

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

TUESDAY



A6DDFRM2

A26

22/08/2017

#2

COMPANIES HOUSE

1 Company details

Company number 0 9 3 0 2 4 3 6

Company name in full Browser Games Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Court details

Court name High Court, Chancery Division, Leeds District Registry

Court case number 7 7 9 2 0 1 6

3 Administrator's name

Full forename(s) Kelly

Surname Burton

4 Administrator's address

Building name/number The Manor House

Street 260 Ecclesall Road South

Post town Sheffield

County/Region

Postcode S 1 1 9 P S

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ①

Full forename(s) Lisa Jane

Surname Hogg

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

6 Administrator's address ②

Building name/number The Manor House

Street 260 Ecclesall Road South

Post town Sheffield

County/Region

Postcode S 1 1 9 P S

Country

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

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s) Biljana

Surname Stajic

8 Proposed liquidator's name

Full forename(s) Kelly

Surname Burton

Insolvency practitioner number 1 1 7 5 0

9 Proposed liquidator's address

Building name/number The Manor House

Street 260 Ecclesall Road South

Post town Sheffield

County/Region

Postcode S 1 1 9 P S

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name¹

Full forename(s) Lisa Jane

Surname Hogg

Insolvency practitioner number 9 0 3 7

1 Other liquidator

Use this section to tell us about another liquidator.

11 Proposed liquidator's address²

Building name/number The Manor House

Street 260 Ecclesall Road South

Post town Sheffield

County/Region

Postcode S 1 1 9 P S

Country

2 Other liquidator

Use this section to tell us about another liquidator.

12 Period of progress report

From date 0 2 0 3 2 0 1 7

To date 2 1 0 8 2 0 1 7

13 Final progress report☒ I have attached a copy of the final progress report.**14 Sign and date**

Administrator's signature

Signature

X 

X

Signature date 2 1 0 8 2 0 1 7

**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	Charlotte Smith				
Company name	Wilson Field Limited				
Address	The Manor House				
	260 Ecclesall Road South				
Post town	Sheffield				
County/Region					
Postcode	S	1	1	9	P S
Country					
DX					
Telephone	01142356780				

**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 and dated 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

The Joint Administrators' final progress report

**Browser Games Limited
("the Company")
– In Administration**

21 August 2017

CONTENTS

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised assets
- 4** Outcome for creditors
- 5** The Joint Administrators' remuneration
- 6** Creditors' rights
- 7** Ending the Administration

APPENDICES

- A** Receipts and payments account ("R&P") for the period from 2 March 2017 to 21 August 2017 ("the Period"), together with cumulative R&P for the period from 2 September 2016 to 21 August 2017.
- B** Time analysis for the Period.
- C** Cumulative time analysis for the period from 2 September 2016 to 21 August 2017.
- D** Additional information in relation to the Joint Administrators' fees, expenses & disbursements.

1 Introduction

- 1.1 I, Kelly Burton, together with my colleague Joanne Wright, was appointed as Joint Administrator of the Company on 2 September 2016. The appointment was made by the director of the Company under the provisions of Paragraph 22 of Schedule B1 to the Insolvency Act 1986 ("the Act").
- 1.2 This Administration has been handled by Wilson Field Limited ("Wilson Field") at The Manor House, 260 Ecclesall Road South, Sheffield S11 9PS. The Administration is registered in the High Court of Justice, Chancery Division, Leeds District Registry, under reference number 779 of 2016.
- 1.3 The trading address of the Company was Dept 1339, 43 Owston Road, Carcroft, Doncaster, DN6 8DA.
- 1.4 The registered office of the Company is The Manor House, 260 Ecclesall Road South, Sheffield S11 9PS and its registered number is 09302436.
- 1.5 As the Administration has now completed, the Joint Administrators are required to provide a progress report covering the Period. This is the Joint Administrators' final report in the Administration and should be read in conjunction with the Joint Administrators' proposals for achieving the purpose of Administration ("the Proposals") and the previous progress report which has been issued.
- 1.6 As advised above, Joanne Wright was appointed Joint Administrator of the Company on 2 September 2016. Creditors should note that by Order of the High Court dated 2 March 2017, Joanne Wright, by consent, was removed as Joint Administrator and Lisa Jane Hogg was appointed Joint Administrator in her place with effect from 2 March 2017. Each creditor has the liberty to apply to vary or discharge this Order within 21 days of receipt of this report.

