

AM03

Notice of administrator's proposals



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 1 2 4 1 4 6 3 9

Company name in full Archant Devon & Cornwall Holdings Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Michael Paul

Surname Roome

3 Administrator's address

Building name/number 2 Lace Market Square

Street

Post town Nottingham

County/Region

Postcode N G 1 1 P B

Country

4 Administrator's name ①

Full forename(s) Dean Anthony

Surname Nelson

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number St Helens House

Street King Street

Post town Derby

County/Region

Postcode D E 1 3 E E

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03

Notice of Administrator’s Proposals

6	Statement of proposals		
	<div><input checked="" type="checkbox"/> I attach a copy of the statement of proposals</div>		
7	Sign and date		
Administrator’s Signature	<div>Signature<div><div>×</div><div>M. P. L.</div><div>×</div></div></div>		
Signature date	<div><div><div><div>^d</div><div>2</div></div><div><div>^d</div><div>4</div></div></div><div><div><div>^m</div><div>1</div></div><div><div>^m</div><div>2</div></div></div><div><div><div>^y</div><div>2</div></div><div><div>^y</div><div>0</div></div></div><div><div><div>^y</div><div>2</div></div><div><div>^y</div><div>0</div></div></div></div>		

AM03

Notice of Administrator's Proposals



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 **Kimberley Waplington**

Company name **Smith Cooper**

Address **2 Lace Market Square**
Nottingham

Post town **NG1 1PB**

County/Region

Postcode

Country

DX

Telephone **0115 945 4300**



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

Registrar of Companies
Companies House
Crown Way
Maindy
Cardiff
CF14 3UZ

Your ref:

Our ref: XXAR10 / G

Please contact: Kimberley
Waplington

Direct dial: 0115 945 4300

Date: 24 December 2020

Dear Sirs

Archant Devon & Cornwall Holdings Limited - In Administration ("the Company")
Registered in England & Wales No. 12414639 at Prospect House, Rouen Road, Norwich, Norfolk,
NR1 1RE
In the High Court of Justice No. 000565 of 2020

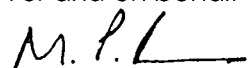
I refer to my appointment as Joint Administrator of the Company on 17 December 2020 and enclose the following for filing:

- Form AM03 – Notice of Administrators' Proposals; and
- The Joint Administrators' Statement of Proposals.

Please acknowledge receipt of this letter by stamping and returning the attached copy.

Yours faithfully

For and on behalf of Archant Devon & Cornwall Holdings Limited – In Administration



Michael Paul Roome
Joint Administrator

Enc.

The affairs, business and property of Archant Devon & Cornwall Holdings Limited - In Administration are managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Sent from: Smith Cooper, 2 Lace Market Square, Nottingham, NG1 1PB

Smith Cooper is the trading name of SC Advisory Services Limited, a company registered in England
Registered number: 7678255
Registered Office: St Helen's House, King Street, Derby DE1 3EE
A list of directors is available for inspection at the above address.



MEMBER



ICAEW
LICENSED INSOLVENCY
PRACTITIONERS (UK)



Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them.

Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities.

When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link www.smithcooper.co.uk/bri-privacy-notice/.

IN THE HIGH COURT OF JUSTICE REFERENCE NO. 565 of 2020

ARCHANT DEVON & CORNWALL HOLDINGS LIMITED - IN ADMINISTRATION

THE JOINT ADMINISTRATORS' STATEMENT OF PROPOSALS

Michael Paul Roome and Dean Anthony Nelson
Joint Administrators

Smith Cooper
2 Lace Market Square
Nottingham
NG1 1PB
0115 945 4300
creditor.correspondence@smithcooper.co.uk

Disclaimer Notice

- This Statement of Proposals has been prepared by Michael Paul Roome and Dean Anthony Nelson, the Joint Administrators of Archant Devon & Cornwall Holdings Limited, solely to comply with their statutory duty under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49 of Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Archant Devon & Cornwall Holdings Limited and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Smith Cooper does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.

