

# AM10

## Notice of administrator's progress report



Companies House

FRIDAY



\*A8WUUEPC\*

A07

17/01/2020

#375

COMPANIES HOUSE

### 1 Company details

Company number

Company name in full

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

### 2 Administrator's name

Full forename(s)

Surname

### 3 Administrator's address

Building name/number

Street

Post town

County/Region

Postcode

Country

### 4 Administrator's name ①

Full forename(s)

Surname

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

### 5 Administrator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

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



### Notice of administrator's progress report

From date	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	
To date	<sup>d</sup> 1	<sup>d</sup> 6	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9	

☒ I attach a copy of the progress report

Administrator's  
signature

**Signature**

**X**

and date

*J. H. H. H.*

**X**

Signature date

**1**

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# AM10

## Notice of administrator's progress report



### Presenter information

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

Contact name **Jake Beake**

Company name **CVR Global LLP**

Address **20 Furnival Street**

Post town **LONDON**

County/Region

Postcode **E C 4 A 1 T J Q**

Country

DX

Telephone **020 3794 8750**



### Checklist

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

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

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



### Important information

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



### Where to send

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

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



### Further information

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

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



# Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
All fields are mandatory unless specified or indicated by \*

## 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:  
- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7  
- CVA1, CVA3, CVA4  
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25  
- REC1, REC2, REC3  
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15  
- COM1, COM2, COM3, COM4  
- NDISC

## 2 Insolvency practitioner's name

Full forename(s) Kevin  
Surname Brown

## 3 Insolvency practitioner's address

Building name/number KEVIN BROWN ADVISORY LIMITED  
Street 500 HIGH ROAD  
Post town Woodford Green  
County/Region Essex  
Postcode I G 8 0 P N  
Country



**HPI Racing Holdings Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 17/06/2019 To 16/12/2019 £	From 17/06/2019 To 16/12/2019 £
	ASSET REALISATIONS		
	Bank Interest Gross	131.95	131.95
76.00	Cash at Bank	NIL	NIL
769,475.00	Intellectual Property Rights	131,072.12	131,072.12
7,933.00	Plant & Machinery	7,932.73	7,932.73
	Seller's Records	793.27	793.27
15,865.00	Shares & Investments	15,865.46	15,865.46
		<u>155,795.53</u>	<u>155,795.53</u>
	COST OF REALISATIONS		
	Agents/Valuers Fees (1)	5,000.00	5,000.00
	Legal Fees (1)	20,000.00	20,000.00
		<u>(25,000.00)</u>	<u>(25,000.00)</u>
<b>793,349.00</b>		<b><u>130,795.53</u></b>	<b><u>130,795.53</u></b>
	REPRESENTED BY		
	Interest Bearing Bank Account		125,795.53
	Vat Receivable		5,000.00
			<u><b>130,795.53</b></u>



**High Court of Justice**

**No. 003983 of 2019**

**HPI Racing Holdings Limited  
(In Administration)**

**The Joint Administrators' Progress Report to 16 December 2019**

**Jason Maloney & Kevin Murphy (CVR Global LLP)  
Kevin Brown (Kevin Brown Advisory Limited)**

**CVR Global LLP  
20 Funnival Street, London, EC4A 1JQ  
020 3794 8750  
jbeake@cvr.global**

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Jason Maloney, Kevin Murphy and Kevin Brown were appointed Joint Administrators of HPI Racing Holdings Limited on 17 June 2019. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.



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- 6. Conclusion**

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  - II. The Joint Administrators' Receipts and Payments Account**
  - III. The Joint Administrators' Time Costs for the Review Period**
  - IV. Charge-out Rates, Disbursements and Costs**
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## 1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration to 16 December 2019 ("the Review Period").

A summary of key information in this report is detailed below.

