

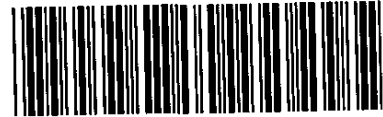
AM10

Notice of administrator's progress report



Companies House

WEDNESDAY



A24 *A7GRVBUY* 17/10/2018 #2
COMPANIES HOUSE

1 Company details

Company number 9 2 5 4 1 5 8
Company name in full DPS Process Solutions Limited

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

2 Administrator's name

Full forename(s) Matthew E
Surname Richards

3 Administrator's address

Building name/number 30 Finsbury Square
Street
Post town London
County/Region
Postcode E C 2 P 2 Y U
Country

4 Administrator's name

Full forename(s) Alistair
Surname Wardell

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

5 Administrator's address

Building name/number 11/13 Penhill Road
Street
Post town Cardiff
County/Region South Glamorgan
Postcode C F 1 1 9 U P
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				^d 1		^d 6		^m 0		^m 3		^y 2		^y 0		^y 1		^y 8					
To date				^d 1		^d 5		^m 0		^m 9		^y 2		^y 0		^y 1		^y 8					
7												Progress report											
												☒ I attach a copy of the progress report											
8												Sign and date											
Administrator's signature				Signature X  X																			
Signature date				^d 1		^d 5		^m 1		^m 0		^y 2		^y 0		^y 1		^y 8					

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 **Matthew Drinkwater**

Company name **Grant Thornton UK LLP**

Address **30 Finsbury Square**

Post town **London**

County/Region

Postcode **E C 2 P 2 Y U**

Country

DX

Telephone **Tel/Fax**



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 or email 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

Our ref: MER/PAM/KLM/TXA/D20597050/5
Your ref:

To the creditors

Recovery and Reorganisation
Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB
T +44 (0)161 953 6900
F +44 (0)161 953 6317

15 October 2018

Dear Sirs

**DPS Process Solutions Limited (DPSPS)
DPS Bristol (Holdings) Limited (DPSBH)
DPS Global Limited (DPSG)
All in Administration (the Companies or the Group)
High Court of Justice, Business and Property Court
Case Numbers 2251, 2248 and 2250 of 2018**

1 Introduction

- 1.1 Following my appointment as joint administrator of the Companies with Alistair Wardell by a qualifying floating charge holder on 16 March 2018, I now report on the progress of the administrations to 15 September 2018 and attach:
- Appendix A, an account of our receipts and payments for the period from 16 March 2018 to 15 September 2018 (the Period).
 - Appendix B, a Statement of Insolvency Practice 9 disclosure: payments, remuneration and expenses to the joint administrators or their associates.
 - A notice of deemed consent that the joint administrators be discharged from liability in accordance with paragraph 98 of Schedule B1 of the Insolvency Act 1986 with effect from 14 days after the final progress report is sent to creditors.
- 1.2 Please note that we are both authorised by the Insolvency Practitioners Association to act as insolvency practitioners. We are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment.
- 1.3 In accordance with paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the functions of the administrators are to be exercised by any or all of them.

2 Statutory information

2.1 The Companies' registered numbers are:

DPS Process Solutions Limited:	9254158
DPS Bristol (Holdings) Limited:	5604140
DPS Global Limited:	9077690

2.2 DPSG owns 100% of the shares of both DPSBH and DPSPS.

3 Progress report

3.1 A rescue of the Companies could not be achieved because the Companies could not be traded in the long term. This was because:

- funding was not available to develop and commercialise the Companies' technology
- there were no purchasers willing to acquire the shares of the Companies

3.2 A winding up petition was pending against DPSPS prior to our appointment. This would have forced DPSPS into liquidation. Consequently, DPSPS would have ceased trading and assets would have been sold piecemeal at auction which would likely have resulted in substantially lower realisations.

3.3 By continuing to trade the business following administration, the administrators were able to achieve a better result for the Companies' creditors as a whole than would be likely if the Companies were wound up.

3.4 The administrators were also able to pursue the objective of realising assets for the benefit of the secured creditor, Cordet Lending S.A.R.L (Cordet), as the sale of the business and assets has meant that there has been a distribution to Cordet.

Sale of business and assets

3.5 As reported in our statement of proposals, we determined that the best way of achieving the objectives of the administration was to attempt to sell the business and assets of the Companies by approaching trade and distressed investors.

3.6 The strategy of the administration was to trade the business until a suitable purchaser of the business and assets was found and Cordet provided the administrators with funding in order to do this.

3.7 A total of 35 potential interested parties were approached. We initially received one offer from a Chinese consortium that was subsequently withdrawn. The only other interested party who made an offer was Pyrocore Limited (Pyrocore). Linda Page, one of the directors of DPSPS, is also a director of Pyrocore.

3.8 Following a protracted period of negotiations, multiple offers were received but these were not at a level acceptable for Cordet to consider releasing its security.

3.9 Eventually, an offer was received from Pyrocore for a total cash consideration of £3.5 million which was at an acceptable level for Cordet and the business and assets of the Companies were sold to Pyrocore on 6 August 2018.

3.10 In addition to the sale consideration, Pyrocore also paid:

- Licence fees of £44,645. Pyrocore was granted a licence to occupy the Companies' premises for two months following the sale and has now vacated the premises
- Contribution of £44,000 towards legal costs and administration costs for the period 28 July 2018 to 6 August 2018

4 Financing and trading of the administration

4.1 Trading the business post appointment has:

- Protected and preserved the value of intellectual property which was a key asset of the Group
- Achieved a sale of business and assets in situ, thereby avoiding an asset sale by auction. Based on asset valuations provided by our agents, realisations from assets would have been considerably lower in an auction sale
- Resulted in a substantial repayment of Cordet's secured debt
- Preserved the jobs of 13 employees who were transferred under the sale agreement to Pyrocore
- Maintained important customer relationships and contracts

4.2 The total amount advanced by Cordet to cover trading costs up to the date of sale was £573,000. We are currently finalising trading accounts and any residual trading surplus will be returned to Cordet.

DPS Process Solutions Limited (DPSPS)

4.3 As discussed in our statement of proposals, it became clear that negotiations with interested parties would require additional time. Consequently, Cordet provided additional funding on a weekly basis to finance trading costs.

4.4 The total amount advanced by Cordet to cover the trading costs of DPSPS was £433,117.

4.5 Due to the nature of and risks inherent in the Group's business and the difficulty in obtaining insurance, work in progress on major projects was not completed during the administrators' trading period.

4.6 We received £5,200 from the Ministry of Defence for assistance provided with the removal of four solid waste converters held at the Companies' warehouse known as the "Wet Lab".