2 Progress of the Administration

- 2.1 Creditors may recall that the statutory objective pursued in the Administration is the second objective of Administration, that is achieving a better result for the Company's creditors as a whole than would be likely were the Company wound up (without first being in Administration). This objective will be achieved by making a distribution to unsecured creditors of the Company when the Company is placed into Creditors Voluntary Liquidation ("CVL") following conclusion of the Administration. In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an overview of the progress made in the Period, both in terms of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.

- 2.3 At Appendix A is the Joint Administrators' R&P covering the Period, along with the cumulative totals for the full Administration term.
- 2.4 During the Administration term, the Joint Administrators have corresponded with the Company's creditors. The Joint Administrators have also liaised with Mobilestar Investments Limited ("Mobilestar") to realise the deferred consideration arising from the pre-packaged sale of the Company's business and assets. Additionally, the Joint Administrators have secured realisations for the benefit of the Administration estate in respect of VAT refunds due to the Company. Furthermore, significant levels of time have been spent in liaising with Mobilestar and their advisors in respect of several pre-Administration and post-Administration debtor balances, some of which have been retained for the benefit of the Administration estate and some of which have been remitted to Mobilestar in accordance with the terms of the sale and purchase agreement made between the Company, associated company Gamenation (UK) Limited, the Joint Administrators, Mobilestar and Biljana Stajic dated 2 September 2016 ("the SPA"). In addition, the Joint Administrators have conducted their statutory investigations into the Company's affairs and the conduct of its director.
- 2.5 Attached at Appendix B is a time analysis outlining the time spent by the Joint Administrators and their staff during the Period, together with a cumulative time analysis from the date of their appointment to the conclusion of the Administration at Appendix C.
- 2.6 Further information about the basis of remuneration agreed in this case and comments on the Joint Administrators' fees estimate can be found in section 5 of this report, together with any relevant information about revisions to our initial estimate, where applicable.

Administration (including statutory compliance & reporting)

- 2.7 As noted above, the Joint Administrators must comply with certain statutory obligations under the Act and other related legislation. Details about the work undertaken in this regard has been outlined previously and the Joint Administrators can confirm that in the Period the main matters that have affected the costs in this area are securing the remaining balance of the VAT refunds due to the Company, liaising with the Company's creditors, settling the outstanding costs of Administration and preparing and circulating their previous progress report to creditors.
- 2.8 Where the costs of statutory compliance work or reporting to creditors exceeded the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.
- 2.9 As noted in the Joint Administrators initial fees estimate/information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of assets

2.10 As was detailed within the Proposals and previous progress report, following recommendations from John Pye & Sons Limited ("John Pye") an appropriate level of marketing was undertaken which resulted in a pre-packaged sale of the Company's business and assets to Mobilestar which completed on 2 September 2016.

2.11 Sale of the Company's business and assets to Mobilestar

The Joint Administrators negotiated a sale of the Company's business and assets to Mobilestar for a total consideration of £39,000 ("the Sale") which completed on 2 September 2016. As detailed within the Proposals and previous progress report, this sum was in excess of John Pye's valuation of the Company's business and assets which was in the sum of £38,000.

Mobilestar's offer was subject to deferred payment terms which was based on an initial consideration of £6,000 payable upon completion of the Sale, followed by 5 equal monthly instalments of £6,600 per month thereafter. A breakdown of the apportionment of the assets sold is detailed below and reflected on the R&P at Appendix A.

Class of asset	Sum realised (£)
Goodwill	3,997
Trade debtors	34,000
Customer contracts, work in progress ("WIP")	2
Intellectual property	1,000
Sellers records	1
Total	39,000

As the Joint Administrators have previously reported, Mobilestar complied with the terms of the SPA by making payment of the deferred consideration as agreed and the consideration relating to its acquisition of the Company's business and assets has been received in full.