### 1.1 Asset realisations

Asset	Estimated to realise per Statement of Affairs £	Realisations to date £	Anticipated future realisations £	Total anticipated realisations £
Plant & Machinery	7,933	7,933	-	7,933
Shares & Investments	15,865	15,865	-	15,865
Seller's Records	-	793	-	793
Intellectual Property Rights*	769,475	131,072	637,609	768,681
Cash at Bank	76	-	76	76
Bank Interest Gross	-	35	50	85
Intercompany Debtors	-	-	Uncertain	Uncertain

\*The second instalment due on 1 January 2020 totaling £237,982 was received into a bank account operated by the Joint Administrators' solicitors, Freeths LLP after the Review Period. However, as the funds were paid after the Review Period, the funds are not showing as being received in the above schedule or in the Receipts and Payments Account at Appendix II.

### 1.2 Expenses

Expense	Estimated per Proposal's Estimated Outcome Statement £	Expense incurred to date (based on time costs) £	Anticipated further expense to closure (based on time costs) £	Total anticipated expense (based on time costs) £
Joint Administrators' fees (Fixed)	30,000	57,911	22,089	80,000
Solicitors' fees (Fixed) – Pre-appointment	24,000	29,640	nil	29,640
Solicitors' fees (Fixed) – Post-appointment		13,264	Uncertain	Uncertain
Solicitors' Disbursements (Fixed)	-	7	-	7
Agent's fees (Fixed)	5,000	5,000	-	5,000
Disbursements	1,000	1,150	100	1,250



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### 1.3 Dividend prospects

Creditor class	Distribution / dividend paid to date £	Anticipated distribution / dividend, based upon the above £
Secured creditor	-	Uncertain*
Preferential creditors	N/A	N/A
Unsecured creditors	-	-

\*As set out in section 5.1 of this report, the Administrators intend on seeking an increase, from the fixed charge creditors, to the previously agreed fee and costs estimates. Should these increased costs be agreed, the dividend to secured creditors will be reduced from the figure that was included within the Proposals of £732,480.

### 1.1 Summary of key issues outstanding

- Recovery of deferred consideration and other assets; and
- Agreement of secured creditor claims and payment of secured distribution.

## 2. THE PROGRESS OF THE ADMINISTRATION

### 2.1 The Joint Administrators' receipts and payments account

Attached is a receipts and payments account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Joint Administrators as a whole, see the attached.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

### 2.2 Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
  - Issuing the Joint Administrators' Proposals;
  - Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
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- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
  - Monitoring and maintaining an adequate statutory bond;
  - Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
  - Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
  - Completing periodic tax returns.

## **2.3 Realisation of assets**

### **2.3.1 Sale of the Company's Assets**

*A pre-pack sale was undertaken and the information relating to this sale was provided in the Joint Administrators' Proposal to creditors. Part of the initial consideration of £155,663 was received into the Administration estate during the Review Period. The balance of the initial consideration totalling £2,991 has been requested from the purchaser.*

The first instalment under the terms of the sale agreement totalling £237,982, due on 1 January 2020, was received by the Administrators' solicitors outside of the Review Period. These funds will shortly be remitted to the Administration estate.

## **2.4 Estimated future realisations**

### **2.4.1 Deferred Consideration**

There is deferred consideration totalling £396,637 which is due to be received by 1 June 2020. The Joint Administrators expect the payment to be made by the deadline.

### **2.4.2 Intercompany Debtor – HPI Racing Limited (In Administration) ("HPIR")**

The Company's books and records indicated that there was a debt due from HPIR of £1,193,037. The Joint Administrators are continuing to investigate the intercompany position within the Group.

The latest progress report in the administration of HPIR indicates that there may be sufficient realisations to unsecured creditors.

### **2.4.3 Intercompany Debtor – HPI Racing Design Inc. ("HPIRD")**

The Company's books and records indicate that there is an amount owing of £24,854 from HPIRD, an entity based in the USA that assisted with the design of HPI products. Formal demand has not yet been made of HPIRD as the Administrators are continuing to investigate the intercompany position within the Group.