- To date, we have incurred:

Costs	Amount £
Gross staff costs	256,834
IT costs including backup, support and rental payments for IT equipment	21,517
Property repairs, telephone and internet costs	7,051
Ransom payments	4,487
Insurance and other costs	9,568
Total	299,457

DPS Bristol (Holdings) Limited (DPSBH)

4.7 Cordet provided £50,263 in the period to cover costs arising in DPSBH.

4.8 The Group's patent portfolio was held in DPSBH and comprised of over 200 patents developed over a period of nearly 10 years and registered in various countries.

4.9 A total of £45,124 was paid to patent attorneys, Greaves Brewster LLP, to reinstate patents and prevent others from lapsing.

DPS Global Limited (DPSG)

4.10 Cordet provided £89,621 in the period to cover costs in DPSG.

- 4.11 These were mainly property related costs and included rent, rates and utilities (excluding telephone and internet) for the Companies premises known as Dynamic House and the Wet Lab.
- 4.12 During the period, DPSG also received rent and service charges totalling £8,278 from a subtenant occupying part of Dynamic House.
- 4.13 Total property related costs paid by DPSG in the period were £89,538 in respect of rent payable and rates.

5 Assets and liabilities

Assets

- 5.1 As stated above, the business and assets of the Companies were sold to Pyrocore for a total consideration of £3.5 million.
- 5.2 Pyrocore apportioned the sale proceeds as follows:
 - £2,880,000 was allocated to the Companies' interest in intellectual property. We obtained a valuation of the intellectual property carried out by Metis Partners which was instructed by Cordet shortly before our appointment. Metis Partners estimated the value of the intellectual property to be between £100,000 and £250,000. The directors valued the intellectual property at £50,000 in their statement of affairs.
 - £179,990 was allocated to plant, machinery and equipment (PME) owned by DPSPS. We instructed professional agents to carry out a valuation of the Companies' PME who estimated that the auction value of the assets was between £31,000 and £134,000.
 - £315,000 was allocated to goodwill which is higher than the total estimated goodwill of £300,000 in the directors' statement of affairs.
 - £100,007 was allocated to customer contracts, stock and work in progress, customer lists, licences, names and records.
 - £25,003 was allocated to the Companies' interests in shares of subsidiaries.
- 5.3 We have achieved a sale in excess of the valuations.
- 5.4 Other realisations during the period arising outside of the sale include:
 - £8,419 - Book debts (not including post appointment sales) and refunds
 - £469 - Cash from pre-appointment bank accounts

Liabilities

Secured creditor

- 5.5 Cordet has a fixed and floating charge over the assets of the Companies created on 15 December 2016. At the date of our appointment, Cordet was owed approximately £3.7 million but this was subject to further accruing interest and charges.
- 5.6 Cordet also provided £573,000 as a loan to enable the Administrators to trade the business and DPSBH and DPSPS provided cross-guarantees for the lending made to DPSG.
- 5.7 A sum of £3,085,607 was distributed to Cordet on 1 October 2018 but is not shown in the attached receipts and payments account as the payment was made after the period of this report. Once the trading accounts are finalised a further payment will be made to Cordet in respect of the amounts advanced to fund the trading period.
- 5.8 The balance of the consideration of £414,393 is currently held by Osborne Clarke LLP in a client account pending transfer to the administrators' bank account.

Preferential creditors

- 5.9 Preferential creditor claims consist of employee claims for wages and holiday pay, up to certain statutory limits. Preferential claims are estimated to total £11,471 and based on floating charge realisations and costs to date, we do not expect a distribution to preferential creditors.

Prescribed part and unsecured creditors

- 5.10 In accordance with section 176A of the Insolvency Act 1986, a prescribed part is to be set aside from the floating charge assets and made available to the unsecured creditors of the Company.
- 5.11 We do not anticipate that there will be any funds available to pay a prescribed part to unsecured creditors.
- 5.12 Unsecured non-preferential creditors for the Group are as follows:

Unsecured creditors

£	
DPS Global Limited	1,751,947
DPS Process Solutions Limited	2,344,602
DPS Bristol (Holdings) Limited	577,405

- 5.13 Based on present information, it is unlikely that there will be sufficient funds to enable a distribution to unsecured creditors.

6 Matters to be concluded

- 6.1 The administrations of the Companies will continue pending conclusion of the following matters by the Administrators:
- Transferring assets in accordance with conditions set out in the sale agreement and resolving any potential claims over certain intellectual property assets
 - Finalising the trading accounts and returning any unused loan balances to Cordet
 - Closure of the cases
- 6.2 The administrations will end by the administrators filing notice of dissolution at Companies House.

7 Joint administrators' remuneration and expenses

- 7.1 As discussed in our statement of proposals, in accordance with paragraph 52(1) of Schedule B1 to the Insolvency Act 1986, we are of the opinion that the Companies have insufficient property to enable a distribution to be made to unsecured creditors.
- 7.2 As stated above, we do not anticipate that there will be any funds available to pay a prescribed part to unsecured creditors by virtue of section 176A of the Insolvency Act 1986.
- 7.3 Consequently, in the absence of a creditors committee, we are required to obtain approval of the secured creditor in relation to our remuneration and expenses.
- 7.4 On 28 September 2018, Cordet resolved that the basis of our remuneration be fixed by reference to time properly spent attending to matters in the administrations of the Companies for the period to 6 August 2018.
- 7.5 Our time costs to 15 September 2018 were £435,642 and expenses incurred were £2,402. After applying a discount to our normal rates, we obtained approval to draw £271,431 in remuneration and £2,402 in expenses for the period up to 6 August 2018.

7.6 Actual time costs during the Period of £435,642 have exceeded the estimated time costs on the initial fee estimate of £261,012 which was given to creditors prior to the determination of our fee basis. Full details in accordance with Rule 18.30 of the Insolvency (England & Wales) Rules 2016 were given to the secured creditor to seek approval for the fee basis and for exceeding the original estimate. This information is also provided in Appendix C.

7.7 Please see Appendix B for further details of our remuneration, expenses and payments made to associates in accordance with Statement of Insolvency Practice 9

8 Investigations into the affairs of the Companies

8.1 The joint administrators continue their investigations into the affairs of the Companies and we shall be pleased to receive from any creditor any useful information concerning the Companies, their dealings or conduct which may assist us in our investigations into the Companies' affairs.

9 Data Protection

9.1 Any personal information held by the Companies will continue to be processed in accordance with completing the administrations of the Companies and in accordance with meeting our requirements under applicable Data Protection Legislation/law in the United Kingdom.

Yours faithfully
for and on behalf of the Companies

Matthew Richards
Joint Administrator

The affairs, business and property of the Companies are being managed by Matthew Richards and Alistair Wardell, appointed as joint administrators on 16 March 2018.