2.12 VAT refund

Following the Joint Administrators appointment, the Company's accountant Mrs Jelena Tomic confirmed on 6 September 2016 that the Company had been paying VAT for a significant period when the Company's supplies should have in fact been treated as "zero rated" for VAT purposes. The Company was therefore entitled to a significant VAT refund in this respect.

As Mrs Tomic had been liaising with HM Revenue & Customs ("HMRC") in this respect and already had all of the required information collated to evidence the Company's entitlement to a refund, a meeting was convened for 5 October 2016 with a representative of HMRC, Mrs Tomic and three representatives of Wilson Field in attendance. During the meeting, the representative

from HMRC confirmed that the Company was due two refunds in respect of VAT which totalled £33,165 and £16,368.

On 30 January 2016, the Company received one of the VAT refund's due of £33,165 and subsequently received the second VAT refund of £16,368 on 23 May 2017.

As a result of receiving the second and final VAT refund during the Period, there will be no further realisations in this respect.

2.13 Cash at bank

As creditors may recall and as was detailed within the Proposals and previous progress report, the Company banked with Metro Bank plc ("the Bank") and upon the Joint Administrators' appointment, the Company had cash at bank of £3,466.

The Joint Administrators took steps to secure the funds and they were received into the Administration client account in full on 18 October 2016.

The Joint Administrators received confirmation on 20 March 2017 that the Company's account with the Bank was closed and therefore, as anticipated, there have been no further realisations in this respect during the Period.

2.14 Unanticipated trade debtor

The Joint Administrators were made aware that the Company's bank account was the beneficiary of a payment totalling £24,498 from 'Dimoco Europe GMBH' which credited the Company's account on 19 September 2016.

These monies were transferred to the Administration client account on 18 October 2016.

As this debtor was not sold to Mobilestar pursuant to the SPA, the Joint Administrators can confirm that the debtor receipt has been retained for the benefit of the Administration estate.

As the Joint Administrators anticipated in their first progress report, there have not been any further realisations in this respect during the Period.

- 2.15 It is considered that the work the Joint Administrators and their staff have undertaken to date has brought a financial benefit to unsecured creditors, in that it will enable a distribution to be made to them once the Company has entered CVL.

Creditors (claims and distributions)

- 2.16 Further information on the anticipated outcome for creditors in this case can be found at section 4 of this report. The Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their

security, most typically a debenture as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.

- 2.17 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service ("RPS") following dismissal. The Joint Administrators can confirm that in this case, the Company employed no staff and therefore there have been no claims from the RPS and there are no preferential creditors in the Administration proceedings.
- 2.18 The above work will not necessarily bring any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be, however, the Joint Administrators are required by statute to undertake this work.

Investigations

- 2.19 Creditors may recall from the Joint Administrators' first progress report that some of the work the Joint Administrators were required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 ("CDDA 1986") and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 2.20 The Joint Administrators' report on the conduct of the directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential. It should be noted that no disqualification order has been made.
- 2.21 Since the Joint Administrators' last progress report, no further investigatory matters have come to light that may be pursued by the Joint Administrators for the benefit of creditors and the Joint Administrators' investigations in this matter have been finalised.

3 Unrealised assets

- 3.1 The Joint Administrators can confirm that all assets have now been realised and the cumulative R&P at Appendix A reflects the final position in respect of both realisations achieved and payments made during the course of the Administration. This includes details of all expenses and disbursements incurred and paid by the Joint Administrators.

4 Outcome for creditors

Secured creditors

- 4.2 The Company did not grant security to any of its creditors.

Preferential creditors

- 4.3 The Company did not trade with any employees and therefore does not have any preferential creditors.

Unsecured Creditors

- 4.4 At the date of this report the Joint Administrators have received claims totalling £272,321 from 3 creditors and are yet to receive claims from 2 creditors who were listed in the Company's books and records.
- 4.5 As previously detailed within this report, the Company did not grant any security to its creditors. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part ("PP")), which only applies to charges which were created after 15 September 2003.
- 4.6 The Joint Administrators currently anticipate that a dividend will be available to the unsecured creditors. As a result, the Joint Administrators are seeking to move the Company into CVL in order to facilitate the payment of a dividend to the unsecured creditors. This exit procedure is referred to in greater length below.

