of this amount a total of £700.00 has been successfully realised to date. The remaining balance of £998.60 has been deemed uncollectable and has now been written off.

Cash at bank

Funds in the Company's pre-appointment bank account totalled £6,111.26, this amount has been transferred to the Administration.

Rates refund

A rates refund was received from Merton Council in the sum of £178.95, in respect of the occupational status of the Wimbledon premises.

Pre-payments

A payment previously made by the Company in to Bracher Rawlins LLP totalling £423.00 has been refunded to the Administration.

7 DIVIDENDS

Dividend to secured creditors

The Company does not have any secured creditors.

Dividend to preferential creditors

Claims totaling £1,722.72 have been submitted by the Company's former employees. Of this amount, the Redundancy Payments Service has submitted a preferential claim totaling £1,375.20.

There were insufficient funds to enable a distribution to be paid to preferential creditors.

The Prescribed Part

Pursuant to section 176A of the Act, where a floating charge is created after 15 September 2003, a "Prescribed Part" of the Company's net property shall be made available to unsecured creditors. The Prescribed Part is calculated at 50 per cent of net realisations up to £10,000.00 and 20 per cent of the property that exceeds this amount up to a limit of £600,000.00.

The Company has not granted a floating charge to any creditor after the 15 September 2003 and consequently there will be no prescribed part in this Administration.

Dividend to unsecured creditors

There were insufficient funds to enable a distribution to be paid to unsecured creditors.

8. INVESTIGATION INTO THE AFFAIRS OF THE COMPANY

I undertook an initial investigation into the Company's affairs to establish whether there were any potential asset recoveries or conduct matters that justified further investigation. I took into account the public interest, potential recoveries, funds likely to be available to fund an investigation and the costs involved. I have concluded my investigation in the affairs of the Company and actions of the directors. I have also determined there are no further asset recoveries available to the creditors.

I can confirm that my report to the Department for Business Innovation and Skills was submitted on 4 November 2013. This report is not on public record.

9. PRE-ADMINISTRATION COSTS

A schedule of my firm's pre-appointment time costs is included at **Appendix V**.

As previously reported, my pre-appointment time costs for the period 22 May 2013 to 28 May 2013 total £7,765.50. The work undertaken relates to discussions held with the Director regarding the options available to them, some preliminary investigation work and then preparation and filing of the documents necessary to place the Company into administration.

There are insufficient funds to enable me to settle my pre-appointment time costs, as such the balance will be written off.

10. ADMINISTRATORS' REMUNERATION AND EXPENSES

In accordance with rule 2.106 of the Rules, it was proposed that the basis upon which my remuneration should be fixed by reference to time properly spent by me and my staff in attending to matters arising in the Administration.

My remuneration was previously authorised at a meeting of creditors of the Company held by correspondence on 5 August 2013, to be drawn on a time cost basis.

The Administrators' post-appointment time costs are analysed at **Appendix V**.

For the period of this report, 28 November 2013 to 19 May 2014, the Administrators' time costs and disbursements total £3,848.00 and £19.75 respectively.

From the date of my appointment on 28 May 2013 to 19 May 2014, the Administrators' time costs and disbursements total £78,937.00 and £727.05 respectively.

To date, I have drawn remuneration of £65,737.53, plus VAT, in respect of my time costs. I have not drawn any disbursements. As the Administration will soon be concluded, the remaining balance of time costs and disbursements will be written off.

A Creditors' Guide to Administrators' Fees was circulated previously, however should you require a further copy one can be made available on request or copies are also available at

A copy of 'A Creditors Guide to Administrators' Fees' published by the Association of Business Recovery Professionals is available at the link www.resolvegroupuk.com/administrators.pdf. Please note that there are different versions of the Guidance Notes, and in this case you should refer to the November 2011 version.

11 FURTHER INFORMATION AND COMPLAINTS

An unsecured creditor may, with the permission of the court or with the concurrence of five per cent in value of the unsecured creditors (including the creditor in question) request further details of the Administrators' remuneration and expenses, within 21 days of receipt of this report. Any secured creditor may request the same details in the same time limit.

An unsecured creditor may, with the permission of the court or with the concurrence of ten per cent in value of the unsecured creditors (including the creditor in question), apply to court to challenge the amount and/or basis of the Administrators' fees and the amount of any proposed expenses or expenses already incurred, within eight weeks of receipt of this report. Any secured creditor may make a similar application to court within the same time limit.

Should you have any comments or complaints regarding this Administration, please contact Cameron Gunn in the first instance. If you consider that we have not dealt with your comment or complaint appropriately, you may request we perform an internal independent review of your complaint. This review would be undertaken by a person within ReSolve not involved in the Administration. A request for a review can be made in writing to the Compliance Manager, ReSolve Partners LLP, One America Square, Crosswall, London, EC3N 2LB or by email to simon.harris@resolvegroupuk.com.

If you still feel that you have not received a satisfactory response then you may be able to make a complaint to the Complaints Gateway operated by the Insolvency Service. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, or you may email ip.complaints@insolvency.gov.uk, or you may phone 0845 602 9848. The Complaints Gateway will in turn determine if such complaint should be addressed by Mr Gunn's, Mr Supperstone's and Mr Harris' regulatory body.

12 END OF ADMINISTRATION

I have filed the enclosed form 2 35B 'notice of move from administration to dissolution' at Companies House. The Administration will end following the registration of the form at Companies House and the Company will be dissolved three months following this date.

In accordance with the proposals pursuant to rule 2 33 of the Rules, the Administrators' release from liability will take effect 14 days from the date of the registration of form 2 35B at Companies House.

13. SUMMARY

The Administration is now complete in accordance with my proposals and the files will be closed.

Should you require any further queries in respect of this report or any other matter, please do not hesitate to contact James Reeves of this office.

Yours faithfully
For and on behalf of
Choc Limited



Mark Supperstone
Joint Administrator

For enquiries regarding this correspondence please contact.

Contact name James Reeves
Phone number 020 3372 2804
Email james.reeves@resolvegroupuk.com

The affairs, business and property of the Company are being managed by the administrator. Partners and staff acting as administrators, administrative receivers or supervisors act as agents of the company over which they are appointed at all times and without personal liability. Cameron Gunn, Mark Supperstone and Simon Harris are licensed to act as Insolvency Practitioners in the United Kingdom by the Institute of Chartered Accountants in England and Wales.

APPENDIX I

STATUTORY INFORMATION

| | |
|----------------------------|---|
| Company name | Choc Limited |
| Trading name | Daskalides |
| Company number | 07847198 |
| Date of incorporation | 14 November 2011 |
| Trading addresses | Acre House 76 Long Acre Covent Garden London WC2E 9JS 5 Saxon Business Park Windsor Avenue Wimbledon London SW19 2RR |
| Registered office | C/o ReSolve Partners LLP One America Square Crosswall London EC3N 2LB |
| Principal activity | Sale of Belgian Chocolates |
| Appointment details | |
| Date of appointment | 28 May 2013 |
| Appointment made by | Xavier Charles Etienne Piers de Raveschoot (Director) of Acre House, 76 Long Acre, Covent Garden, London, WC2E 9JS |
| Court address | High Court of Justice, Chancery Division, Companies Court |
| Court reference | 3767 of 2013 |
| Administrators appointed | Cameron Gunn Insolvency Practitioner Number 9362 Mark Supperstone Insolvency Practitioner Number 9734 Simon Harris Insolvency Practitioner Number 11372 |
| Paragraph 100(2) statement | Any act required or authorised under any enactment to be done by an administrator may be done by any or all of the Administrators acting jointly or alone |
| Directors | |
| Current Directors | Xavier Charles Etienne Piers de Raveschoot Alice Linda Maria Frangoulis |
| Company secretary | |
| Current secretary | None |

Shareholders

| Name of Shareholder | Number of Shares | Total Value | Shareholding % |
|--|------------------|-------------|----------------|
| Xavier Charles Etienne Piers de Raveschoot | 1 | 1 | 50 |
| Alice Linda Maria Frangoulis | 1 | 1 | 50 |

APPENDIX II

ADMINISTRATORS' PROPOSALS

Statement of Joint Administrators' proposals pursuant to paragraph 49 of schedule B1 of the Act

In accordance with paragraph 49 of schedule B1 of the Act, Cameron Gunn, Mark Supperstone and Simon Harris, the Administrators of Choc Limited (the Company), make the following proposals for achieving the purpose of the Administration

These proposals and the attached report to creditors together set out the information required by and to discharge the Administrators' duty pursuant to paragraph 49 of schedule B1 of the Act and rule 2.33 of the Rules

Proposals

The Joint Administrators propose that

- (a) They continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration such that
 - (i) they dispose of the Company's ownership of such assets at such time(s) on such terms as they consider expedient
 - (ii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company which supplies or has supplied goods or services to the Company, and
 - (iii) in addition, they do all such things and generally exercise all their powers as Joint Administrators as in their discretion they consider desirable or expedient in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these Proposals
- (b) In the event that the Joint Administrators are of the view that it is appropriate for the Company to move from Administration into Liquidation, whether compulsory or voluntary, the Joint Administrators be authorised to take steps to place the Company into whichever Liquidation process they deem appropriate. In either circumstance, it is proposed that the Joint Administrators take the appointment as Joint Liquidators of the Company. In relation to moving into Creditors' Voluntary Liquidation, and in accordance with Paragraph 83(7) and Rule 2.117 (3), creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after the receipt of the Proposals and before 12 noon on 22 July 2013
- (c) If the Joint Administrators consider that there will be no distribution to unsecured creditors and if they also consider that an exit from the Administration into Compulsory Liquidation is not appropriate, or the Joint Administrators apply to court to seek consent to distribute to the unsecured creditors and following the distribution, then the Joint Administrators be authorised to take the necessary procedural steps to bring about the end of the Administration and move the Company into dissolution pursuant to Paragraph 84 of Schedule B1 to the Act
- (d) The Administration shall continue (subject to the statutory provisions relating to automatic termination) until the realisable assets of the Company have been realised and all liabilities incurred during the Administration have been discharged or until such a time as deemed appropriate by the Joint Administrators. At this stage the Company shall be dissolved or placed into Liquidation as outlined above. If necessary, the Joint Administrators will propose to seek an extension of their appointment as Joint Administrators from the creditors and/or the Court pursuant to Paragraph 76 of Schedule B1 of the Act
- (e) Upon the Company either proceeding into Creditors Voluntary Liquidation or dissolution as set out above, the Joint Administrators' discharge from liability, pursuant to Paragraph 98 of Schedule B1 shall take effect 14 days following either the Company entering into Liquidation or filing the notice of moving from Administration to dissolution
- (f) The Joint Administrators are at liberty to incur and pay such costs and expenses, including professional fees, as considered to be incidental to the achievement of the purpose of the Administration or for the purposes set out herein or to the Administrators' statutory duties. In addition, the Joint Administrators are to be remunerated by reference to time properly spent both for their services as Joint Administrators and also for their staff in attending to the matters

arising in the Administration of the Company, charged at the charge out rates prevailing at the time the work is undertaken. Such remuneration to be drawn from time to time, subject to available funds.

- (g) ReSolve Partners LLP shall be authorised to discharge their outstanding costs and expenses relating to the pre appointment period (as detailed earlier in this report) as an expense of the Administration to be paid out of the assets of the Company as and when funds permit.
- (h) The Joint Administrators are at liberty to recharge disbursements as detailed in the Creditor's Guide to Administrators' Fees. Shared and allocated costs are to be charged as follows:
- Photocopying 20 pence per sheet
 - Faxes/telephone/room hire £150 per annum
 - Postage Typical 1st/2nd class postage rates at the date of postage
 - Mileage 40 pence per mile
- (i) The Joint Administrators are at liberty to pay costs and remuneration in relation to Proposals (f), (g) and (h) above when funds become available.
- (j) The Joint Administrators shall consult with the creditors' committee, if formed, at appropriate intervals concerning the conduct of the Administration and the implementation and development of these Proposals and where they consider it expedient to obtain the sanction of that committee on behalf of the creditors of the Company (and without further reference to them) to any proposed action on the part of the Joint Administrators.

Mark Supperstone
Joint Administrator

APPENDIX III

SUMMARY OF ADMINISTRATORS' RECEIPTS AND PAYMENTS FROM 28 MAY 2013 (DATE OF APPOINTMENT) TO 19 May 2014

| | Estimated: statement of affairs (£) | From 28 May 2013 to 28 Nov 2013 (£) | From 29 Nov 2013 to 19 May 2014 (£) | Total receipts/ payments to date (£) |
|-----------------------------------|---|---|---|--|
| RECEIPTS | | | | |
| Trading surplus | - | 4,804 77 | - | 4,804 77 |
| Covent Garden Fixtures & Fittings | - | 25,000 00 | - | 25,000 00 |
| Covent Garden Rent Deposit | - | 33,758.01 | - | 33,758 01 |
| Book Debts | - | 700 00 | - | 700 00 |
| Cash at Bank | - | 6,111 26 | - | 6,111 26 |
| Prepayments | - | 423 00 | - | 423 00 |
| Wimbledon Equipment | - | 3,000 00 | - | 3,000 00 |
| Sundry Refund | - | 25 00 | - | 25 00 |
| Rates Refund | - | - | 178 95 | 178 95 |
| Vehicle | - | - | 7,083 33 | 7,083 33 |
| TOTAL | | 73,822.04 | 7,262 28 | 81,084.32 |

| | | | | |
|---|--|------------------|--------------------|------------------|
| PAYMENTS | | | | |
| Advertising | | 175 00 | - | 175 00 |
| Office Holders Fees | | 40,000 00 | 25,737 53 | 65,737 53 |
| Agents / Valuers Fees | | 8,718.69 | 3,500 00 | 12,218 69 |
| Legal Fees | | 2,153 00 | - | 2,153 00 |
| Re-Direction of Mail | | 120 00 | - | 120 00 |
| Statutory Advertising | | 84 60 | - | 84 60 |
| DVLA Payment | | 25 00 | - | 25 00 |
| Postages | | 14 00 | - | 14 00 |
| Insurance | | - | 556 50 | 556 50 |
| | | 51,290 29 | 29,794 03 | 81,084.32 |
| Balance (receipts less payments) | | 22,531 75 | - 22,531 75 | - |

TOTAL BALANCE

Mark Supperstone
Joint Administrator
19 May 2014

**SUMMARY OF JOINT ADMINISTRATORS' TRADING ACCOUNT
FROM 28 MAY 2013 TO 27 NOVEMBER 2013**

Trading to
27-Nov-2013
(£)

| | |
|----------------------------------|-----------------|
| RECEIPTS | |
| Sales | 6,581 67 |
| | <u>6,581.67</u> |
| PAYMENTS | |
| Bank charges | 41 70 |
| Salaries | 1,694 20 |
| Rates | - |
| Utilities | 41 00 |
| | <u>1,776.90</u> |
| Balance (receipts less payments) | <u>4,804.77</u> |

APPENDIX IV

ADMINISTRATORS' CHARGE OUT RATES, DISBURSEMENT POLICY AND NARRATIVE

Joint Administrators' charge out rates

Time properly incurred on cases is charged to the assignment at the hourly rate prevailing at the time. Time is recorded in units of six minutes each, totalling ten per hour. The current hourly charge-out rates covering the whole period are outlined below.

| | £ |
|----------------------|-----|
| Partner | 490 |
| Director | 400 |
| Senior Manager | 385 |
| Manager | 325 |
| Assistant Manager | 295 |
| Senior Administrator | 245 |
| Administrator | 185 |
| Junior Administrator | 125 |

Secretarial and support staff are not charged to the cases concerned, being accounted for as an overhead of ReSolve Partners LLP.

Disbursements policy

Separate charges are made in respect of directly attributable expenses (category one disbursements) such as third party travelling, bonding, subsistence, statutory advertising and other expenses made on behalf of the assignment. Details of such disbursements are included later in this report.

Indirect charges (category two disbursements) are charged as follows:

- Photocopying 20 pence per sheet
- Faxes/telephone/room hire £150 per annum
- Mileage 40 pence per mile

Narrative of time charged

A description of the routine work undertaken in the Administration to date is as follows:

Administration and Planning

- Preparing documentation required
- Dealing with all routine correspondence
- Maintaining physical case files and electronic case details on Insolv
- Review and storage
- Case planning and administration
- Maintaining and managing the Administrator's cashbook and bank account

Creditors

- Dealing with creditor correspondence and telephone conversations
- Preparing reports to creditors
- Maintaining creditor information on Insolv
- Reviewing, and adjudicating on if necessary, proofs of debt received from creditors

Investigations

- Review and storage of books and records
- Prepare a return pursuant to the Company Directors Disqualification Act
- Conduct investigations into transactions made that appear out of the normal course of business
- Review books and records to identify any transactions or actions an Administrator may take against a

third party in order to recover funds for the benefit of creditors

Realisation of Assets

- Corresponding with debtors and attempting to collect outstanding book debts
- Undertaking the trading responsibilities
- Liaising with the company's bank regarding the closure of the account and transfer of funds
- Liaising with agents regarding the sale of assets held at its warehouse
- Liaising with agents regarding the sale of the Company's assets and assignment of lease at the Covent Garden premises
- Instructing solicitors regarding the assignment of the lease at the Covent Garden premises
- Liaising with agents regarding the sale of the Company's vehicle
- Collection of rates refunds and pre-payments

Statutory duties

- Preparing the documentation and dealing with the formalities of appointment
- Dealing with statutory issues required under the Insolvency Act 1986
- Statutory notifications and advertising
- Ensuring statutory lodgements and tax lodgement obligations are met
- Dealing with requirements arising under the Statements of Insolvency Practice,
- Reporting to members, creditors employees and other stakeholders pursuant to the Insolvency Act 1986 and Statement of Insolvency Practice
- Applications for approval of Administrators' remuneration of the Administrators costs
- Duties under the Bribery Act 2010 and Money Laundering Regulations 2007, and
- Filing documents with the Registrar of Companies and the High Court of Justice
- Case bordereau
- Preparing reports to members and creditors
- Convening and holding meetings of members and creditors

APPENDIX V

ADMINISTRATORS' TIME COSTS SUMMARY

Pre-appointment time costs

To date a total of 18 70 hours have been spent for the period 22 May 2013 to 28 May 2013 (the date of appointment) at an average charge out rate of £27 20 bringing the total pre appointment costs to £7,765 50

A summary table is shown below

| | PARTNER / DIRECTOR | | MANAGER | | OTHER SENIOR PROFESSIONAL | | TOTAL | | AVERAGE RATE |
|-----------------|--------------------|----------|---------|----------|---------------------------|----------|-------|----------|--------------|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Cost (£) |
| Pre Appointment | 3 50 | 1,715.00 | 8.00 | 3,080.00 | 15 70 | 2,970.50 | 27 20 | 7,765.50 | 285 50 |
| | 3.50 | 1,715.00 | 8.00 | 3,080.00 | 15.70 | 2,970.50 | 27.20 | 7,765.50 | 285.50 |

Post-appointment time costs

A total of 22 50 hours have been spent for the period 29 November 2013 to 19 May 2014 at an average charge out rate of £171 02 bringing the total costs for the period to £3,848 00

A summary table is shown below

| | PARTNER / DIRECTOR | | MANAGER | | OTHER SENIOR PROFESSIONAL | | TOTAL | | AVERAGE RATE |
|---------------------------------------|--------------------|----------|---------|----------|---------------------------|----------|-------|----------|--------------|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Cost (£) |
| Administration & Planning | | | | | | | | | |
| Case planning / monitoring | - | - | 1.20 | 462.00 | 0 50 | 172.50 | 1.70 | 584.50 | 343.82 |
| Cashiering | - | - | - | - | 0 50 | 172.50 | 0 50 | 172.50 | 191.67 |
| Reporting | - | - | - | - | - | - | - | - | - |
| Compliance / technical | - | - | - | - | - | - | - | - | - |
| General administration | 0 70 | 343.00 | - | - | 0 40 | 58.00 | 1 10 | 441.00 | 400.91 |
| | 0.70 | 343.00 | 1.20 | 462.00 | 1.80 | 393.00 | 3.70 | 1,198.00 | 323.78 |
| Creditors | | | | | | | | | |
| Secured | - | - | - | - | - | - | - | - | - |
| Preferential | - | - | - | - | - | - | - | - | - |
| Unsecured | - | - | - | - | 3 70 | 462.50 | 3 70 | 462.50 | 125.00 |
| Employees | - | - | - | - | - | - | - | - | - |
| Creditors committee | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 3 70 | 462.50 | 3 70 | 462.50 | 125.00 |
| Realisation of Assets | | | | | | | | | |
| Book debts | - | - | - | - | - | - | - | - | - |
| Sale of business / assets | - | - | - | - | 0 30 | 37 50 | 0 30 | 37 50 | 125.00 |
| Property freehold and leasehold | - | - | - | - | - | - | - | - | - |
| Retention of title | - | - | - | - | - | - | - | - | - |
| Other assets | - | - | - | - | 1 00 | 125 00 | 1 00 | 125 00 | 125 00 |
| | - | - | - | - | 1 30 | 162 50 | 1 30 | 162 50 | 125 00 |
| Statutory | | | | | | | | | |
| Statutory paperwork / form completion | - | - | - | - | 11 30 | 1,412 50 | 11 30 | 1,412 50 | 125 00 |
| Filing documents with CH / Court | - | - | - | - | 2 50 | 612 50 | 2 50 | 612 50 | 245 00 |
| Reporting to creditors | - | - | - | - | 13 80 | 2,025 00 | 13 80 | 2,025 00 | 146 74 |
| | - | - | - | - | - | - | - | - | - |
| Total hours and cost | 0 70 | 343 00 | 1 20 | 462 00 | 20 60 | 3,043 00 | 22 50 | 3,848 00 | 171 02 |

A total of 257 50 hours have been spent for the period 28 May 2013 to 19 May 2014 at an average charge out rate of £190 35 bringing the total costs to date to £78,937 00

A summary table is shown below

| | PARTNER / DIRECTOR | | MANAGER | | OTHER SENIOR PROFESSIONAL | | TOTAL | | AVERAGE RATE |
|---------------------------------------|--------------------|-----------------|--------------|------------------|---------------------------|------------------|---------------|------------------|---------------|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | |
| Administration & Planning | | | | | | | | | |
| Case planning / monitoring | - | - | 1.20 | 462.00 | 1.70 | 320.50 | 2.90 | 782.50 | 269.83 |
| Cashiering | - | - | - | - | 10.00 | 1,466.00 | 10.00 | 1,466.00 | 146.60 |
| Reporting | - | - | - | - | - | - | - | - | - |
| Compliance / technical | - | - | - | - | - | - | - | - | - |
| General administration | 2.30 | 1,127.00 | - | - | 23.00 | 3,469.00 | 25.30 | 4,596.00 | 181.66 |
| | 2.30 | 1,127.00 | 1.20 | 462.00 | 34.70 | 5,255.50 | 38.20 | 6,844.50 | 179.18 |
| Creditors | | | | | | | | | |
| Secured | - | - | - | - | - | - | - | - | - |
| Preferential | - | - | - | - | - | - | - | - | - |
| Unsecured | - | - | - | - | 30.90 | 4,066.50 | 30.90 | 4,066.50 | 131.60 |
| Employees | - | - | - | - | 7.10 | 887.50 | 7.10 | 887.50 | 125.00 |
| Creditors committee | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 38.00 | 4,954.00 | 38.00 | 4,954.00 | 130.37 |
| Investigations | | | | | | | | | |
| General investigation | - | - | - | - | 2.80 | 350.00 | 2.80 | 350.00 | 125.00 |
| Drawings | - | - | - | - | 2.60 | 325.00 | 2.60 | 325.00 | 125.00 |
| Other investigation | - | - | - | - | 2.10 | 262.50 | 2.10 | 262.50 | 125.00 |
| Preparing / submitting D Report | - | - | - | - | - | - | - | - | - |
| Legal action | - | - | - | - | - | - | - | - | - |
| | - | - | - | - | 7.50 | 937.50 | 7.50 | 937.50 | 125.00 |
| Realisation of Assets | | | | | | | | | |
| Book debts | - | - | - | - | 4.50 | 562.50 | 4.50 | 562.50 | 125.00 |
| Sale of business / assets | 0.50 | 245.00 | 2.00 | 770.00 | 50.60 | 11,497.00 | 53.10 | 12,512.00 | 235.63 |
| Property freehold and leasehold | 1.00 | 490.00 | - | - | - | - | 1.00 | 490.00 | 490.00 |
| Retention of title | - | - | - | - | - | - | - | - | - |
| Other assets | 7.20 | 3,528.00 | 8.80 | 3,388.00 | 12.40 | 2,042.00 | 28.40 | 8,958.00 | 315.42 |
| | 8.70 | 4,263.00 | 10.80 | 4,158.00 | 67.50 | 14,101.50 | 87.00 | 22,522.50 | 258.68 |
| Statutory | | | | | | | | | |
| Statutory paperwork / form completion | - | - | 4.00 | 1,540.00 | 22.10 | 3,182.50 | 26.10 | 4,722.50 | 180.94 |
| Filing documents with CH / Court | - | - | - | - | 3.00 | 735.00 | 3.00 | 735.00 | 245.00 |
| Reporting to creditors | - | - | 3.50 | 1,347.50 | 44.60 | 7,591.00 | 48.10 | 8,938.50 | 185.83 |
| | - | - | 7.50 | 2,887.50 | 69.70 | 11,508.50 | 77.60 | 14,396.00 | 186.68 |
| Trading | | | | | | | | | |
| Day one matters | - | - | - | - | 5.00 | 1,225.00 | 5.00 | 1,225.00 | 245.00 |
| Ongoing trading administration | - | - | 8.00 | 3,080.00 | 140.80 | 21,236.00 | 148.80 | 24,316.00 | 163.41 |
| Close down | 1.30 | 637.00 | 1.70 | 654.50 | 10.00 | 2,450.00 | 13.00 | 3,741.50 | 287.81 |
| | 1.30 | 637.00 | 9.70 | 3,734.50 | 155.80 | 24,911.00 | 166.80 | 25,282.50 | 179.55 |
| Total hours and cost | 22.30 | 6,027.00 | 28.20 | 11,342.00 | 373.20 | 61,668.00 | 414.70 | 78,937.00 | 190.35 |

Disbursements

| Category 1 disbursements | Amount incurred/ accrued to date (£) | Category 2 disbursements | Amount incurred/ accrued to date (£) |
|--------------------------|--------------------------------------|--------------------------|--------------------------------------|
| Licence fees | 110 00 | Postage | 121 10 |
| Bonding | 158 01 | Management fee | 150 00 |
| Court fee | 70 00 | Total. | 271 10 |
| Swear fee | 10 00 | | |
| Subsistence | 29 24 | | |
| Travel | 78 70 | | |
| Total: | 455 95 | | |

All the above time costs and disbursement exclude VAT