DPS Process Solutions Limited - in administration
Joint Administrators' receipts and payments account
from 16 March 2018 to 15 September 2018

Receipts	Statement of Affairs (£)	Total (£)
Miscellaneous Income		5,200.00
Prepayments / Debtors	170,000.00	0.00
Cash at Bank		84.45
Debtor receipts		4,950.00
Cordet Funding		573,000.00
Goodwill	250,000.00	0.00
VAT on Sales		1,040.00
		584,274.45
Payments		
Sub Contractors		28,455.00
Patent renewal costs		25,561.33
Rents		58,423.89
Rates		30,182.61
Gas, Electric & Water		4,475.67
Telephone and internet		3,976.07
Insurance		6,012.71
Lease/HP Payments		7,370.04
Petty Cash		300.00
Property Expenses		1,545.00
IT support costs		14,146.70
PAYE/NI		59,385.72
Net Wages		143,966.09
Other Payroll Deductions		15,428.19
Sundry Trading Expenses		1,511.11
Employee benefits		9,598.71
Agents/Valuers Fees		1,000.00
Rent		547.94
Ransom payments		4,487.42
Inter-company loan		23,069.59
Statutory Advertising		68.70
Other Property Expenses		1,529.99
Insurance of Assets		2,250.00
Bank Charges		140.50
VAT on Purchases		24,350.44
Fixed Charge VAT on Purchases		200.00
		467,983.42
Balance - 15 September 2018		116,291.03

Made up as follows

Floating Current Account NIB	116,291.03
	116,291.03

**DPS Bristol (Holdings) Limited - in administration
Joint Administrators' receipts and payments account
from 16 March 2018 to 15 September 2018**

Receipts	Statement of Affairs (£)	Total (£)
Intellectual Property & Patents	50,000.00	0.00
Loan from DPS Process Solutions Limited		22,987.15
Cash at Bank		19.51
Goodwill	50,000.00	0.00
		23,006.66
Payments		
Patent renewal costs		18,848.06
Statutory Advertising		68.70
Bank Charges		1.20
VAT on Purchases		4,069.99
		22,987.95
Balance - 15 September 2018		18.71
Made up as follows		
Floating Current Account NIB		18.71
		18.71

DPS Global Limited - in administration
 Joint Administrators' receipts and payments account
 from 16 March 2018 to 15 September 2018

Receipts	Statement of Affairs (£)	Total (£)
Miscellaneous Income		8,277.92
Loan from DPS Process Solutions Limited		82.44
Book Debts		1,348.90
Insurance Refund		2,119.94
Cash at Bank		364.85
VAT on Sales		1,925.36
		14,119.41
Payments		
Statutory Advertising		68.70
Bank Charges		0.40
VAT on Purchases		13.74
		82.84
Balance - 15 September 2018		
		14,036.57
Made up as follows		
Floating Current Account NIB		14,036.57
		14,036.57

Payments, remuneration and expenses to the joint administrators or their associates

Statement of Insolvency Practice 9 disclosure

This appendix has been prepared in conjunction with the requirements of the Insolvency Act 1986, the Insolvency (England & Wales) Rules 2016 (the Rules) and Statement of Insolvency Practice 9 (SIP9). In summary, it covers:

- pre-appointment costs
- fee basis
- work done by the joint administrators and their team during the period
- hourly charge out rates
- disbursements and expenses
- sub-contracted out work
- payments to associates
- relationships requiring disclosure
- information for creditors (rights, fees, committees)

Pre-appointment costs

Pre-appointment administration costs are fees charged and expenses incurred by administrators or other qualified insolvency practitioners, before the Companies entered administration but with a view to them doing so. To the extent they remain unpaid when the Companies entered administration and payment is sought, approval is required from the appropriate body of creditors as to whether they should be paid from the estate.

Neither the administrators, by way of Grant Thornton UK LLP being engaged, or any other qualified insolvency practitioner incurred any pre-appointment costs in relation to the Companies.

Post-appointment costs

Fee basis of the joint administrators

On 28 September 2018, the secured creditor (Cordet) approved the basis of our remuneration be fixed by reference to time properly spent attending to matters in the administrations of the Companies after applying a discount to our normal rates.

Our time costs to 15 September 2018 are £435,642 and expenses incurred to date are £2,402. After applying a discount to our normal rates, we will draw £271,431 in remuneration and £2,402 in expenses.

Our total time costs, together with fee estimates and the level of approved fees are summarised in the table below.

During the period from 16 March 2018 to 15 September 2018 (the Period) fees were incurred totalling £435,642 represented by 1,380 hours at an average of £316 per hour (as shown in the 'Work done' section below). Details of the work done are provided in the respective sections below.

Time costs, fee estimates and approved fees - 16 March 2018 to 15 September 2018

£	Time costs incurred			Total	Fee estimate	Approved fees
	Hours	£ / hr				
DPS Process Solutions Limited	1113	314		350,091	177,910	218,625
DPS Bristol (Holdings) Limited	176	337		59,475	51,627	36,127
DPS Global Limited	91	286		26,076	31,475	16,579
Total	1,380	316		435,642	261,012	271,431

As at the Period end time costs have exceeded the time costs in the fees estimate given to creditors prior to the determination of our fee basis. The reasons for the excess are as follows:

- When we initially gave our time estimates in our statement of proposals, it was anticipated that a sale of the Companies' business and assets would complete within a few weeks of our appointment. However, as outlined in our report negotiations with interested parties proved complex. An offer acceptable by Cordet was received more than 12 weeks after our appointment and it took a further eight weeks to complete the sale.
- As a result, the trading of the Companies continued for 20 weeks following our appointment. During this time, we dealt with a number of issues as detailed in the tables below and maintained daily site presence for the benefit of employees, creditors and interested parties.
- A number of the Companies' patents renewals fell due during the extended trading period. This required additional work to determine the status of patents and consultations with Pyrocore and Cordet prior to instructing the patent attorneys.

Work done by the joint administrators and their team during the Period

We are required to detail costs of actual work done in the Period, including any expenses incurred in connection with it, as against any fees estimate provided. Our fees estimates were included within our Statement of Proposals to creditors dated 4 May 2018.

We are also required to provide narrative explanation of the work done. The following tables (narrative followed by numerical) set out this information. Where applicable, we include explanation of the impact and implications of any variances from the fees estimate and a numerical fee estimate variance analysis.