5 The Joint Administrators' remuneration

- 5.1 The basis of the Joint Administrators' remuneration has been fixed in the Administration by reference to the time properly spent by them and their staff in managing the Administration. The Joint Administrators' fees estimate/information was originally provided to creditors when the basis of their remuneration was approved and was based on information available to them at that time.
- 5.2 A copy of the Joint Administrators' fee estimate was attached to the Proposals.
- 5.3 The Joint Administrators time costs for the Period are £18,285. This represents 58.4 hours at an average rate of £313.10 per hour. Attached as Appendix B is a time analysis which provides details of the activity costs incurred, by staff grade, during the Period, in respect of the costs fixed by reference to time properly spent by the Joint Administrators and their staff in managing the Administration. A narrative explanation of the work undertaken by the Joint Administrators during the Period can be found at section 2 of this report.
- 5.4 Also attached as Appendix C is a cumulative time analysis for the period from the date of the Joint Administrators' appointment to 25 August 2017 which provides details of their total time costs in the Administration. These time costs total £58,790 which represents 196.1 hours at an average rate of £299.79 per hour.
- 5.5 The Joint Administrators can confirm that £56,836 has been drawn against their outstanding time costs and that no further remuneration will be drawn during the Administration term.

- 5.6 Creditors may recall that the Joint Administrators provided creditors with their fees estimate prior to the agreement of the basis of their remuneration on a time cost basis. The Joint Administrators can confirm that it was not necessary during the Administration to seek further creditor approval to increase this estimate. The approved fees estimate in force in the Administration imposed an overall cap on the Joint Administrators' remuneration of £89,786 and they can confirm that £56,836 has been drawn against their accrued time costs, which is below the level of the fees estimate approved by creditors.
- 5.7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from https://www.r3.org.uk/what-we-do/publications/professional/fees_

6 Creditors' rights

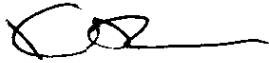
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-Administration costs) which have been itemised in this progress report.
- 6.2 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, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this progress report, are excessive.

7 Ending the Administration

- 7.1 The Joint Administrators can confirm that a notice bringing the Administration to an end and moving the Company into CVL, alongside this report, was sent to the Registrar of Companies on 21 August 2017. As a consequence, the Company will be placed into CVL and the Joint Administrators can confirm that they will be appointed Joint Liquidators, as agreed via creditors' approval of the Proposals.
- 7.2 Further information on the progress of the Liquidation will be issued to creditors within two months of the anniversary of the CVL being registered by the Registrar of Companies. If a dividend is to be declared sooner, the Joint Administrators will write to creditors to provide appropriate details in the intervening period.
- 7.3 If any creditors have not yet submitted their statement of claim, please ensure this is forwarded to the Joint Administrators office as soon as possible in order that your claim can be admitted for dividend purposes.
- 7.4 The Joint Administrators can confirm that the basis of their remuneration as Joint Liquidators remains the same as in the Administration, in accordance with Rule 18.20(4) & (5) of the Insolvency (England & Wales) Rules 2016. Given the level of the Joint Administrators' outstanding time costs, which can be drawn as an expense of the subsequent CVL, the Joint Liquidators will not be providing a fee estimate to creditors in respect of the Joint Liquidators'

remuneration in the subsequent CVL. This is on the basis that the remaining balance of funds in the Administration estate is insufficient to allow full payment of the Joint Administrators' outstanding time costs and therefore the Joint Liquidators will not draw any remuneration in respect of their post-appointment time costs.

For and on behalf of the Company

A handwritten signature in black ink, appearing to be 'K Burton', with a long horizontal line extending to the right.