### **2.4.4 Intercompany Debtor – HPI Manufacturing ("HPIM")**

*The Company's books and records indicate that there is an amount owing from HPIM of £218,266. This entity is based in China and provided manufacturing services to the Group. Formal demand has not yet been made of HPIM as the Administrators are continuing to investigate the intercompany position within the Group.*

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#### **2.4.5 Cash at Bank**

At the date of Administration, there was £76 in the Company's bank account. The Joint Administrators have yet to receive these funds from the Bank, however correspondence in this regard is ongoing.

### **2.5 Costs of Realisation**

#### **2.5.1 Legal Fees – Freeths LLP ("Freeths")**

Freeths were paid the sum of £20,000 plus VAT during the Review Period for providing their legal expertise on the sale of the Company's assets as set out in the Proposals. These fees were agreed with the secured creditors. Freeths have outstanding pre-appointment time costs of £9,640 plus VAT and post-appointment time costs of £1,940 plus VAT, after taking into account the £20,000 plus VAT paid.

#### **2.5.2 Legal Fees – Gateley LLP ("Gateleys")**

Gateleys were instructed to review the validity of the charges registered against the Company. Their fees were agreed with the secured creditors at £4,000 plus VAT, however this limit has been exceeded. There were no payments made to Gateleys during the Review Period, however a payment of £7,804 was made to Gateleys towards their outstanding WIP after the end of the Review Period. Gateley's have outstanding time costs of £3,520 plus VAT and disbursements of £7 plus VAT.

#### **2.5.3 Agent's Fees**

Total Asset Recovery Limited were paid the sum of £5,000 plus VAT during the Review Period for providing their expertise and valuation advice on the sale process, as set out previously.

### **3. CREDITORS: CLAIMS AND DISTRIBUTIONS**

#### **3.1 Secured creditors**

Companies House shows that the Company granted a fixed and floating charge to Park Capital Limited on 31 July 2017. The Joint Administrators and their legal advisors are continuing to review the validity of this charge.

Companies House also shows that the Company granted a fixed and floating charge to Nicholas Julian Moss on 2 August 2017. The Joint Administrators and their legal advisors are continuing to review the validity of this charge.

Companies House shows that the Company granted a fixed and floating charge to Ultimate Model Corporation Limited on 31 August 2017. The Joint Administrators and their legal advisors are continuing to review the validity of this charge.

The Statement of Affairs disclosed with the Proposals included secured creditors totalling £4,754,378.

#### **3.2 Preferential creditors**

There are no known preferential creditors.

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### **3.3 Unsecured creditors**

Unsecured claims were estimated at £364,418 in the Director's Estimated Statement of Affairs. It is not anticipated that a dividend will be paid to unsecured creditors.

## **4. INVESTIGATIONS**

### **4.1 Investigations**

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 16 September 2019.

### **4.2 Initial Assessment of Potential Recoveries**

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This review has identified matters that require further investigation which may lead to a recovery for creditors. For confidentiality purposes, the Administrators do not propose to provide any further details at this stage, however if further recoveries are anticipated as a result of these investigations, creditors will be updated in due course.

## **5. THE JOINT ADMINISTRATORS' FEES AND EXPENSES**

### **5.1. The Joint Administrators' Fees**

The basis of the Joint Administrators' fees was fixed by the secured creditors at the set amount of £30,000 for the Administration, payable from fixed charge realisations.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is attached together with further information regarding the charge-out rates of the Joint Administrators and their staff is provided in the attached appendices.

The Joint Administrators intend on seeking an increase to the agreed fee and costs basis from the fixed charge creditors as these costs are payable from fixed charge recoveries.