DPS Process Solutions Limited – In Administration

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	Fees and expenses incurred	
				268 hrs	£73,522 275 £/hr
Trading					
Trading general	• Discussions with directors on appointment	• To carry out strategy to trade the business and preserve goodwill	• Trading continued without disruption under the control of the administrators	• Mileage: £1,894	
	• Daily travel to supervise site trading	• To protect the intellectual property	• The purchaser of the business and assets paid £315,000 towards goodwill, representing an uplift on the estimated goodwill in the directors' statement of affairs	• IT Consumables: £440	
	• Negotiating with suppliers, raising purchase orders, providing undertakings, requesting services and making payments	• To retain staff who possessed know-how		• Non-mileage travel: £80	
	• Maintaining accounting software and keeping records up to date	• To prevent business disruption		• Subsistence: £18	
			• All retained employees transferred to the purchaser under TUPE regulations		
Ransom creditors	• Negotiating with creditors claiming ransom payments	• To prevent business disruption	• Business continued to operate without loss to creditors		
Employees	• Processing payroll and other deductions	• To ensure staff wages and HMRC deductions were calculated accurately and paid when due	• No financial loss suffered by employees during trading period		
	• Dealing with other employee issues such as resignations and other administrative issues	• To comply with regulations when dealing with all employee matters during trading period	• Deductions were processed on time compliant with HMRC regulations		
	• Dealing with HMRC regarding NICs and other matters in relation to employee deductions				
Assets				316 hrs	£108,349 343 £/hr
Sale of business	• Marketing the business and assets of DPSPS to 35 interested parties in a transparent and fair process	• To achieve a sale of the company's business and assets	• Successful sale of the business and assets for £3.5 million in cash consideration	• Legal fees: £107,359	
	• Correspondence and negotiations with interested parties	• To give sufficient opportunity for interested parties to express interest and obtain maximum possible value	• Total realisations from assets of DPSPS were c.£600,000	• Valuation agent's fees: £3,794	
	• Reviewing and negotiating offers received	• To reach a deal that was in the interests of all creditors		• IT Backup fees: £14,147	
	• Reviewing contracts and negotiating terms of sale after accepting offer	• To protect the rights of all parties involved		• Insurance premium: £8,263	
				• Property agent's fees: £280	

Properties	• Securing properties on appointment • Negotiating access with landlord and retrieving assets • Carrying out remedial work on properties	• To secure assets held at the company's premises in Caldicot, later purchased by Pyrocore • To comply with insurance requirements	• Realisations would have been lower if these assets were not retrieved and Cordet would have suffered a shortfall
Book and other debts	• Correspondence with debtors and collection of debts	• To collect outstanding debts and maximise realisations	• Realisations from book debts totalled £4,950
Plant and machinery	• Instructing agents to carry out valuations of plant and machinery • Travelling to premises in order to retrieve assets and consolidate in one location	• To value the company's assets and provide a benchmark for offers made by interested parties • To supervise the retrieval of assets carried out by our agents	• Realisations from equipment, plant and machinery totalled £179,990 • Assets successfully retrieved leading to an uplift in realisations
Hire Purchase / Lease equipment and other assets	• Negotiating with and continuing payment to third parties for leased computer equipment • Securing IT equipment • Carrying out backups of data and instructing third party to carry out professional back up • Dealing with ad hoc IT issues including telephone and internet outages	• To protect the company's intellectual property and other business data stored on the Companies' servers • To comply with data protection regulations • To ensure uninterrupted internet and telephony services	• Protection of intellectual property resulted in c.£2.8 million realisations which was a substantial contribution towards the repayment of the secured creditor • Pyrocore was able to assume control of the business seamlessly following purchase
Insurance	• Arranging appropriate insurance cover during trading period • Carrying out remedial tasks to satisfy insurer requirements • Discussing various risks with insurers to ensure proper cover was maintained when undergoing transport of assets	• To mitigate risk of loss from an insurable event • To rectify issues were raised by the insurers following fire risk and health and safety assessments • To comply with regulation and law	• Necessary to protect value, but no direct financial benefit to creditors
General	• Obtaining and discussing legal advice in relation to the above categories	• To navigate complex legal issues that arose during the course of trading and sale of business • To protect the rights and interests of the creditors and the administrators	• Necessary to protect value, but no direct financial benefit to creditors
Investigations			
Debtor/director/senior employees	• Completing relevant forms on the Directors Conduct and Reporting Service website and internal checklists • Gathering evidence from various sources to support investigation findings	• To report on the conduct of directors by completing the online return on the Directors Conduct Reporting Service. • To investigate claims that may arise as a result of misfeasance, wrongful trading, preference and	• It is necessary to carry out investigations into the conduct of the company and its directors • No expenses were incurred in the period
		75 hrs	£20,353 272 £/hr

Books & records	- Reviewing and discussing statements of affairs and internal questionnaires prepared by directors - Writing to parties involved in investigations and correspondence with Insolvency Service	- fraud in accordance with the Statement of Insolvency Practice 2 - To gather and analyse evidence supporting the above	- Some findings may result in claims that may be subsequently pursued by a liquidator - The financial benefit to creditors is not immediately quantifiable unless a claim is successful		
	Obtaining, listing reviewing, and cross-checking evidence obtained from books and records.				
Bank analysis	Analysing substantial evidence which was collated in completing the investigations				
	Carrying out forensic analysis of bank statements and other financial information				
Creditors				126 hrs	£37,691
Secured	Reporting to Cordet and requesting additional funding to continue trade on a weekly basis	To comply with the terms of the Funding Agreement between Cordet and the administrators	The sale of the business and assets of the company for consideration of £3.5 million	Postage and printing: £25	
	Discussing progress on the sale of the company's business and assets, including attending meetings	To keep Cordet informed as the key stakeholder in the administration due to its fixed and floating charges over the company's assets	On 28 September 2018, an initial distribution of £3.085 million was made to Cordet	Catering: £93	
Employees & pensions	Compiling estimated outcome statements and completion statements for Cordet	To obtain Cordet's approval before any major decision in the administration was taken		Parking and tolls: £11	
	Requesting information and approval on various matters			Employee specialists: £275	
Unsecured	Recording and processing employee preferential claims	To ensure employee claims of unpaid wages, holiday pay, pay in lieu of notice and redundancy were recorded accurately			
	Gathering information on all unsecured creditors	To ensure all unsecured creditors are advised of appointment and their claims are accurately recorded			
Administration	Writing to all creditors advising of appointment				
	Dealing with bailiffs and other creditors taking legal action				
Administration				328 hrs	£110,176
Take-on	Carrying out checks and procedures regarding client due diligence, anti-money laundering and conflicts of interest	To comply with financial crime legislation as well as internal risk management policies	No direct financial benefit to creditors	Statutory advertising: £88	
				Company searches: £1	