K Burton

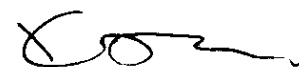
Joint Administrator

Appendix A

R&P for the Period, together with a cumulative R&P from 2 September 2016 to 21 August 2017

Browser Games Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 02/03/2017 To 21/08/2017 £	From 02/09/2016 To 21/08/2017 £
	ASSET REALISATIONS		
2.00	Customer contracts, work in progress	NIL	2.00
34,000.00	Trade Debtors	NIL	34,000.00
	Unanticipated Trade Debtors	NIL	24,497.54
1,000.00	Intellectual Property Rights	NIL	1,000.00
Uncertain	VAT Refund	16,368.00	49,532.61
	Cash at Bank	NIL	3,466.18
1.00	Sellers records	NIL	1.00
3,997.00	Goodwill	NIL	3,997.00
		16,368.00	116,496.33
	COST OF REALISATIONS		
	Specific Bond	120.00	280.00
	Pre Administrators Fee	NIL	8,471.50
	Administrators Fees	18,200.00	56,835.50
	Valuers Fees	750.00	750.00
	Legal Fees	1,200.00	4,700.00
	Accountancy Fees	12.53	898.53
	Companies House Search Fees	NIL	10.00
	Travel Expenses	NIL	306.60
	Statutory Advertising	NIL	142.00
	Bank Charges	NIL	11.50
	VC Document Management	168.58	168.58
		(20,451.11)	(72,574.21)
	UNSECURED CREDITORS		
(64,653.58)	Trade & Expense Creditors	NIL	NIL
		NIL	NIL
(25,653.58)		(4,083.11)	43,922.12
	REPRESENTED BY		
	Vat Receivable		300.00
	Bank 1 Current		43,622.12
			43,922.12



Kelly Burton
Joint Administrator

Time Entry - Detailed SIP9 Time & Cost Summary

BROW01A - Browser Games Limited
From: 02/03/2017 To: 21/08/2017
Project Code: POST

Classification of Work Function	Directors & IP's	Manager & Senior Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA - Cashiering	1.90	5.30	0.00	6.20	13.40	4,338.00	323.73
ADCR - Case Reviews	1.40	0.50	0.30	1.30	3.50	1,135.00	324.29
ADGA - File Maintenance	0.60	0.20	0.30	1.00	2.10	590.00	280.95
ADSC - Statutory and Compliance	0.50	3.50	3.10	8.20	15.30	3,409.00	222.81
ADSO - Strategic Overview	0.00	1.60	3.50	0.00	5.10	1,437.00	281.76
Admin and Planning	4.40	11.10	7.20	16.70	39.40	10,909.00	276.88
CRCO - Communications with Creditors	0.20	0.00	0.50	0.80	1.50	324.00	216.00
CRTV - Tax and VAT	1.40	0.00	0.00	1.10	2.50	958.50	383.40
Creditors	1.60	0.00	0.50	1.90	4.00	1,282.50	320.63
REDC - Debt Collection	6.30	1.40	0.00	1.90	9.60	3,950.00	411.46
REPB - Property,Business and Asset Sales	0.10	5.30	0.00	0.00	5.40	2,143.50	396.94
Realisation of Assets	6.40	6.70	0.00	1.90	15.00	6,093.50	406.23
Total Hours	12.40	17.80	7.70	20.50	58.40	18,285.00	313.10

Time Entry - Detailed SIP9 Time & Cost Summary

BROW01A - Browser Games Limited
From: 01/01/2000 To: 21/08/2017
Project Code: POST