"A Creditors' Guide to Administrators' Remuneration" is available for download at <http://www.creditorinsolvencyguide.co.uk>.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

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## 5.2. Comparison of estimates

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Legal costs (pre-appointment)	20,000	Nil	29,640	Unforeseen work relating to the sale.
Legal costs (post-appointment)	4,000	13,264	13,264	The review of the validity of the charges registered against the Company was more complex than initially envisaged.
Agents' and valuers' costs	5,000	5,000	5,000	
Advertising	80	80	80	
Insurance	624	508	508	
Bonding	20	284	284	The bonding fee for Kevin Brown was higher than anticipated
Document Storage	200	-	-	Not included in original expenses estimate
HM Land Registry	20	-	-	Not included in original expenses estimate
Document Repository Fee	-	12	12	Not included in original expenses estimate
ATE Insurance	56	56	56	
Courier Fee	-	24	24	Not included in original expenses estimate
Postage	-	67	67	Not included in original expenses estimate
Travel	-	112	112	Not included in original expenses estimate
Subsistence	-	7	7	Not included in original expenses estimate
<b>TOTAL</b>	<b>30,000</b>	<b>19,414</b>	<b>49,054</b>	

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in the attached appendices.

## 5.3. Creditors' right to request information

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.



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#### 5.4. Creditors' right to challenge fees and/or expenses

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

Please note that information relevant and useful to creditors can be found at the following website, [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk) and <https://www.r3.org.uk/what-we-do/publications/professional/fees>. Hard copies of these publications are available on request by contacting the Joint Administrators' office.

#### 6. CONCLUSION

The Administration will continue in order to finalise the following outstanding matters:

- Recovery of deferred consideration and other assets; and
- Agreement of secured creditor claims and payment of secured distribution.

If you require any further information, please contact Jake Beake on 020 3794 8750 or [jbeake@cvr.global](mailto:jbeake@cvr.global).



**J P MALONEY**  
**Joint Administrator**

All Licensed Insolvency Practitioners of the firm are authorised in the UK by the Institute of Chartered Accountants in England and Wales.

Jason Maloney and Kevin Murphy were appointed Joint Administrators of HPI Racing Holdings Limited on 17 June 2019.

The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

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**HPI Racing Holdings Limited  
(IN ADMINISTRATION)**

**STATUTORY INFORMATION**

Company Name	HPI Racing Holdings Limited
Previous Names	N/A
Proceedings	In Administration
Court	High Court of Justice
Court Reference	003983 of 2019
Date of Appointment	17 June 2019
Joint Administrators	Jason Maloney & Kevin Murphy CVR Global LLP 20 Furnival Street, London, EC4A 1JQ  Kevin Brown Kevin Brown Advisory Limited 500 High Road, Woodford Green, Essex, IG8 0PN
Registered office address	c/o CVR Global LLP 20 Furnival Street, London, EC4A 1JQ
Company Number	10173112
Appointment by	Directors of the Company

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**DEFINITIONS**

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Jason Maloney and Kevin Murphy of CVR Global LLP and Kevin Brown of Kevin Brown Advisory Limited
The Company	HPI Racing Holdings Limited (in Administration)
The Court	High Court of Justice
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 17 June 2019 to 16 December 2019

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**HPI Racing Holdings Limited  
(IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

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**HPI Racing Holdings Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts and Payments**

	Statement of affairs £	From 17/06/2019 To 16/12/2020 £	From 17/06/2019 To 16/12/2020 £
<b>RECEIPTS</b>			
Plant & Machinery	7,933.00	7,932.73	7,932.73
Shares & Investments	15,865.00	15,865.46	15,865.46
Cash at Bank	76.00	0.00	0.00
Seller's Records		793.27	793.27
Bank Interest Gross		131.95	131.95
Intellectual Property Rights	769,475.00	131,072.12	131,072.12
		<u>155,795.53</u>	<u>155,795.53</u>
<b>PAYMENTS</b>			
Agents/Valuers Fees (1)		5,000.00	5,000.00
Legal Fees (1)		27,804.00	27,804.00
Legal Disbursements		59.25	59.25
Vat Receivable		6,572.65	6,572.65
		<u>39,435.90</u>	<u>39,435.90</u>
<b>BALANCE - 16 December 2020</b>		<u><b>116,359.63</b></u>	<u><b>116,359.63</b></u>
<b>MADE UP AS FOLLOWS</b>			
Interest Bearing Bank Account		116,359.63	116,359.63
		<u><b>116,359.63</b></u>	<u><b>116,359.63</b></u>



**HPI Racing Holdings Limited  
(IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' TIME COSTS FOR THE REVIEW PERIOD**

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HPI RACING HOLDINGS LIMITED - ADM - HPIR66652

Time and Chargeout Summary for the period 17/06/2019 to 16/12/2019							
Classification of work function	Hours					Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
<b>Administration &amp; Planning</b>							
(A)Appointment Documents	0.00	0.00	0.20	1.20	1.40	266.00	190.00
(A)Case Reviews	2.10	2.80	0.00	3.00	7.90	2,323.50	294.11
(A)Cashiering	0.00	0.20	0.00	7.10	7.30	1,155.50	158.29
(A)General Administration	4.90	1.40	0.00	2.70	9.00	2,829.00	314.33
(A)JA Correspondence	2.80	0.00	0.00	0.60	3.40	1,167.00	343.24
(A)Money Laundering & ethics	0.00	0.00	0.00	0.60	0.60	114.00	190.00
(A)Pension Matters	0.00	0.10	0.00	0.40	0.50	109.00	218.00
(A)SOA/DOS	0.10	0.10	0.00	2.40	2.60	528.00	203.08
(A)Statutory Filing, advertising & bordereau	0.30	1.00	0.00	2.40	3.70	903.00	244.05
<b>Total for Administration &amp; Planning</b>	<b>10.20</b>	<b>5.60</b>	<b>0.20</b>	<b>20.40</b>	<b>36.40</b>	<b>9,395.00</b>	<b>258.10</b>
<b>Investigations</b>							
(I)Antecedent Transactions	0.00	0.80	0.00	0.00	0.80	264.00	330.00
(I)D Conduct reports/returns	0.20	0.00	0.00	0.10	0.30	107.50	358.33
(I)Investigations (not SIP2/CDDA)	4.80	2.40	0.00	5.80	13.00	3,827.00	294.38
<b>Total for Investigations</b>	<b>5.00</b>	<b>3.20</b>	<b>0.00</b>	<b>5.90</b>	<b>14.10</b>	<b>4,198.50</b>	<b>297.77</b>
<b>Realisation of Assets</b>							
(R)Agents & Valuations	0.10	0.00	0.00	0.00	0.10	39.00	390.00
(R)Cash at Bank	0.00	0.10	0.00	0.00	0.10	33.00	330.00
(R)Insurance	0.00	0.80	0.00	1.40	2.20	530.00	240.91
(R)Other Assets	0.40	0.10	0.00	0.00	0.50	189.00	378.00
(R)Property	1.20	7.00	0.00	0.00	8.20	2,778.00	338.78
(R)Sales of Business	8.10	0.00	0.00	0.00	8.10	3,159.00	390.00
(R)Subsidiaries/Investments	0.20	0.00	0.00	0.00	0.20	78.00	390.00
<b>Total for Realisation of Assets</b>	<b>10.00</b>	<b>8.00</b>	<b>0.00</b>	<b>1.40</b>	<b>19.40</b>	<b>6,806.00</b>	<b>350.82</b>
<b>Creditors</b>							
(C)Claims & Proofs	1.50	0.00	0.00	0.00	1.50	669.00	446.00
(C)Correspondence	0.60	0.80	0.00	3.20	4.60	1,041.00	226.30
(C)Debentures/Charges	0.80	0.00	0.00	0.00	0.80	396.00	495.00
(C)Dividends	0.00	0.00	0.00	0.30	0.30	57.00	190.00
(C)Reports & Circulars	2.60	10.60	0.00	2.20	15.40	4,923.50	319.71
(C)Sec Claims & Proofs	0.90	0.00	0.00	0.00	0.90	424.50	471.67
(C)Sec Correspondence	1.70	0.40	0.00	0.70	2.80	1,106.50	395.18
<b>Total for Creditors</b>	<b>8.10</b>	<b>11.80</b>	<b>0.00</b>	<b>6.40</b>	<b>26.30</b>	<b>8,617.50</b>	<b>327.66</b>
<b>Trading</b>							
(T)Accounting & Financial	0.20	0.00	0.00	0.00	0.20	78.00	390.00
<b>Total for Trading</b>	<b>0.20</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.20</b>	<b>78.00</b>	<b>390.00</b>
<b>Case Specific Matters</b>							
(CS)Legal Matters (non invest)	0.00	0.60	0.00	0.00	0.60	198.00	330.00
(CS)Other Special Issues	0.00	9.50	0.00	0.40	9.90	3,211.00	324.34
(CS)Post appointment tax returns	2.10	1.60	0.00	1.10	4.80	1,556.00	324.17
(CS)Pre Appointment Taxation	0.00	0.00	0.00	0.10	0.10	19.00	190.00
<b>Total for Case Specific Matters</b>	<b>2.10</b>	<b>11.70</b>	<b>0.00</b>	<b>1.60</b>	<b>15.40</b>	<b>4,984.00</b>	<b>323.64</b>
<b>Fixed Charge Matters</b>							
(F)Correspondence	6.80	0.00	0.00	0.00	6.80	2,652.00	390.00
(F)HP/Leasing Agreements	1.30	0.00	0.00	0.00	1.30	507.00	390.00
(F)Meetings	1.00	0.00	0.00	0.00	1.00	390.00	390.00
(F)Other	0.20	0.00	0.00	0.00	0.20	78.00	390.00
<b>Total for Fixed Charge Matters</b>	<b>9.30</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>9.30</b>	<b>3,627.00</b>	<b>390.00</b>
<b>Total Hours</b>	<b>44.90</b>	<b>40.30</b>	<b>0.20</b>	<b>35.70</b>	<b>121.10</b>	<b>37,706.00</b>	<b>311.36</b>



**HPI Racing Holdings Limited – In Administration****CHARGE-OUT RATES, DISBURSEMENTS AND COSTS****Current Charge-out Rates for the firm****Time charging policy**

Charge-out rates are normally reviewed annually when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6-minute units.

<b>Staff</b>	<b>Charge out rates £</b>
Partners	390-495
Consultants	390-495
Directors	360-390
Associate Directors	330-360
Managers	300-330
Assistant Manager	290-310
Senior Executive	240-275
Executive	155-190
Cashier	135-185
Secretarial/Admin/Analyst	90-125



**Direct expenses ("Category 1 Disbursements")**

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as advertising our appointment, meetings and requesting claims from creditors, storage in relation to the books and records of the company or individuals and the assignment records, online reporting facilities in relation to the uploading of documents and reports for creditors, bonding and other insurance premiums to protect the estate and its assets, and properly reimbursed expenses incurred by personnel in connection with the case. Such expenses currently anticipated and estimated are as follows:

<b>Expenses Category 1</b>	<b>Basis</b>	<b>Estimate of total £</b>
<b>Legal costs</b> – Gateley plc and Freeths Solicitors have been instructed to provide advice in respect of validity of security and appointment and in relation to the sale of the Company's assets. Their combined fee was fixed at £24,000 and is payable from fixed charge realisations. The agreed fee has been exceeded therefore further approval will be sought from the secured creditors.	Time Costs/Agreed with fixed charge creditors	Uncertain
<b>Agents and Valuers</b> – Total Asset Recovery Ltd were instructed by the Company to provide valuation advice and to assist with a sale of the Company's assets. Their fee is fixed at £5,000 and will be payable from fixed charge realisations.	Fixed Fee/Agreed with fixed charge creditors	5,000
Advertising		80
Bonding		20
Document Storage		200
HM Land Registry		20
Insurance		624
ATE Insurance		56
Document Repository Fee		12
Courier Fee		24
Postage		67
Travel		112
Subsistence		7
<b>Total</b>		<b>Uncertain</b>

**Indirect expenses ("Category 2 Disbursements")**

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

**Circulars to creditors:**

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

**Room Hire**

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT may be levied to cover the cost of booking the room.

**Travel**

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 45p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.



**Company Searches & Electronic Verification of Identity**

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.