Appointment formalities	• Advertising appointment • Filing appointment documents	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Case set-up	• Setting up insolvency practitioner's software and transaction processing software • Setting up document and mail merge templates for standard letters • Detailing strategy and trading notes	• To write to all parties involved in an administration, record and process creditor claims, record receipts and payments during trading etc. • To comply with regulations	• No direct financial benefit to creditors
Case management	• Internal case reviews to ensure statutory compliance	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Reports, circulars notices & decisions	• Drafting administrators' Statement of Proposals • Notifying creditors of appointment	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Statement of affairs	• Requesting and publishing statement of affairs	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Treasury, billing & funding	• Setting up case bank accounts • Processing receipts and payments arising from trading activities • Reconciling bank statements to cash book • Liaising with banks regarding pre-appointment accounts, interests, fees and charges	• To process weekly payments to suppliers during trading and account for receipts. • To process payroll payments and HMRC payments on a monthly basis • To carry out bank reconciliations	• No direct financial benefit to creditors
Tax	• Collecting tax information to present to tax team • Calculating and discussing VAT impact of achieving a sale of the business and assets • Correspondence with HMRC	• To comply with tax legislation	• No direct financial benefit to creditors
Pensions	• Lengthy calls, negotiations and correspondence with employee benefits providers and pension scheme • Administering changes to pensions and employee benefits due to changes in staff	• To ensure that employees continued to receive contractual benefits they were entitled to • To comply with pension related legislation	• No direct financial benefit to creditors

Overall fees estimate variation

- Our time costs exceeded estimates by £172,181 due to longer than expected trading of the company and protracted negotiations with the purchaser of the company's business and assets.
- An offer acceptable by Cordet was received more than 12 weeks after our appointment and it took a further eight weeks to complete the sale.

- As a result, the trading of the company continued for 20 weeks following our appointment. During this time, we dealt with a number of issues, maintained daily site presence for the benefit of employees, creditors and interested parties.
 - Significant time was spent on carrying out investigations into the affairs of the company and its directors, reporting to the secured creditor and negotiating contracts for sale of the business and assets.
-

DPS Bristol (Holdings) Limited – In Administration

Area of work	Work done	Why the work was necessary	Financial benefit to creditors	90 hrs	£34,084	378 £/hr
Assets						
Sale of business and assets	- Marketing the business and assets of the company to 35 interested parties in a transparent and fair process - Contacting and negotiating with interested parties - Reviewing and negotiating offers received - Reviewing contracts and negotiating terms of sale after accepting offer	- To achieve a sale of the company's business and assets - To give sufficient opportunity for interested parties to express interest and obtain maximum possible value - To reach a deal that was in the interests of all creditors - To protect the rights of all parties involved	- Successful sale of the business and assets for £3.5 million in cash consideration - Avoided a sale of intellectual property through auction where realisation would have been much lower based on valuations provided by agents	- Patent renewal fees: £45,124 - Legal fees: £3,333 - Valuation agent's fees: £1,000		
Other assets (intellectual property)	- Compiling and verifying more than 200 patents on the company's patent portfolio - Investigating title and ownership of intellectual property - Reporting to secured creditor regarding the status of patents - Instructing patent attorneys and dealing with queries and payments in connection with maintaining patent portfolio	- To protect and maximise realisations from the sale of the intellectual property - To meet requirements of interested parties	- Realisation of £2.88 million from the sale of intellectual property which contributed substantially to the repayment of secured creditor - Realisations from other assets totalled £20			
Insurance	Arranging appropriate insurance cover during trading period	To mitigate risk of loss from an insurable event	No direct financial benefit to creditors			
Investigations				16.15 hrs	£4,694	291 £/hr
Debtor/director/ senior employees, Bank analysis, General	- Completing relevant forms on the Directors Conduct and Reporting Service website and internal checklists - Gathering evidence from various sources to support investigation findings - Writing to parties involved in investigations and correspondence with Insolvency Service	- To report on the conduct of directors by completing the online return on the Directors Conduct Reporting Service. - To investigate claims that may arise as a result of misfeasance, wrongful trading, preference and fraud in accordance with the Statement of Insolvency Practice 2 - To gather and analyse evidence supporting the above	- It is necessary to carry out investigations into the conduct of the company and its directors - Some findings may result in claims that may be subsequently pursued by a liquidator - The financial benefit to creditors is not immediately quantifiable unless a claim is successful			

Creditors		2 hrs	£521	267 £/hr
Unsecured	- Gathering information on all unsecured creditors - Writing to all creditors advising of appointment - Dealing with bailiffs and other creditors taking legal action	- To ensure all unsecured creditors are advised of appointment and their claims are accurately recorded - Realisations not sufficient to make a distribution to unsecured creditors	No expenses were incurred in the period	
Administration		68 hrs	£20,178	297 £/hr
Take-on	Carrying out checks and procedures regarding client due diligence, anti-money laundering and conflicts of interest	To comply with financial crime legislation as well as internal risk management policies	No direct financial benefit to creditors	- Statutory advertising: £68 - company searches: £1
Appointment formalities	- Advertising appointment - Filing appointment documents	To comply with insolvency law and regulations	No direct financial benefit to creditors	
Case set-up	- Setting up insolvency practitioner's software and transaction processing software - Setting up document and mail merge templates for standard letters - Detailing strategy and trading notes	- To write to all parties involved in an administration, record and process creditor claims, record receipts and payments during trading etc. - To comply with regulations	No direct financial benefit to creditors	
Case management	Internal case reviews to ensure statutory compliance	To comply with insolvency law and regulations	No direct financial benefit to creditors	
Reports, circulars notices & decisions	- Drafting administrators Statement of Proposals - Notifying creditors of appointment	To comply with insolvency law and regulations	No direct financial benefit to creditors	
Statement of affairs	Requesting and publishing statement of affairs	To comply with insolvency law and regulations	No direct financial benefit to creditors	
Treasury, billing & funding	- Setting up case bank accounts - Processing receipts and payments arising from trading activities - Reconciling bank statements to cash book - Liaising with banks regarding pre-appointment accounts, interests, fees and charges	- To process weekly payments to suppliers during trading and account for receipts. - To carry out bank reconciliations	No direct financial benefit to creditors	
Tax	Collecting tax information to present to tax team	To comply with tax legislation	No direct financial benefit to creditors	

- Calculating and discussing VAT impact of achieving a sale of the business and assets
- Correspondence with HMRC

Overall fees estimate variation

Our time costs exceeded estimates by £7,848 due to longer than expected trading of the company and additional time spent on protecting the company's intellectual property. During the extended trading period, the deadlines for renewing a number of additional patents became due. This required additional work to consult the purchaser and instruct patent attorneys.