Classification of Work Function	Directors & IP's	Manager & Senior Administrator	Administrators	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
ADCA : Cashiering	3.30	8.30	0.10	13.60	25.30	7,867.50	310.97
ADCR : Case Reviews	1.40	0.50	1.80	1.30	5.00	1,727.50	345.50
ADDI : Directors/Client	0.00	0.00	0.50	0.00	0.50	197.50	395.00
ADGA : File Maintenance	1.40	0.20	0.30	1.50	3.40	1,055.00	310.29
ADSC : Statutory and Compliance	1.70	11.00	4.20	30.20	47.10	10,075.50	213.94
ADSO : Strategic Overview	0.00	6.10	6.50	10.70	23.30	5,790.50	248.52
Admin and Planning	7.80	26.10	13.40	57.30	104.60	26,714.50	255.40
CRCL : Creditors Claims	0.00	1.30	0.00	0.00	1.30	513.50	395.00
CRCO : Communications with Creditors	2.30	0.10	1.30	1.90	5.60	1,872.50	334.38
CRTV : Tax and VAT	6.40	1.30	1.60	1.90	11.20	4,668.00	416.79
Creditors	8.70	2.70	2.90	3.80	18.10	7,054.00	389.72
INAT : Antecedent Transactions	0.00	5.50	0.00	0.00	5.50	2,172.50	395.00
INDR : CDDA Report	0.00	0.50	0.00	0.00	0.50	197.50	395.00
INRE : Investigation and Review	0.30	0.00	0.20	9.90	10.40	1,516.00	145.77
Investigations	0.30	6.00	0.20	9.90	16.40	3,886.00	236.95
REDC : Debt Collection	11.30	11.40	3.00	8.90	34.60	12,495.00	361.13
REIS : Identifying Securing and Insuring	0.00	0.00	2.10	0.00	2.10	829.50	395.00
REPB : Property Business and Asset Sales	1.30	13.20	4.50	1.30	20.30	7,810.50	384.75
Realisation of Assets	12.60	24.60	9.60	10.20	57.00	21,135.00	370.79
Total Hours	29.40	59.40	26.10	81.20	196.10	58,789.50	299.79

Additional information in relation to the Joint Administrators' fees, expenses & disbursements

1 Staff allocation and the use of sub-contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of an Insolvency Practitioner, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.
- 1.3 We are not proposing to utilise the services of any sub-contractors in this case.

Professional advisors

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

Name of Professional Advisor	Basis of Fee Arrangement
Shulmans	Hourly rate and disbursements
John Pye	Hourly rate and disbursements
Jelena Tomic - Accountant	Hourly rate and disbursements

- 1.5 Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

2 Joint Administrators' expenses & disbursements

- 2.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Joint Administrators' Proposals Report a copy of which is set out below:

Expense	Estimated cost £
Company search fees	120.00
Bond	160.00
Post-appointment advertisements	142.00
Postage, stationery, photocopying etc	40.00
Document Upload Centre charge	150.00
Insolvency software fee	150.00
Final Advert	71.00
Agents fees	2,000.00
Legal fees	5,000.00
Total	7,833.00

Summary of the Joint Administrator's expenses

- 2.2 Details of the expenses paid by the Joint Administrator during the Period can be found in the R&P at Appendix A. An outline of the total expenses paid during the Administration can be found in the R&P at Appendix B.
- 2.3 Below are details of any expenses or disbursements which remain unpaid at the date of this report and will be discharged in the subsequent Liquidation in due course:

	Paid in prior period £	Paid in the Period £	Incurred but not paid to date £	Total anticipated cost £
Solicitors' costs	4,700	1,200	625	5,325
Category 2 disbursements				
Travel expenses	Nil	Nil	9.00	315.60

- 2.4 Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.
- 2.5 Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided at the time the Joint Administrators' fees were approved by creditors.

3 Charge-out rates

- 3.1 Wilson Field Limited's current charge-out rates effective from 1 August 2016 attached.

WILSON FIELD LIMITED CHARGE OUT RATES AND DISBURSEMENT POLICY

In accordance with SIP 9 covering fees and disbursements, we are required to disclose to you our policy for recovering non-specific disbursements, and the charge out rates for the various grades of staff who may be involved in this case.

Remuneration

The office holder(s) will seek approval from creditors to draw remuneration on a time cost basis, in accordance with the rates detailed below.

	Hourly charge out rate (£)	
Grade	01/02/2014 to 31/10/2014	01/11/2014 onwards
Director/Insolvency Practitioner	350-500	500
Manager	260-400	400
Assistant Manager	N/A	395
Team Leader	N/A	390
Senior Administrator	240	330
Administrator (1-5 years experience)	120-240	230-300
Secretarial & Support	100-130	130

All time is recorded in 6 minute units.

Category 1 Disbursements

In accordance with SIP 9, these do not require the approval of creditors and are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include advertising, room hire, insurance, travel expenses etc.

Category 2 Disbursements

In accordance with SIP 9, these require the prior approval of creditors.

Category 2 disbursements are charged in accordance with the liquidator's prevailing recovery policy at the time the disbursement is incurred. The rates applicable from 1 August 2016 are detailed overleaf: