

# AM10

## Notice of administrator's progress report



Companies House

MONDAY



A13 \*A8FM24IQ\* 07/10/2019 #93  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 8 6 9 1 5 7  
Company name in full Marvelle Management Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Christine  
Surname Francis

### 3 Administrator's address

Building name/number 150 Aldersgate Street  
Street London  
Post town EC1A 4AB  
County/Region  
Postcode  
Country

### 4 Administrator's name ①

Full forename(s) Christopher  
Surname Marsden

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 150 Aldersgate Street  
Street London  
Post town EC1A 4AB  
County/Region  
Postcode  
Country

② Other administrator  
Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 0	<sup>d</sup> 8	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
To date	<sup>d</sup> 0	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*E Francis*

X

Signature date

<sup>d</sup> 0	<sup>d</sup> 4	<sup>m</sup> 1	<sup>m</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
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# AM10

## Notice of administrator's progress report



### Presenter information

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

Contact name **Christine Francis**

Company name **BDO LLP**

Address **150 Aldersgate Street**

Post town **London**

County/Region

Postcode **E C 1 A 4 A B**

Country

DX **15 London/Chancery Lane**

Telephone **+44 (0)20 7334 9191**



### Checklist

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.



### Important information

**All information on this form will appear on the public record.**



### Where to send

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.



### Further information

For further information please see the guidance notes on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto:enquiries@companieshouse.gov.uk)

**This form is available in an alternative format. Please visit the forms page on the website at [www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)**



Strictly Private & Confidential

**MARVELLE MANAGEMENT LIMITED  
T/AS CENTRIC RECRUITMENT  
("THE COMPANY")**

Progress report to the creditors for the period 8 March 2019  
to 7 September 2019 pursuant to Rules 18.3 and 18.6 of the  
Insolvency (England and Wales) Rules 2016

4 October 2019

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- Appendix II   Breakdown of time costs and examples of work undertaken in an administration
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- Appendix V   Updated estimated outcome statement

This report is intended for use by those parties entitled to a copy thereof under the Insolvency (England and Wales) Rules 2016. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Christine Francis and Christopher Marsden are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

# 1. Statutory information

Company name:	Marvelle Management Limited T/as Centric Recruitment
Company number:	08869157
Registered office:	Suite 17, Building 6, Hatters Lane, Croxley Business Park, Watford, WD18 8YH
Court reference:	High Court of Justice Chancery Division, Business & Property Courts in Manchester No. 000188 of 2019
Date of appointment:	8 March 2019
Joint administrators:	Christopher Marsden Christine Francis
Joint administrators' address:	Bridgewater House, Counterslip, Bristol, BS1 6BX R+, 2 Blagrove Street, Reading, Berkshire, RG1 1AZ

# 2. Progress to date

- 2.1. A detailed explanation of the background leading to the appointment of joint administrators and the steps taken post appointment was included in our proposals.
- 2.2. There have been no deviations or amendments to the original proposals which were approved without modifications.
- 2.3. There has been no application to extend the term of the administration.
- 2.4. The receipts and payments account attached in Appendix I details the asset realisations during the period of this report.
- 2.5. As previously reported, a pre-packaged sale of the business and assets was completed immediately following our appointment to Vibe Recruit Limited ("the purchaser"). In summary, this sale provided for the following consideration which was paid to our solicitors upon completion:

Business information and customer contracts	£46,999
Goodwill	£1
Equipment	£1,000
Information technology	£2,000

The sale also granted a licence for the purchaser to occupy the Company's trading premises for a short period whilst transferring the Company's equipment and records to their own location and provided for a licence fee of £2,000 plus VAT to be paid. This fee was to cover any costs, liabilities or expenses that arose during the licence to occupy period.

- 2.6. As you will note from the receipts and payments account, the sale consideration and licence fee have now been received from our solicitors. In respect of the licence fee, all of the former trading premises were vacated by 26 March 2019 and were handed back to the landlords. During the period of the report, £41.10 has been paid in respect of a nominal rent balance due during the licence to occupy period. Since 8 September 2019, additional balances of £2,618.07 have been paid to cover final utility costs and property repair expenses incurred during the licence to occupy period. There is also a final balance of £16.43 to be paid in respect of nominal business rates due for the licence to occupy period. These costs exceed the licence fee and as such, a further balance is due under the terms of the sale agreement from the purchaser. It should be noted, however, that the purchaser

was placed into administration on 20 September 2019 and as such, the ability to recover additional funds is uncertain. The joint administrators of the purchaser are independent and have had no involvement in this matter.

- 2.7. In addition to the realisations achieved as a result of the sale agreement, the Company's bank account has been closed and the balance of £3,375.70 has been received, which is in line with the balance detailed in the estimated financial position included with the proposals. Following vacation of the trading premises, business rates refunds have also been received totalling £3,502.74. We are in the process of instructing Consultiam Property Ltd trading as CAPA ("CAPA") to complete a review of the rates historically paid by the Company to determine whether any further refunds or balances can be claimed.
- 2.8. The Company's principal asset on appointment was its debtor ledger which was operated under an invoice discounting facility with Bibby Financial Services Limited ("Bibby"). The invoice discounting facility was secured by way of a fixed and floating charge debenture over the Company's assets. The estimated outcome statement included with the proposals indicated that there would be a shortfall to Bibby from the collection of the outstanding ledger. This shortfall would be covered by fixed charge realisations from the sale of the business and assets.
- 2.9. The sale agreement provided for the purchaser to assist in the collection of the outstanding ledger on behalf of Bibby at no additional cost. The ledger included a number of bad debts where the clients had entered formal insolvency proceedings and as such, no balances were expected. Following appointment, it was identified that the Company had operated a credit insurance policy in respect of its ledger and that a claim had been submitted prior to the joint administrators' appointment for a debt where the client had been placed into liquidation. Bibby took an assignment of the policy which enabled them to benefit from any available recoveries, including a payment in respect of the claim submitted prior to appointment.
- 2.10. Under Bibby's invoice discounting agreement, they were entitled to a termination fee equivalent to 10% of the outstanding ledger upon appointment (which would have been in excess of £200,000), together with a minimum breakages fee of £9,000 plus VAT. In consideration of the purchaser collecting the outstanding ledger at no additional cost, Bibby agreed to reduce their termination fee to 5% and these figures were reflected in the estimated outcome statement included in the proposals. Due to additional costs that have since been incurred by the joint administrators in dealing with this matter, Bibby have agreed a further reduction of their termination and breakages fees to a minimum of £70,000 plus VAT which enables funds to become available to cover some of these additional costs.
- 2.11. As a result of the credit insurance policy claim and the efforts by the purchaser, together with the further reduction in fees, Bibby have collected sufficient funds to discharge the balance owed to them in full. The balance of £12,443 is currently available to be transferred to the administration from their invoice discounting facility, together with the remaining ledger which will be reviewed to determine whether any further recoveries can be made.
- 2.12. Following our appointment an initial investigation was undertaken into the affairs of the Company. The investigation included a review of historic bank statements and the Company's management accounts and electronic data. As part of this process, Strategic IT Management Ltd trading as Lister IT ("Lister IT") were instructed to assist in capturing the Company's historic electronic data. This process included obtaining backups of the Company's management accounting system and a customer database operated by a third party. Lister IT also secured a server previously used by the Company that was no longer required by the purchaser.
- 2.13. Following our initial investigation, it was established that further enquiries should be made into transactions completed in the months preceding the Company being placed into administration, together with clarifying how the underpayment to H M Revenue & Customs ("HMRC") had accrued. Steps have been taken to obtain additional breakdowns of transactions from the Company's management account system and we have made further enquiries of the directors concerning the circumstances of the HMRC underpayment.

- 2.14. Our initial investigations established that the HMRC position arose as a result of errors with the filing of electronic returns online. Once the error was identified, the directors took steps to instruct independent agents to confirm the actual position with HMRC and negotiate a time-to-pay arrangement in respect of the underpayment. Our initial investigation also identified specific payments made from the Company's bank account shortly prior to administration which required further investigation. Our enquiries into these matters is ongoing and will assist in identifying whether any claims or actions can be brought for the benefit of the estate.
- 2.15. In addition to the above realisations and investigations, steps have also been taken to deal with former employee claims that have arisen following appointment. The sale agreement included the transfer of all current employees (both permanent and temporary) to the purchaser under the provisions of the Transfer of Undertakings (Protection of Employment) Regulations ("TUPER"). Since our appointment, notification was received that a former employee had submitted a claim to the Employment Tribunal and correspondence was sent to the tribunal setting out the Company's position. Notification was also received from a former employee who had left the Company some months prior to administration who advised that they had a claim in respect of increased wages that they had been entitled to but had not received. Our solicitors have confirmed that this claim did not transfer to the purchaser under the provisions of TUPER and enquiries are therefore ongoing to verify this claim. If the claim is valid, the former employee will be entitled to make a claim to the Redundancy Payments Service ("RPS") in respect of the balance owed and work will need to be completed to assist them in this process.

### 3. Investigations

- 3.1. An appropriate submission on the actions of the directors has been forwarded to the Disqualification Unit of the Department for Business, Energy & Industrial Strategy in accordance with the joint administrators' statutory duties. Please note that the content of this submission is of a confidential nature and so cannot be disclosed to third parties by myself.

### 4. Pre-administration costs

- 4.1. The joint administrators proposals stated that as it was envisaged the Company had insufficient property to enable a distribution to be made to unsecured creditors, other than by virtue of Section 176A(2)(a) of the Insolvency Act 1986 ("the prescribed part"), authorisation for both pre-administration costs and the joint administrators' remuneration would be obtained from the secured charge holder.
- 4.2. It was intended that this authorisation would be sought once the proposals had been approved. However, at this stage it became apparent that the debtor ledger realisations may exceed initial expectations and depending on the level of recoveries made, a distribution could potentially be available to unsecured creditors other than by way of the prescribed part. It was also at this stage that it was identified that a former employee (see 2.15) may have a claim against the Company which could include a preferential element in respect of wage arrears. Bearing this in mind, it was decided that authorisation would not be sought until it had been clarified whether the prospect of a distribution to unsecured creditors had changed.
- 4.3. As detailed in the proposals, BDO LLP incurred time costs and expenses totalling £77,286.17 plus VAT prior to appointment. The engagement with BDO LLP provided for pre-appointment costs to be capped at £7,000 plus VAT per week and disbursements. A full breakdown of these costs was included with the joint administrators' proposals. Payment of £21,000 plus VAT and disbursements of £113.17 was made by the Company prior to appointment against these costs. As the pre-appointment engagement covered a 4 week period, the balance of £7,000 plus VAT remains outstanding.



- 4.4. In addition, the following pre-appointment expenses remain outstanding:

Solicitor's fees	£13,000 plus VAT
Agent's fees	£2,000 plus VAT

- 4.5. Taking account of the progress in the administration as outlined in Section 2 of this report, an updated estimated outcome statement has been prepared and is included at Appendix V. Whilst a surplus has been made available from the invoice discounting facility to cover some of the additional costs incurred, this is insufficient to change the position and provide a return to unsecured creditors. As such, steps will now be taken to obtain authority for the pre-administration costs and joint administrators' remuneration from the secured and potential preferential creditors.

## 5. Joint administrators' remuneration

- 5.1. The joint administrators proposals stated that authority would be sought from the secured creditor for their remuneration to be drawn from the Company's assets in accordance with Rule 18.16 of the Insolvency (England and Wales) Rules 2016 as follows:

- by reference to the time properly given by the joint administrators and their staff in attending to matters as set out in the fees estimate.

The fee estimate included with the proposals indicated that anticipated time costs would total £32,892.50.

- 5.2. As per point 4.2, seeking authority was postponed until it had been clarified whether the prospect of a distribution to unsecured creditors had changed.
- 5.3. Since appointment, work has been undertaken in securing the consideration from the sale agreement and ensuring relevant provisions, such as the licence to occupy, were complied with. This process has incurred additional time including communicating with each landlord to confirm the surrender of the trading premises, clarifying whether any rent or service charges were due for the licence to occupy period and establishing whether remedial costs were subject to the terms of the licence fee. Work has also been undertaken in communicating with various utility companies to obtain final accounts for the period of occupancy.
- 5.4. Steps have also been taken to confirm that certain motor vehicle and equipment lease agreements have been novated to the purchaser as intended by the sale agreement and we are co-ordinating with CAPA for a review to be completed of the Company's historic business rates.
- 5.5. Additional time has been spent in securing the Company's electronic data for investigation purposes and undertaking the further enquiries detailed in section 2. This has included analysing the nominal ledger and transaction records contained within the Company's management accounts. As highlighted at point 2.14, further enquiries need to be made following these investigations.
- 5.6. Work has also been undertaken in corresponding with Bibby regarding collection of the debtor ledger and their invoice discounting facility. This has included communications regarding the provisions of the credit insurance policy and processing the claim submitted prior to administration. It has also included reviewing and confirming the level of termination and associated fees applied to their account.
- 5.7. The joint administrators have also undertaken unforeseen work in dealing with the claims by former employees submitted to the Employment Tribunal and in respect of historic wage arrears.

- 5.8. Finally, we have dealt with all statutory matters and administrative work in relation to the administration and either required by legislation or necessary to perform the basic duties of an administrator.
- 5.9. During the period of this report, time costs of £61,632.50 have been incurred over 179.90 hours at an average rate of £342.59 per hour. A detailed breakdown of the time costs of the joint administrators, together with current charge out rates and examples of work undertaken in an administration are attached in Appendix II.
- 5.10. The time recorded has exceeded the fee estimate included in the proposals primarily as a result of the additional time spent in dealing with balances that became due during the licence to occupy period, communications in respect of the debtor ledger and the credit insurance policy, the further investigation enquiries that have been made and the unexpected claims by former employees.
- 5.11. Further work to be completed will focus on assisting in CAPA's review of the historic business rates position, establishing whether any further debtor recoveries can be made, completing the further investigation enquiries and verifying the claims by the former employees.
- 5.12. To date, no remuneration has been drawn. An updated fees estimate has been prepared and is included at Appendix IV which reflects the time costs incurred to date and an estimate of our future time costs. We now estimate that total time costs of £85,004.75 will be incurred in dealing with the administration
- 5.13. Our post appointment fees have been included in the estimated outcome statement at Appendix V. However, it should be noted that these fees have been restricted to a total of £55,356 as, in the absence of any further recoveries, realisations in the administration will be insufficient to cover our fees in full. We currently estimate that in the absence of further realisations, there will be a shortfall in respect of the joint administrators' remuneration of circa £29,000.
- 5.14. In line with point 4.5 above, steps will now be taken to obtain authority for the pre-administration costs and joint administrators' remuneration from the secured and potential preferential creditors. As noted above, however, whilst authority will be sought to discharge our updated fee estimate in full, it is anticipated that unless further realisations are achieved, there will be a shortfall in the joint administrators' remuneration.
- 5.15. Should you wish to receive a copy of "A Creditors' Guide to Administrators' Fees" this is available on the following R3 website or by requesting a copy from this office in writing or by telephone: <https://www.r3.org.uk/what-we-do/publications/professional/fees>.

## 6. Joint administrators' expenses

- 6.1. A schedule of all expenses incurred in the period is detailed in the receipts and payments account attached in Appendix I.
- 6.2. Shoosmiths LLP have incurred costs of £1,050 plus VAT in providing advice following our appointment relating to Bibby's invoice discounting facility, on the licence fee provisions and in establishing whether the former employee claims were subject to TUPER. No costs have been paid so far in this respect. It is anticipated that further assistance may be required in pursuing the outstanding debtor ledger once reviewed.
- 6.3. The licence fee costs that have been incurred during the period can be broken down as follows:
  - Rent due in the period on the Aberdare premises £41.10 (no VAT)
  - Utility supplies in the period on the Aberdare premises £59.38 plus VAT
  - Remedial works on the Cardiff, Newport, Pontypool and Pontypridd premises £2,558.69 plus VAT

- Business rates on the Newport premises £16.43 (no VAT)

During the period of this report, the rent due on the Aberdare premises has been paid.

- 6.4. Lister IT have incurred costs of £840 plus VAT in assisting with the electronic data capture. To date, £415 plus VAT has been paid in respect of these costs.
- 6.5. The instructions to CAPA provide for their fees to be calculated at 25% plus VAT of the total sum or each individual item recovered and paid to the administration.
- 6.6. JLT have also been paid a premium of £504 in respect of property insurance that was obtained for the short period whilst the licence to occupy was in place.
- 6.7. With the exception of the costs of Lister IT and CAPA, the expenses incurred are in line with the estimates provided in the proposals.

## 7. Creditors' rights

- 7.1. Within 21 days of receipt of this report, a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question) or any unsecured creditor with the permission of the court may request in writing that the joint administrators provide further information about their remuneration or expenses which have been itemised in the progress report.
- 7.2. Within 14 days of receipt of the request, the joint administrators must provide all of the information asked for, except so far as they consider that:
  - the time or cost of preparation of the information would be excessive, or
  - disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or
  - they are subject to an obligation of confidentiality in respect of the information.
- 7.3. The joint administrators are also required to give reasons for not providing all of the requested information.
- 7.4. Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may, within 8 weeks of receipt of this progress report make an application to court on the grounds that the basis fixed for the joint administrators' remuneration, the remuneration charged, or the expenses incurred by the joint administrators as set out in the progress report are excessive.
- 7.5. The joint administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code is at: <https://www.icaew.com/membership/regulations-standards-and-guidance/ethics/code-of-ethics-d>

## 8. Liabilities

### *Secured creditors*

- 8.1. Bibby hold a fixed and floating charge debenture in support of their invoice discounting agreement. As set out in section 2, following adjustment to their fees sufficient collections have been achieved in order to discharge the balance owed to them in full. The prescribed part provisions therefore do not apply.

*Preferential creditors*

- 8.2. A claim totalling £1,250 has been received from a former employee in respect of wage arrears they claim is outstanding. Steps are currently being taken to verify this claim. If valid, £800 of this claim will be deemed preferential.
- 8.3. As per the estimated outcome statement, it is not anticipated that a dividend will become available to preferential creditors, however, verification of the claim will enable the former employee to make an application to the RPS.

*Unsecured creditors*

- 8.4. The estimated financial position included with the proposals detailed 23 unsecured creditors totalling £545,831. To date, 14 claims have been received totalling £772,133.81.
- 8.5. At this stage, there is no prospect of a dividend becoming available to the unsecured creditors.



Christine Francis  
Joint Administrator

## Appendix I Joint Administrators' receipts and payments account

## Marvelle Management Limited T/as Centric Recruitment (In Administration)

	Statement of affairs £	From 08/03/2019 To 07/09/2019 £
<b>RECEIPTS</b>		
Intangible assets	47,000.00	47,000.00
Trade debtors	1,748,520.00	0.00
Office furniture & IT equipment	3,000.00	3,000.00
Cash at bank	3,370.00	3,375.70
Licence fee		2,000.00
Business rates refund		3,502.74
Interest gross of tax		15.54
		<u>58,893.98</u>
<b>PAYMENTS</b>		
Licence fee costs		41.10
Professional fees - Data capture		415.00
		<u>456.10</u>
Net Receipts/(Payments)		<u><u>58,437.88</u></u>
<b>MADE UP AS FOLLOWS</b>		
VAT receivable		83.00
FIXED - current acct interest bearing		47,013.52
FLOATING - current acct interest bearing		11,741.36
VAT payable		(400.00)
		<u><u>58,437.88</u></u>

## BREAKDOWN OF TIME COSTS AND EXAMPLES OF WORK UNDERTAKEN IN AN ADMINISTRATION

### MARVELLE MANAGEMENT LIMITED T/AS CENTRIC RECRUITMENT (IN ADMINISTRATION) ("THE COMPANY")

COMBINED BREAKDOWN OF TIME COSTS FROM 8 MARCH 2019 TO 7 SEPTEMBER 2019

Marvelle Management Limited T/as Centric Recruitment (In Administration)

Summary of BDO time-costs from 08/03/2019 to 07/09/2019

	Partner / Director	Associate director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. rate £/h
Statutory compliance, administration and planning (including investigations)							
• Steps on appointment	0.00	16.75	18.00	6.85	41.60	13,192.75	317.13
• Planning and strategy	0.35	12.40	0.00	0.00	12.75	5,332.75	418.25
• General administration	6.75	13.10	9.90	14.30	44.05	11,696.20	265.52
• Reporting	4.00	27.65	0.50	7.85	40.00	14,069.00	351.73
• Distribution and closure	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Asset realisations							
• Cash at bank and refunds	0.00	0.75	0.00	0.00	0.75	300.00	400.00
• Intellectual property	0.00	0.85	0.00	0.00	0.85	354.45	417.00
• Sale agreement	0.00	3.45	0.00	0.00	3.45	1,383.90	401.13
• Debtors	3.50	7.95	0.55	0.00	12.00	5,404.05	450.34
• General	0.00	2.75	0.00	0.00	2.75	1,133.25	412.09
• Properties	0.50	5.05	0.00	0.00	5.55	2,382.45	429.27
Trading related matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditor claims							
• Employee matters	0.00	2.90	0.00	0.00	2.90	1,166.25	402.16
• Creditor claims	0.25	12.50	0.00	0.50	13.25	5,217.45	393.77
<b>Total hours</b>	<b>15.35</b>	<b>106.10</b>	<b>28.95</b>	<b>29.50</b>	<b>179.90</b>		
<b>Total time costs £</b>	<b>8,498.25</b>	<b>42,573.85</b>	<b>7,085.20</b>	<b>3,475.20</b>	<b>0.00</b>	<b>61,632.50</b>	

Total remuneration drawn on account - £nil.

Following the merger of Moore Stephens LLP with BDO LLP, with effect from 8 June 2019, legacy Moore Stephens LLP transferred to the BDO LLP time recording system.

The joint administrators' current charge out rates are:

Grade	Hourly rate
Partner	£549 - £783
Manager/Director	£294 - £604
Assistant Manager	£265 - £311
Senior Administrator	£247 - £311
Administrator	£93 - £263
Other staff	£93 - £108

In addition to the above rates, time has been charged by an Associate Director within the Outsourcing team of BDO LLP at a rate of £250 per hour in respect of work undertaken in accessing the Company's management accounts.

Time is charged in three minute units or multiples thereof. Our firm's charge out costs rates are normally reviewed in July and December each year and adjusted to take account of inflation and the firm's overheads.

## APPENDIX II

Examples of the work which may be undertaken, but which is not limited to, include:

### *Statutory compliance, administration and planning*

- Setting up and maintenance of internal hard copy files and case file on the Insolvency Practitioners System (IPS)
- Data input including basic details of case, assets, creditor names and addresses and employee names and addresses
- Obtaining specific penalty bond
- Setting up of the administration bank account including inputting details on the IPS system
- Preparation and filing (with the Registrar of Companies) of various statutory forms including change of registered office form, notice of appointment and statement of affairs
- Advertisement of notice of appointment and the notice to creditors to claim in The Gazette
- Notification to the Registrar of Companies of the formation of a creditors committee (if applicable)
- Convening and holding meetings of members and creditors
- Holding meetings and reporting to the creditors' committee (if applicable)
- Letters to the directors regarding the provisions of sections 216 and 217 of the Insolvency Act 1986, enclosing directors' questionnaires
- Obtaining approval for the basis of fees from creditors
- Initial notification to HM Revenue & Customs
- Enquiries as to any pension schemes and the auto-enrolment staging dates and subsequent notification of appointment (if applicable)
- Preparation and distribution of the administrators' proposals to members and creditors
- Preparation and distribution of progress reports to members and creditors
- Preparation and submission of statutory receipts and payments accounts
- Applying for the extension of the administration (if applicable)
- General administration of case including case planning and strategy
- Completion of internal reviews including asset realisation review, 6 month review and annual reviews
- Collection, preservation and review of the Company's book and records
- Review of the Company's redirected post
- Written and verbal communications with the unsecured creditors
- Written and verbal communication with employees
- Dealing with lease and hire purchase creditors in conjunction with our agents
- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Review of creditor questionnaire and other information received in relation to the affairs of the Company
- Review of directors' questionnaires
- Preparation of the administrators' submission on the actions of the directors to the disqualification unit of the Department for Business, energy & Industrial Strategy
- Correspondence with compliance department in respect of on-going case issues/matters.
- Complying with money laundering regulations
- Completing bill requisitions and raising invoices against time incurred in respect of work carried out and outlays incurred
- Reconciliation of post appointment bank accounts to the administration records
- Maintaining time-costs and disbursement schedules on the firm's FMS system (including timesheet entries)
- Dealing with pension issues

## APPENDIX II

- Arrangement and review of insurance policies in relation to the Company's assets
- Preparation and submission of corporation tax returns
- Preparation and submission of VAT returns
- Chargeable gains tax calculations
- Closure formalities

### *Asset realisations*

- Identifying, securing and insuring the assets
- Instructing agents to value assets
- Liaising with agents regarding the realisation of assets
- Liaising with solicitors regarding the realisation of assets
- Liaising with secured creditors regarding the realisation of charged assets
- Liaising with pre-appointment bankers regarding the closure of the Company's bank accounts
- Dealing with retention of title claims in conjunction with our agents
- Written and verbal correspondence with debtors
- Monitoring and collection of outstanding debtors, retentions and work in progress
- Property, business and asset sales
- Tax reclaims
- Review of interest rate hedging products

### *Investigations (including in Reporting)*

- Liaising with the Company's former professional advisors and bankers
- Review work pursuant to the Statement of Insolvency Practice 2
- Liaising with solicitors in relation to investigations
- Forensic accounting
- Review of Company's bank statements
- Further review of the Company's book and records
- Review of directors' questionnaires
- Land Registry and Companies House searches
- Consideration of legislation relating to, but not limited to, wrongful trading, fraudulent trading, antecedent transactions, preferences, transactions at undervalue.

### *Distribution to creditors*

- The processing and submission of the relevant forms to the Redundancy Payments Directorate
- Processing of creditors' proof of debt forms and entering onto IPS system
- Liaising with agents in relation to the agreement of creditor claims
- Liaising with solicitors in relation to contentious proof of debt forms
- Agreement of creditors' claims (including employees and other preferential creditors)
- Calculation and payment of dividends
- Preparation of distribution paperwork including the notice of declaration



**BREAKDOWN OF EXPENSES****MARVELLE MANAGEMENT LIMITED T/AS CENTRIC RECRUITMENT (IN ADMINISTRATION)  
("THE COMPANY")**

For the period of: 08/03/2019 to 07/09/2019:

Cost description	Cost incurred £	Cost drawn £
Solicitors' costs	1,050.00	-
Licence fee costs	2,675.60	41.10
Professional fees - Data capture	840.00	415.00
Travel	121.97	-
Postage	21.75	-
Specific penalty bond	200.00	-
Insurance - property	504.00	-
Total	5,413.32	456.10
Total undrawn costs carried forward		£757.72

Fee Estimate as at 4 October 2019

	Partner / Director	Associate Director / Manager	Administrator	Support staff	Total hours	Time cost (£)	Av. Rate £/h
Statutory compliance, administration and planning (including investigations)							
• Steps on appointment	0.00	16.75	18.00	6.85	41.60	13,192.75	317.13
• Planning and strategy	1.35	16.40	0.00	0.00	17.75	7,581.75	427.14
• General administration	7.25	17.20	10.30	21.70	56.45	14,517.80	257.18
• Reporting	10.00	37.85	0.50	7.85	56.20	21,698.00	386.09
• Distribution and closure	2.00	4.00	0.00	2.00	8.00	2,984.00	0.00
Asset realisations							
• Cash at bank and refunds	0.00	0.75	0.00	0.00	0.75	300.00	400.00
• Intellectual property	0.00	0.85	0.00	0.00	0.85	354.45	417.00
• Sale agreement	0.00	3.45	0.00	0.00	3.45	1,383.90	401.13
• Debtors	5.50	10.10	0.55	3.00	19.15	7,694.80	401.82
• General	0.00	4.30	0.00	1.00	5.30	1,879.90	354.70
• Properties	1.50	7.65	0.00	0.00	9.15	4,036.45	441.14
Trading related matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditor claims							
• Employee matters	1.00	4.90	0.00	0.00	5.90	2,565.25	434.79
• Creditor claims	0.50	15.50	0.00	2.50	18.50	6,815.70	368.42
<b>Total hours</b>	<b>29.10</b>	<b>139.70</b>	<b>29.35</b>	<b>44.90</b>	<b>243.05</b>		
<b>Total time costs £</b>	<b>16,047.00</b>	<b>56,848.75</b>	<b>7,201.60</b>	<b>4,907.40</b>		<b>85,004.75</b>	

## Comparative estimated outcome statement

	As per proposals at 15 March 2019		Updated position as at 4 October 2019
	Book Value	Administration	(£)
	(£)	(£)	
<b><u>Bibby Financial Services Ltd: Invoice Discounting facility</u></b>			
Trade debtors	2,001,182	1,748,520	
Collection fees		-	
Bibby - Funds In Use		(1,648,235)	
Other debt collection costs		(5,000)	
Bibby termination fee covered by debtor realisations		(95,285)	
Bibby termination fee not covered by debtor realisations		(10,675)	
Surplus/(deficit)		(10,675)	12,443
<b><u>Fixed charge assets</u></b>			
Intangible assets (contracts/records/IPR/goodwill)	119,063	47,000	47,000
VAT recovery on Bibby termination fees covered by realisations		15,881	14,000
Others (potential dividend from debtor subject to insolvency proceedings)		-	1,603
Total		62,881	62,603
<b><u>Costs of Realisations</u></b>			
Joint Administrators' pre-appointment fees		(7,000)	(7,000)
Joint Administrators' post-appointment fees		(30,000)	(34,000)
Legal - pre-appointment fees		(11,000)	(11,000)
Legal - post appointment fees		(3,000)	(4,000)
Agents' fees - Metis / GVA		(1,000)	(1,000)
Other costs		(206)	(206)
		(52,206)	(57,206)
<b><u>Sum available to Bibby</u></b>		10,675	5,397
Bibby deficit carried down		(10,675)	-
Fixed charge surplus / (deficit)		-	5,397
<b><u>Floating charge assets</u></b>			
Office furniture and IT equipment	42,347	3,000	3,000
Trade debtor surplus		-	12,443
VAT recovery on Bibby termination fees		1,779	-
Cash in hand/at bank	8,980	3,370	3,376
Business rates recoveries		-	3,503
Total		8,149	27,719
<b><u>Costs of Realisations</u></b>			
BDO LLP pre-appointment fees		-	-
Joint Administrators' post-appointment fees		(3,000)	(21,356)
Legal - pre-appointment fees		(2,000)	(2,000)
Legal - post-appointment fees		(1,000)	(1,000)
Agent's fees - Gordon Brothers Europe		(1,000)	(1,000)
Sundries, others		(1,149)	(2,363)
Total Costs		(8,149)	(27,719)
Funds available to preferential creditors		-	(0)
Less: Preferential claims		-	(800)
Net Property		-	(800)
<b><u>Estimated Unsecured Creditors</u></b>			
Bibby shortfall		-	-
Trade creditors		39,420	39,420
Employees		-	450
H M Revenue & Customs		506,411	506,411
Total unsecured creditors		545,831	546,281
Return to unsecured creditors (p in £)		-	-