DPS Global Limited – In Administration

Area of work	Work done	Why the work was necessary	Financial benefit to creditors		Fees and expenses incurred	
Assets			13 hrs	£5,373	413 £/hr	
Sale of business	Marketing the business and assets of the company to 35 interested parties in a transparent and fair process	To achieve a sale of the company's business and assets	Successful sale of the business and assets for £3.5 million in cash consideration			Legal fees: £30,260
	Contacting and negotiating with interested parties	To give sufficient opportunity for interested parties to express interest and obtain maximum possible value	Sale of the company's directly owned subsidiaries resulted in realisations of £25,000			
	Reviewing and negotiating offers received	To reach a deal that was in the interests of all creditors	Realisations from other assets were £3,834			
	Reviewing contracts and negotiating terms of sale after accepting offer	To protect the rights of all parties involved				
	Arranging appropriate insurance cover during trading period	To mitigate risk of loss from an insurable event	No direct financial benefit to creditors			
Insurance						
Investigations			18 hrs	£4,924	279 £/hr	
General, Bank analysis, Debtor/director/ senior employees	Completing relevant forms on the Directors Conduct and Reporting Service website and internal checklists	To report on the conduct of directors by completing the online return on the Directors Conduct Reporting Service.	It is necessary to carry out investigations into the conduct of the company and its directors			No expenses were incurred in the period
	Gathering evidence from various sources to support investigation findings	To investigate claims that may arise as a result of misfeasance, wrongful trading, preference and fraud in accordance with the Statement of Insolvency Practice 2	Some findings may result in claims that may be subsequently pursued by a liquidator			
	Writing to parties involved in investigations and correspondence with Insolvency Service	To gather and analyse evidence supporting the above	The financial benefit to creditors is not immediately quantifiable unless a claim is successful			
	Gathering information on all unsecured creditors	To ensure all unsecured creditors are advised of appointment and their claims are accurately recorded	Realisations not sufficient to make a distribution to unsecured creditors			No expenses were incurred in the period
Creditors			0.8 hrs	£244	281 £/hr	
Unsecured	Gathering information on all unsecured creditors	To ensure all unsecured creditors are advised of appointment and their claims are accurately recorded	Realisations not sufficient to make a distribution to unsecured creditors			No expenses were incurred in the period
	Writing to all creditors advising of appointment					
	Dealing with bailiffs and other creditors taking legal action					
Administration			60 hrs	£15,555	261 £/hr	
Take-on	Carrying out checks and procedures regarding client due diligence, anti-money laundering and conflicts of interest	To comply with financial crime legislation as well as internal risk management policies	No direct financial benefit to creditors			- Statutory advertising: £68 - company searches: £1

Appointment formalities	• Advertising appointment • Filing appointment documents	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Case set-up	• Setting up insolvency practitioner's software and transaction processing software • Setting up document and mail merge templates for standard letters • Detailing strategy and trading notes	• To write to all parties involved in an administration, record and process creditor claims, record receipts and payments during trading etc. • To comply with regulations	• No direct financial benefit to creditors
Case management	• Internal case reviews to ensure statutory compliance	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Reports, circulars notices & decisions	• Drafting administrators Statement of Proposals • Notifying creditors of appointment	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Statement of affairs	• Requesting and publishing statement of affairs	• To comply with insolvency law and regulations	• No direct financial benefit to creditors
Treasury, billing & funding	• Setting up case bank accounts • Processing receipts and payments arising from trading activities • Reconciling bank statements to cash book • Liaising with banks regarding pre-appointment accounts, interests, fees and charges	• To process weekly payments to suppliers during trading and account for receipts. • To carry out bank reconciliations	• No direct financial benefit to creditors
Tax	• Collecting tax information to present to tax team • Calculating and discussing VAT impact of achieving a sale of the business and assets • Correspondence with HMRC	• To comply with tax legislation	• No direct financial benefit to creditors

Overall fees estimate variation

Our time costs were lower than estimated by £5,399 as there were no significant issues arising from the administration of this company. There was less requirement for senior staff except in sale negotiations.

DPS Process Solutions Limited – In Administration

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end
Period from 16/03/2018 to 15/09/2018

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Period total Hrs	£	£/hr	Fees estimate Hrs	£	Variance Hrs	£	£/hr
Trading:																
Trading (general)	-	-	103.85	37,009.00	158.30	36,308.50	-	-	267.15	73,317.50	274.44	110.00	27,304.20	167.75	(46,217.30)	292.98
Retention of title General	-	-	0.60	204.00	-	-	-	-	0.60	204.00	340.00	-	-	-	-	-
Realisation of assets:																
Sale of business	57.50	34,212.50	60.80	20,872.00	58.40	13,663.00	-	-	318.10	108,348.00	342.77	168.00	45,928.50	161.10	(62,422.50)	397.48
Hive down	-	-	-	-	-	-	-	-	176.70	68,547.50	387.93	-	-	-	-	-
Property	1.50	900.00	5.60	1,972.00	10.00	1,955.00	-	-	17.30	4,827.00	279.02	-	-	-	-	-
Books & other debts	-	-	0.55	187.00	2.50	432.50	-	-	3.05	619.50	203.11	-	-	-	-	-
Plant, machinery, fixtures & vehicles	1.00	595.00	17.95	6,103.00	-	-	-	-	18.95	6,698.00	353.46	-	-	-	-	-
Stock & work-in- progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase, leasing agreements & third party	-	-	-	-	1.50	277.50	-	-	1.50	277.50	185.00	-	-	-	-	-
Other assets	-	-	0.15	51.00	32.45	6,250.00	-	-	32.60	6,301.00	193.28	-	-	-	-	-
Insurance	-	-	3.75	1,275.00	21.20	4,699.00	-	-	24.95	5,974.00	239.44	-	-	-	-	-
General	4.50	2,677.50	36.55	12,427.00	-	-	-	-	41.05	15,104.50	367.95	-	-	-	-	-
Investigations:																
Other assets	-	-	-	-	-	-	-	-	74.93	20,343.20	271.43	30.00	8,068.20	(44.93)	(12,285.00)	273.43
Debtor / director / senior employees	0.50	297.50	12.33	4,175.70	48.70	11,834.00	-	-	61.53	16,307.20	265.03	-	-	-	-	-
General	-	-	10.40	3,536.00	3.00	510.00	-	-	13.40	4,046.00	301.94	-	-	-	-	-
Debtor/director/senior employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Creditors:																
Secured	2.00	1,190.00	61.10	20,774.00	1.10	289.50	-	-	126.45	37,890.75	298.07	100.00	26,983.00	(28.45)	(10,737.75)	405.96
Employees & pensions	2.00	1,190.00	11.45	3,893.00	29.95	6,482.75	-	-	64.20	22,233.50	346.32	-	-	-	-	-
Unsecured Dividends	-	-	3.10	1,054.00	15.75	2,837.50	-	-	18.85	3,891.50	206.45	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration:																
Statement of affairs	-	-	-	-	-	-	-	-	328.40	110,176.25	335.49	200.00	69,688.00	(128.40)	(40,518.25)	315.66
Treasury, billing & funding	-	-	0.40	136.00	73.75	14,728.50	18.20	1,786.00	92.35	16,650.50	180.30	-	-	-	-	-
Tax	-	-	14.30	6,362.50	8.50	1,542.50	10.55	1,229.25	33.35	9,134.25	273.89	-	-	-	-	-
Pensions	-	-	37.60	18,467.00	-	-	-	-	37.60	18,467.00	491.14	-	-	-	-	-
Other IPs & OR Shareholders	69.25	40,333.75	30.60	10,404.00	65.05	15,150.75	0.20	36.00	165.10	65,924.50	399.30	-	-	-	-	-
Reports to creditors, notices & decisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	138.25	81,386.25	416.28	148,702.20	830.16	116,941.00	28.95	3,061.25	1,113.63	360,060.70	314.37	696.00	177,909.90	(618.63)	(172,180.80)	351.99

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SIP9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets

DPS Bristol Holdings Limited – In Administration

Detailed SIP9 time cost analysis for the period and fee estimate variance analysis as at period end
Period from 16/03/2018 to 15/09/2018

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Period total Hrs	£	£/hr	Fees estimate Hrs	£	Variance Hrs	£
Trading:															
Trading (general)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets:															
Sale of business	5.75	3,421.25	0.30	102.00	0.50	122.50	-	-	90.25	34,083.75	377.66	70.00	24,908.00	(20.25)	(9,177.75)
Hive down	-	-	-	-	-	-	-	-	6.55	3,545.75	556.60	-	-	-	-
Property	-	-	-	-	0.25	61.25	-	-	0.25	61.25	245.00	-	-	-	-
Books & other debts	-	-	0.20	68.00	-	-	-	-	0.20	68.00	340.00	-	-	-	-
Plant, machinery, fixtures & vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock & work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase, leasing agreements & third party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	21.75	12,941.25	30.60	10,404.00	26.45	5,735.50	-	-	78.80	29,080.75	369.05	-	-	-	-
Insurance	-	-	-	-	3.00	465.00	-	-	3.00	465.00	155.00	-	-	-	-
General	1.00	610.00	0.45	153.00	-	-	-	-	1.45	763.00	526.21	-	-	-	-
Investigations:															
Other assets	-	-	-	-	-	-	-	-	16.15	4,693.50	290.62	15.00	4,341.45	(1.15)	(352.05)
Debtor/director / senior employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	0.50	297.50	5.50	1,820.00	9.65	2,444.00	-	-	15.65	4,561.50	291.47	-	-	-	-
Debtor/director/senior employees	-	-	0.10	34.00	0.40	98.00	-	-	0.50	132.00	264.00	-	-	-	-
Creditors:															
Secured	-	-	0.25	85.00	-	-	-	-	1.95	520.50	266.92	15.00	4,082.10	13.05	3,561.60
Employees & pensions	-	-	-	-	1.00	245.00	-	-	0.25	85.00	340.00	-	-	-	-
Unsecured	-	-	-	-	-	-	-	-	1.00	245.00	245.00	-	-	-	-
Dividends	-	-	0.20	68.00	0.50	122.50	-	-	0.70	190.50	272.14	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration:															
Statement of affairs	-	-	-	-	-	-	-	-	58.05	20,177.50	296.61	60.30	18,297.00	(7.15)	(1,880.50)
Treasury, billing & funding	-	-	0.10	34.00	8.85	1,653.00	2.15	312.00	11.10	1,999.00	180.09	-	-	-	-
Tax	0.50	297.50	5.70	2,727.00	-	-	3.50	535.50	9.70	3,560.00	367.01	-	-	-	-
Pensions	1.00	595.00	0.90	436.50	-	-	-	-	1.90	1,031.50	542.89	-	-	-	-
General	6.50	3,542.50	5.10	1,734.00	33.55	8,274.50	0.20	36.00	45.35	13,587.00	299.60	-	-	-	-
Other IPs & OR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reports to creditors, notices & decisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	37.00	21,705.00	49.40	17,655.50	84.15	19,221.25	5.85	883.50	176.40	59,476.25	337.16	160.30	51,628.55	(15.60)	(7,848.70)
															506.37

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SIP9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets

DPS Global Limited – In Administration

Detailed SPI9 time cost analysis for the period and fee estimate variance analysis as at period end
Period from: 16/03/2018 to 15/09/2018

Area of work	Partner Hrs	£	Manager Hrs	£	Executive Hrs	£	Administrator Hrs	£	Period total Hrs	£	£/hr	Fees estimate Hrs	£	£/hr	Variance Hrs	£	£/hr
Trading:																	
Trading (General)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Retention of title	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Realisation of assets:																	
Sale of business	3.00	1,785.00	-	-	-	-	-	-	13.00	6,372.50	413.27	15.30	6,235.57	383.00	3.30	863.07	261.44
Hive down	-	-	-	-	-	-	-	-	3.00	1,785.00	595.00	-	-	-	-	-	-
Property	-	-	0.45	153.00	0.50	150.00	-	-	0.95	303.00	318.95	-	-	-	-	-	-
Books & other debts	-	-	0.30	102.00	0.50	122.50	-	-	0.80	224.50	280.63	-	-	-	-	-	-
Plant, machinery, fixtures & vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Stock & work-in-progress	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hire purchase, leasing agreements & third party	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other assets	1.00	595.00	6.65	2,261.00	-	-	-	-	7.65	2,856.00	373.33	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	0.60	204.00	-	-	-	-	0.60	204.00	340.00	-	-	-	-	-	-
Investigations:																	
Other assets	-	-	-	-	-	-	-	-	17.65	4,924.00	278.98	15.00	5,067.95	406.00	(2.65)	1,143.95	(431.68)
Debtor / director / senior employees	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	0.50	297.50	2.85	969.00	9.20	2,336.50	3.50	560.00	16.05	4,163.00	259.38	-	-	-	-	-	-
Debtor/director/senior employees	1.00	595.00	0.20	68.00	0.40	96.00	-	-	1.60	761.00	475.63	-	-	-	-	-	-
Creditors:																	
Secured	-	-	-	-	-	-	-	-	0.80	224.50	280.63	15.00	4,062.10	272.00	14.20	3,857.80	271.66
Employees & pensions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured	-	-	0.30	102.00	0.50	122.50	-	-	0.80	224.50	280.63	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
General	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Administration:																	
Statement of affairs	-	-	-	-	-	-	-	-	69.70	15,565.00	260.66	66.30	15,089.78	260.02	(3.40)	(485.21)	(138.63)
Treasury, billing & funding	-	-	0.10	34.00	6.75	1,215.00	4.65	532.00	11.50	1,781.00	154.87	-	-	-	-	-	-
Tax	-	-	2.70	1,272.00	-	-	4.40	669.00	7.10	1,941.00	273.38	-	-	-	-	-	-
Pensions	-	-	0.90	436.50	-	-	-	-	0.90	436.50	485.00	-	-	-	-	-	-
General	2.50	1,487.50	6.35	2,159.00	31.15	7,714.00	0.20	36.00	40.20	11,396.50	283.50	-	-	-	-	-	-
Other IPs & OR	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reports to creditors, notices & decisions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	8.00	4,760.00	21.40	7,760.50	49.00	11,765.50	12.75	1,797.00	91.15	25,076.00	286.08	102.60	31,476.41	306.78	11.46	5,398.41	471.65

Notes:

- Partner includes partners and directors
- Manager includes associate directors and managers
- Executive includes assistant managers and executives
- Due to enhancements to our SPI9 reporting systems, allocation of time against areas of work may differ to previous periods, however this does not affect overall total time costs
- Adverse variances are presented in brackets

Hourly charge out rates

Time is charged in units of 6 minutes for each grade of staff used. The hourly charge out rates applied during the Period are as follows:

Grade	From 16 March 2018 to current	
	Insolvency £/hr	Pensions & Tax £/hr
Partner	510 - 745	510 - 800
Director	485 - 595	485 - 725
Associate director	445 - 495	445 - 540
Manager	340 - 420	340 - 465
Assistant manager	300 - 350	300 - 340
Executive	245 - 325	260 - 315
Administrator	165 - 240	200 - 235
Treasury	180	
Support	150 - 155	165 - 170

The current charge out rates apply for the 12-month period commencing 1 October 2017. We reserve the right to amend our charge out rates at the end of this period. Any amendments will be detailed within the next report following such an amendment.

Disbursements and expenses

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment and fall into two categories:

Category 1 disbursements

These are also known as 'out of pocket expenses' and are payments to independent third parties where there is specific expenditure directly referable to the insolvent estate; they can be drawn without prior approval and consist of the following categories:

- Travel and subsistence – these costs are incurred by staff in attending trading premises or meetings
- Office costs – these are costs such as postage or courier charges which are incurred in managing the case
- Statutory costs – these are costs such as bonding and advertising relating specifically to the case, which are required by statute

They also include expenses which have been paid using a Grant Thornton Loan, the balance of which (if any) can be seen on the joint administrators' receipts and payment account at Appendix

Category 2 disbursements

These are expenses that are directly referable to the insolvent estate but not a payment to an independent third party. They may include shared or allocated costs that may be incurred by an office holder or their firm, and that can be allocated to the appointment on a proper and reasonable basis. Category 2 disbursements require approval in the same manner as an office holder's remuneration.

To the extent that recovery of category 2 disbursements is sought, this will be for mileage only. Accordingly, on 28 September 2018 Cordet approved our category two disbursements totalling £2,402 plus VAT.

Mileage is charged at 45p a mile. VAT is added as appropriate. Details of these costs are also provided in the table below.

Statement of disbursements and expenses incurred in the Period

Expenses properly incurred by the joint administrators in the Period, which are not disbursements and have not been fully paid are disclosed in addition to disbursements incurred in the Period.

DPS Process Solutions Limited

Category	Incurred in the Period (£)	Incurred as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Catering	93	93	0
company Searches	3	3	0
IT Consumables	440	440	0
Insolvency Practitioners' bond	20	20	0
Parking & Tolls	11	11	0
Printing	25	25	0
Subsistence	18	18	0
Travel expenses	80	80	0
Category 2 disbursements			
Mileage – Car	1,732	1,732	0
Mileage - Motorcycle	162	162	0
Expenses			
Legal fees	88,099	88,099	0
Valuation agent's fees	3,794	3,794	0
Insurance	8,263	8,263	8,263
Property security agents	280	280	280
IT support and backup fees	14,147	14,147	14,147
Employment agent's fees	275	275	0

DPS Bristol (Holdings) Limited

Category	Incurring in the Period (£)	Incurring as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' bond	20	20	0
Expenses			
Patent attorney fees	45,124	45,124	45,124
Legal fees	3,333	3,333	0
Valuation agent's fees	1,000	1,000	1,000

DPS Global Limited

Category	Incurring in the Period (£)	Incurring as at Period end (£)	Of which paid by the estate as at Period end (£)
Category 1 disbursements			
Insolvency Practitioners' bond	20	20	0
Legal fees	30,260	30,260	0

Sub-contracted out work

We confirm that, in the Period, we have not sub-contracted out any work that could otherwise have been carried out by us or our team.

Payments to associates

Where we have enlisted the services of others we have sought to obtain the best value and service. In the interest of transparency, we disclose below services we have sought from within our firm or from a party with whom (to the best of our knowledge) our firm, or an individual within our firm, has a business or personal relationship:

Service provider	Services enlisted	Cost of service
Grant Thornton UK LLP	- Tax work/advice (narrative is included within the above narrative of work done) - Pensions work/advice (narrative is included within the above narrative of work done)	Costs are included within the above SIP9 time cost analysis

Relationships requiring disclosure

We confirm that we are not aware of any business or personal relationships with any parties responsible for approving the joint administrators' fee basis, or who provide services to us as joint administrators, which may give rise to a potential conflict.

Information for creditors

Provided below is information to help creditors to understand their rights in insolvency and regarding officeholders' fees, and the roles and functions of committees.

R3 is the trade association for the UK's insolvency, restructuring, advisory and turnaround professionals. Amongst other things, R3 has made available written guidance for stakeholders affected by insolvency, in particular creditors, for some of which the web links are provided below.

Where web links are provided for the information, we will supply this information by post, free of charge on request.

'Office holder' means, for example, the appointed administrator(s), liquidator(s) or trustee(s) in bankruptcy.

R3 creditor guides

- Rights of creditors during an insolvency process guide: <https://www.r3.org.uk/what-we-do/publications/professional/creditors-guides>
- Background information regarding the fees of officeholders: <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- Liquidation/Creditors' committees and commissioners: <https://www.r3.org.uk/media/documents/publications/professional/R3-Guide-to-Creditors-Committees.pdf>

Creditors' and members' rights to request information about remuneration or expenses under r18.9 of the Rules

(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14:

- (a) a secured creditor;

- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;

(d) any unsecured creditor with the permission of the court; or

(e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by:

(a) providing all of the information requested;

(b) providing some of the information requested; or

(c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if:

(a) the time or cost of preparation of the information would be excessive; or

(b) disclosure of the information would be prejudicial to the conduct of the proceedings;

(c) disclosure of the information might reasonably be expected to lead to violence against any person; or

(d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of:

(a) the office-holder giving reasons for not providing all of the information requested; or

(b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Creditors' and members' rights to challenge the office-holder's remuneration and expenses under r18.34 of the Rules

(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that:

(a) the remuneration charged by the office-holder is in all the circumstances excessive;

(b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or

(c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable:

(a) a secured creditor,

(b) an unsecured creditor with either:

(i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or

(ii) the permission of the court, or

(c) in a members' voluntary winding up:

(i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or

(ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").