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Executive summary

- 1.1 This Statement of Proposals is being delivered to creditors on 24 December 2020.
- 1.2 The principal activity of the Company was the publishing of newspapers and other publishing activities and it traded from Prospect House, Rouen Road, Norwich, Norfolk, NR1 1RE. On 17 December 2020, Michael Paul Roome and Dean Anthony Nelson of Smith Cooper were appointed Joint Administrators of the Company by the directors.
- 1.3 The Joint Administrators are currently pursuing the second statutory objective of achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).
- 1.4 A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date £	Anticipated future realisations £	Total anticipated realisations £
Shareholdings – Torbay Media	17,000	-	17,000
TOTAL	17,000	-	17,000

Expenses

Expense	Expense incurred to date £	Anticipated further expense £	Total anticipated expense £
Specific bond	48	-	48
Pre-appointment Administrators fees	3,395	-	3,395
Joint Administrators' fees	1,908	12,838	14,746
Legal fees – pre appointment	4,512	-	4,512
Legal disbursements – pre appointment	50	-	50
Legal fees – post appointment	-	500	500
Re-direction of mail	216	-	216
Statutory advertising	80	80	160
Postage & Photocopying	-	22	22
TOTAL	10,209	13,440	23,649

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	N/A	N/A
Secured creditor (floating charge)	N/A	N/A
Preferential creditors	Nil	1p in the £
Unsecured creditors	Nil	Nil

1.5 The main work remaining to be done to conclude the Administration is:

- To investigate the conduct of the Company's directors and submit a report to the Insolvency Service;
- Discharge the costs of realisations;
- Issue a Notice of Intended Dividend to preferential creditors, if applicable;
- Adjudicate preferential claims, if applicable;
- Issue a dividend to preferential creditors, if applicable;
- Obtain clearance from HM Revenue & Customs;

The Administration is expected to be concluded within the next 12 months by exiting to dissolution.

1.6 Definitions of the terms used in this Proposal are provided in Appendix I.

2. Background to the Company

- 2.1** Please be advised that the information contained within this section of the report was provided by the Directors of the Company. The Joint Administrators and Smith Cooper do not provide any warranties or assurances regarding its accuracy or reliability.
- 2.2** The business was incorporated in January 2020, with the principal activity of the Company being the publishing of newspapers and other publishing activities. It traded from premises at Prospect House, Rouen Road, Norwich, Norfolk, NR1 1RE.
- 2.3** The Company is a holding entity and parent company for Torbay Media Limited, which is responsible for the publication and circulation of the publication known as Torbay Weekly.
- 2.4** The Company was incorporated in order to receive ownership of the above shares, following the execution of a series of inter-company asset transfer agreements.
- 2.5** The Company is part of a wider group of companies, referred to herein as the Archant Group. In August 2020, the Archant Group approached KPMG, with a view to winding down various entities within the Archant Group, funded by private equity investors, RCapital Partners.

As a result of that advice, the group undertook further restructuring in light of the liabilities that crystallised against both the Company and the wider group.

With certain entities within the Group entering into a formal insolvency process the Board of Directors were left with no alternative but to commence similar proceedings in relation to the Company.

The Company is part of the Archant VAT group and is jointly and severely liable for c.£1.1 million.

The Directors attribute the reasons for the Company's failure to:

- HM Revenue & Customs VAT liability crystallising against the Company.

2.6 Statutory information on the Company and extracts from the most recent accounts are provided at Appendix II. Please note that this information has not been verified by the Joint Administrators or by Smith Cooper.

3. Events leading to the Administration

3.1 Smith Cooper initially met with KPMG and the directors to advise the Company on the options available, as a result of the VAT liability and the lack of working capital.

3.2 The directors concluded that they had little alternative but to proceed with placing the Company into Administration.

3.3 Attached at Appendix IV are details of a pre-packaged sale and the steps taken by the Company along with the subsequent Joint Administrators involvement with that sale, in the period immediately prior to their appointment.

3.4 Attached at Appendix III is an account of the work undertaken prior to the Joint Administrators' appointment and the costs associated with that work.

3.5 On 17 December 2020, Michael Paul Roome and Dean Anthony Nelson of Smith Cooper were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the directors of the Company.

3.6 The EU Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

Ethical considerations

3.7 Prior to the Joint Administrators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. A further review has been carried out and no threats have been identified in respect of the management of the insolvency appointment to date.

4. The objective of the Administration

4.1 Administrators must perform their functions with the objective of:

- rescuing the Company as a going concern;

- or if that is not possible, then achieving a better result for the creditors as a whole than would be likely to be achieved if the Company were wound up (without first being in Administration);
 - or if that is not possible, realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2** The Joint Administrators would comment that due to a lack of working capital, the Joint Administrators did not consider it possible to restructure the existing business or propose a Company Voluntary Arrangement.
- 4.3** The second objective is normally achieved by means of a sale of the business and assets as a going concern or a more orderly sales process than in Liquidation. The Joint Administrators would comment that the Administration has enabled a sale of the business and assets to be achieved and provided an interim moratorium against creditor action.
- 4.4** A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

5. Events since the Joint Administrators' appointment

The sale of the Company's business and assets

- 5.1** The Joint Administrators concluded a pre-pack sale of the Company's business and assets. Information relating to this sale is attached at Appendix IV. The sale consideration of £17k excluding VAT has been received in full, and is held in the Joint Administrators solicitor's client account.

Sales to connected parties

- 5.2** In accordance with the requirements of SIP13, details of the sales of assets to parties connected with the Company since the Joint Administrators' appointment are as follows:
- 5.3** Shortly prior to the Joint Administrators appointment, ACML expressed an interest in purchasing the Company's shareholdings in Torbay Media. One of the directors of ACML are connected with the Company because he was a director of the Company. In addition, ACML is also the sole shareholder of the Company.
- 5.4** The Company had instructed Metis, who are professional independent agents with adequate professional indemnity insurance, prior to the Joint Administrators involvement to value the Company's assets. Metis weighed up the advantages of a swift sale, which would avoid the ongoing costs of storing and marketing the assets, against the potential of attracting a better offer albeit that this would involve incurring more costs. Metis concluded that AMCL's offer was very likely to represent the best net realisation for the assets.
- 5.5** The Joint Administrator are satisfied that the scope of work undertaken by Metis resulted in an independent valuation of the Company's assets in relation to an Administration scenario.

- 5.6** Consequently, the Company's shareholdings in Torbay Media were sold to ACML on 17 December 2020 for £17,000 (exclusive of any VAT), which was received in full on the same date.

Steps taken as regards assets

- 5.7** The Joint Administrators are satisfied that there are no further assets to be realised.

Steps taken as regards creditors

- 5.8** The Joint Administrators' staff have handled creditors' queries as they have arisen, which has included telephone calls and correspondence.

Instruction of specialists

- 5.9** When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken.

The firm regularly reviews the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

- 5.10** To advise on appropriate legal matters and to prepare required legal documentation in respect of the Joint Administrators appointment, the Joint Administrators instructed Sills & Betteridge Solicitors, a firm of solicitors with the appropriate expertise and experience in dealing with these types of Administrations.
- 5.11** All professional fees are based upon the parties' recorded time costs incurred at their standard charge out rates and will be reviewed by the Joint Administrators' staff before being approved for payment.

Investigation into the Company's affairs prior to the Administration

- 5.12** The Joint Administrators have commenced a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a report to be submitted to the Insolvency Service on the conduct of the Company's directors.
- 5.13** Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the outcomes for creditors

- 6.1** To date, the directors have not submitted a signed Statement of Affairs, despite the Joint Administrators' requests for its submission. The estimated financial position of the Company, together with a list of creditors, is attached at Appendix V. These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given.

Prospects for creditors

- 6.2** Attached at Appendix VI is the Joint Administrators' receipts and payments account for the period from 17 December 2020 to 24 December 2020.
- 6.3** Also attached at Appendix VII is an estimated outcome statement, which illustrates the anticipated outcomes for creditors.
- 6.4** The Act requires administrators to make a Prescribed Part of the Company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.5** In this case, the Prescribed Part provision does not apply, as there is no debt due to any floating charge-holder.
- 6.6** In summary, it is anticipated that there will only be sufficient funds to pay a small dividend distribution to preferential creditors.

7. The Joint Administrators' fees

- 7.1** The Joint Administrators propose to fix their fees on the following basis:

- the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Smith Cooper at the time the work is performed;

- 7.2** Attached at Appendix VIII is the Joint Administrators' fees estimate. Attached at Appendix IX is a breakdown of the time costs incurred in the Administration to 24 December 2020 and the charge-out rates of the Joint Administrators and their staff are provided at Appendix X.

- 7.3** The estimated outcome statement at Appendix VII provides an overview of the financial benefit that this work is expected to bring to creditors.

- 7.4** Creditors may access a Guide to Administrators' Fees at:

<https://www.r3.org.uk/technical-library/england-wales/technical-guidance/fees//page/1>

Alternatively, a hard copy will be provided on request as detailed at Appendix X.

8. The Joint Administrators' expenses

8.1 Attached at Appendix XI are details of the expenses that the Joint Administrators expect to incur in the Administration.

8.2 Disbursements are expenses initially met by, and later reimbursed to, an office holder in connection with an insolvency appointment and will fall into two categories: Category 1 and Category 2.

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that administrators may discharge Category 1 disbursements from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 disbursements are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 disbursements after the relevant creditors have approved the bases of their calculation.

8.3 Appendix X provides details of the bases of Category 2 disbursements that the Joint Administrators propose to recover from the insolvent estate.

9 The Joint Administrators' discharge

9.1 The Act requires that the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect and a decision will be sought in respect of this.

10. Approval process

Approval of the Statement of Proposals

10.1 Attached at Appendix XII is a summary of the Joint Administrators' Statement of Proposals.

For further information on how the Company's affairs will continue to be managed, if these Proposals are approved, please refer to Appendix VIII, which sets out in detail what further work the Joint Administrators propose to undertake.

10.2 The Joint Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors. Therefore, pursuant to Paragraph 52(1)(b) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals. Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision. If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules.

Other decisions

10.3 The Joint Administrators are inviting the preferential creditors to decide on the following matters:

- Whether to establish a creditors' committee
- The timing of the Joint Administrators' discharge from liability
- In the event that a creditors' committee is not established:
 - The basis on which the Joint Administrators' fees shall be fixed
 - The approval of the unpaid pre-Administration costs
 - The approval of the basis of Category 2 disbursements

10.4 To assist those creditors who are requested to vote on these matters, the relevant forms have been provided under separate cover.

If any creditor has any queries in relation to the above, please do not hesitate to contact either of the Joint Administrators or Kimberley Waplington, on 0115 945 4300 or by email to creditor.correspondence@smithcooper.co.uk.

Dated this 24 December 2020



Michael Paul Roome
Joint Administrator

Michael Paul Roome and Dean Anthony Nelson were appointed Joint Administrators of Archant Devon & Cornwall Holdings Limited on 17 December 2020. 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.

Appendix I: Definitions

The Act	The Insolvency Act 1986
The Rules	The Insolvency (England & Wales) Rules 2016
Statement of Proposals or Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Michael Paul Roome and Dean Anthony Nelson
The Company	Archant Devon & Cornwall Holdings Limited (in Administration)
The Court	High Court of Justice, Business and Property Courts of England and Wales
SPA	Sale & Purchase Agreement
ACML	Archant Community Media Limited / the Purchaser
HMRC	HM Revenue & Customs
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Act
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations
Metis	Metis Partners Limited, agents and valuers of Glasgow

Pre-packaged Administration Sale

There was insufficient working capital and no prospect of persuading new funding to allow medium-term trading to continue in order that the business and assets could be exposed thoroughly to the market.

The benefits of achieving a pre-packaged sale of the shareholdings in Torbay Media would provide a better return to creditors as a whole than through Liquidation.

The Joint Administrators' options on appointment

Immediately prior to appointment, the proposed Joint Administrators had considered whether the first Administration purpose might be achieved by continuing to trade the business within Administration in order that a proposal for a CVA might be put to creditors. However, it was considered that trading the business during the Administration could not continue, as the Company had insufficient finance in order to do so and it was not clear that the business would trade profitably.

For these reasons also, the Joint Administrators considered it would not be in the interests of creditors as a whole to continue to trade the business in Administration in the short term with a view to exploring whether the existing offer for the purchase of the business and assets could be improved upon.

To my knowledge, the business and assets sold were not previously purchased from an insolvent company.

Marketing of the business and assets

The directors were asked to provide information on any parties, of which they were aware, who would be interested in purchasing the business and assets of the Company.

The directors were asked to advise of any marketing conducted by the Company prior to approaching Smith Cooper for advice and we were advised that none had been undertaken by the Company.

Smith Cooper was instructed to assist with the marketing of the Company's business and assets as a going concern to try and maximise asset realisations for the benefit of creditors.

The marketing strategy

It was agreed with the Company that the marketing and media coverage would include marketing the business as widely as possible, which involved advertising to a database of interested parties and acquirers, on a no-names basis. This resulted in c.645 parties being identified in the same and or similar business to that of the Company.

Marketing was undertaken for a period of 7 days due to the lack of working capital. I was satisfied that this length of marketing achieved the best available outcome for creditors as a whole in the circumstances.

The reasons for the marketing strategy adopted were to generate as much interest as practically possible, in the short timescales available, in the Company's business and assets, whilst being mindful of the need to protect the goodwill of the Company.

Appendix II: Statutory and financial information

Company name	Archant Devon & Cornwall Holdings Limited
Previous name	N/A
Trading name	N/A
Proceedings	In Administration
Court	High Court of Justice
Court reference	565 of 2020
Date of appointment	17 December 2020
Appointed by	The directors of the Company
Joint Administrators	Michael Paul Roome and Dean Anthony Nelson Smith Cooper 2 Lace Market Square, Nottingham, NG1 1PB
Statement required by Paragraph 100(2) of Schedule B1 of the Act	The Joint Administrators are authorised to carry out all functions, duties and powers by either one or by both of them
Registered office	Prospect House, Rouen Road, Norwich, Norfolk, NR1 1RE
Company number	12414639
Incorporation date	20 January 2020
Company Secretary at date of appointment	N/A
Directors at date of appointment	Simon Tristan Bax (Resigned 9 December 2020) Christopher Vincent Coward Nicholas David Steven-Jones
Directors' / Secretary's shareholdings	Archant Community Media Limited – 200 ordinary £1 shares

Summary profit and loss account and balance sheet

No financial statements have been prepared since the Company's incorporation on 20 January 2020.

Below is an extract from the Company's management accounts and has been provided but no warranties or assurances are provided by the Joint Administrators as the accuracy of the information contained therein.

Assets	Incorporate £	Transfer titles 1 £	Transfer titles 2 £	Year 1 trading £	
Intangibles	-	1,000,000	(1,000,000)	180	180
Inter-company	180	(1,000,000)	1,000,000	-	180
Creditors				(180)	(180)
	180	-	-	-	180
Share capital	180	-	-	20	200
Profit & loss	-	-	-	-	-
	180	-	-	20	200

Appendix III: Statement of Pre-Administration costs

On 4 November 2020, the Company engaged Smith Cooper and agreed with the proposed Joint Administrators that they be paid fees for work done prior to the Administration, on the basis of time costs incurred by the Insolvency Practitioners and their staff at their standard charge-out rates plus VAT and related expenses for the following tasks and matters that were considered to be necessary to placing the Company into Administration.

The proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective.

In addition, it was considered advantageous to take steps to market the business and assets of the Company and to negotiate with interested parties with a view to agreeing a sale in principle that could be completed shortly after the Joint Administrators' appointment. Thus, Smith Cooper were engaged to market the business and assets by the most beneficial means in view of the time available. Solicitors were engaged to draft a sale and purchase agreement and to assist in agreeing its terms with the prospective purchaser.

It was felt that this strategy would further the second objective of achieving a better result for creditors as a whole than would be likely if the Company were wound up. This work was expected to have a financial benefit for creditors, as the strategy of pursuing the second Administration objective would improve the realisation of the shareholdings in Torbay Media.

In conducting the above work, the following costs were incurred:

	£
Smith Cooper time costs	3,395
Solicitors' costs	4,512
Solicitors disbursements	50

Further below is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration and at Appendix X are Smith Cooper's charge-out rates and bases of disbursements.

All the above costs remain unpaid.

ARCHANT DEVON & CORNWALL HOLDINGS LIMITED - IN ADMINISTRATION

SUMMARY OF TIME SPENT IN THE PRE APPOINTMENT PERIOD

CLASSIFICATION OF WORK FUNCTION	HOURS SPENT					TOTAL COSTS £	AVERAGE HOURLY RATE £
	Partners/ Directors	Manager	Other/Senior Professionals	Assistants & Support Staff	Total Hours		
Case Administration and Planning, incl Statutory Reporting	3.50	0.80	-	2.70	7.00	1,637.50	233.93
Investigations	-	-	-	-	-	-	-
Realisation of Assets	4.95	-	-	-	4.95	1,757.25	355.00
Cashiering	-	-	-	-	-	-	-
Creditors incl Distribution	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-
Total Hours	8.45	0.80	-	2.70	11.95		
Total Costs £	2,999.75	152.00	-	243.00		3,394.75	284.08

Appendix IV: SIP16 Statement

Following Statement of Insolvency Practice 16, I provide details regarding the sale of the Company's business and assets ("the Sale") and the events leading up to the Sale.

Pre-packaged sale

The Company's business and assets have been sold following a pre-packaged sale.

The primary function of an Administrator is to achieve one of the objectives set out in the Insolvency Act. In this case, the statutory purpose pursued is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration). This transaction enables the statutory purpose to be achieved and in my view the outcome achieved was the best available outcome for creditors as a whole in all the circumstances. I provide below an explanation and justification of why a pre-packaged sale was undertaken.

The roles of the Insolvency Practitioners

Prior to commencement of the Administration, Smith Cooper acted as advisors to the Board of Directors in relation to the options for the Company. For the avoidance of doubt, neither Smith Cooper nor its Insolvency Practitioners advised the directors personally or any parties connected with the purchaser, who were encouraged to take independent advice. At all times prior to Administration, the Board of Directors remained responsible for and in control of the Company's affairs.

During this time, the Insolvency Practitioners of Smith Cooper took their own steps to prepare for their potential appointment as Joint Administrators. At this point, there were clear advantages in looking to sell the Company's business and assets swiftly on appointment, as this strategy would significantly reduce the ongoing costs of securing and maintaining the business and assets and it would avoid the substantial risks that the value of the business and assets would deteriorate due to the commencement of a formal insolvency regime. Therefore, the Insolvency Practitioners, with the assistance of professional and independent agents, considered the most effective method of securing a sale representing the best outcome for creditors as a whole and negotiated with parties interested in acquiring the business and assets of the Company to a point whereby a sale could be concluded shortly after the Administration had commenced.

Immediately on their appointment, the Joint Administrators, as officers of the Court and as agents of the Company, took over from the Board the responsibilities of managing the affairs, business and property of the Company. In the interests of the creditors as a whole and mindful of the need to achieve a statutory purpose of an Administration, they concluded the Sale.

Ethical considerations

Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. The Joint Administrators observed the Code in all their activities both prior to and after their appointment.

Prior to the Joint Administrators' appointment, a review of ethical issues was undertaken, and no ethical threats were identified.

When instructing third parties to provide specialist advice and services or having the specialist services provided by the firm, the Joint Administrators are obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work undertaken.

The firm regularly reviews the specialists available to provide services within each specialist area and the cost of those services to ensure best value. The specialists chosen usually have knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment. Details of the specialists specifically chosen in this matter are detailed below.

Initial introductions

Smith Cooper was initially approached by KPMG and the Company's directors in September 2020 to advise on the options available for the Company, as it was deemed to be insolvent.

Pre-appointment matters

In addition to advising on the Company's options, our advice covered marketing the business and assets for sale as a going concern and liaising with prospective purchasers, and also involved negotiating and agreeing the contract to be completed following the Joint Administrators' appointment. The fee agreed in respect of our pre-appointment advice was the time costs properly incurred by staff at Smith Cooper's standard charge out rates. The Joint Administrators intend to seek to have these fees approved and paid from the insolvent estate in due course.

A signed engagement letter was received from the directors of the Company on 4 November 2020, setting out the scope of the assignment, and anticipated costs to be incurred in the pre-appointment period by the Insolvency Practitioners.

The Company traded as a publisher of newspapers and other publishing activities from Prospect House, Rouen Road, Norwich, Norfolk, NR1 1RE.

The directors advised that the Company had become insolvent due to the HM Revenue & Customs liability crystallising against it.

The Company has granted no security.

The options listed below were considered with the directors.

Continuing to trade outside insolvency

The Company had exhausted its available cash resources and its cash constraints were impacting on its ability to continue trading.

The Company's shareholder and funders confirmed that they were not able to provide the level of additional funding necessary to support the Company to trade, and therefore this option was not viable.

Company Voluntary Arrangement ("CVA")

Although a CVA would have given the Company some immediate relief from creditor pressure, without securing additional funding, the directors were not confident that the Company would be successful in trading through its difficulties.

Liquidation

The possibility of placing the Company into Liquidation was considered. However, it was decided that this was not the best course of action to take, as there would have been no realisation for the shareholdings in Torbay Media.

The marketing led to two parties expressing an interest and after receiving duly signed non-disclosure agreements, a detailed sales memorandum was issued, giving information to enable offers to be submitted. However, despite this level of interest, only one offer was received.

The marketing strategy has achieved the best available outcome for creditors as a whole in all the circumstances because of the number of parties circulated, expressions of interest received, and an ultimate offer being received that resulted in the business and assets being sold.

Valuation of the business and assets

Metis Partners Limited were instructed prior to the Joint Administrators involvement to value the business and assets of the Company. The Joint Administrator are satisfied that the scope of work undertaken by Metis resulted in an independent valuation of the Company's assets in relation to an Administration scenario.

Their valuation was received by the Company on 3 November 2020, and is detailed below:-

Assets not specifically pledged	Going concern £
The Intellectual Property assets of – Torbay Media Limited	£3k to £5k

The goodwill has not been valued as the Company is clearly insolvent, and as such, any value attributed to this category is totally dependent on any purchaser's valuation / perceived worth.

A going concern valuation reflects the estimated amount for which the assets could be sold as a whole in their working place. The forced sale basis reflects a sale whereby the assets are removed from the premises at the expense of the purchaser. The Joint Administrators considered the bases of the valuations appropriate, as they were able to consider offers with the objective of selling the business and assets as a going concern, but it was also necessary to understand what the assets might realise in the event that sale negotiations deteriorated and a forced sale of the assets became a real possibility.

The valuation of the assets of Torbay Media does not take into account the costs of winding-up that company in order to realise the shares nor its trading liabilities.

Therefore, the sale price achieved for the shareholdings in Torbay Media is far in excess of the above valuation.

The transaction

The purchaser and related parties

A sale of the business and assets was completed on 17 December 2020, with ACML.

Mr Simon Bax and Mr Nicholas Steven-Jones, who were directors of the insolvent Company, are directors of ACML. However, Simon Bax resigned as a director of the Company and ACML with effect from 9 December 2020.

The transaction is between the insolvent Company and ACML only and does not impact on any related companies.

No guarantees have been given by any directors for amounts due from the insolvent Company to a prior financier.

The assets

The Sale included the assets listed below and was completed by means of a SPA.

The sale consideration

The sale consideration totalled £17k excluding VAT and required the funds to be paid on completion.

The sale consideration has been allocated to the following asset categories:-

Assets	£
Shareholdings	<u>17,000</u>
Total	<u>17,000</u>

The following assets were excluded from the Sale.

- any Third Party IPR;
- any tangible assets;
- any real property owned, leased or used by the Seller;
- any cash in hand or at the bank;
- the benefit of any actual or potential claim, or right to make a claim, against any person including the proceeds of any litigation;
- the Administrators' Records;
- Seller's Records
- the VAT Records;

The consideration for the Sale has been received in my solicitor's client account, in full.

There were no options, buy-back arrangements or similar conditions attached to the contract of sale.

The Sale is not part of a wider transaction.

Pre-pack pool

The pre-pack pool is an independent body that has been formed to increase the transparency of the pre-pack process in cases involving connected parties and to provide assurance for creditors that independent business experts have reviewed proposed pre-pack sales to connected parties. Information on the pre-pack pool may be found at <https://www.prepackpool.co.uk>.

The Joint Administrators brought the pre-pack pool to the attention of the board of directors in their engagement letter and they separately wrote to the proposed connected party purchaser. The aim of the pre-pack pool, the application process and its benefits were also discussed with the directors.

The pre-pack pool has not been approached by the connected party.

Viability statement

The Joint Administrator's requested a viability statement from the connected party, however this has not been provided.

Appendix V: Estimated financial position

Insolvency Act 1986

Archant Devon & Cornwall Holdings Limited

Company Registered Number: 12414639

Estimated Financial Position as at 23 December 2020

	Book Value (£)	Estimated to Realise (£)	(£)
UNENCUMBERED ASSETS			
Shareholding - Torbay Media	17,000.00	17,000.00	17,000.00
Shareholding - "ADC"	100.00	Nil	-
			<u>17,000.00</u>
LIABILITIES			
PREFERENTIAL CREDITORS:-			
Employee Wage Arrears		-	-
			<u>17,000.00</u>
2nd PREFERENTIAL CREDITORS:-			
HM Revenue & Customs - VAT			<u>(1,130,104)</u>
			<u>(1,113,104)</u>
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003			
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS			
-			<u>0.00</u>
			<u>(1,113,104)</u>
Estimated prescribed part of net property where applicable (to carry forward)			<u>0.00</u>
			<u>(1,113,104)</u>
Unsecured non-preferential claims			
-			-
			<u>-</u>
Total surplus / (deficiency)			<u>(1,113,104)</u>
Issued and called up capital			
Ordinary Shareholders			<u>(200)</u>
TOTAL SURPLUS/(DEFICIENCY)			<u><u>(1,113,304)</u></u>

Archant Devon & Cornwall Holdings Limited
A4 - Preferential Creditors Statement of Affairs Figures

Key	Name	£
CH00	H M Revenue & Customs - VAT Insolvency & Securities 3rd Floor Euston Tower 286 Euston Road London NW1 3UQ	1,113,104.00
1 Entries Totalling		1,113,104.00

Archant Devon & Cornwall Holdings Limited
A5 - Unsecured Creditors Statement of Affairs Figures

Key	Name	£
CH01	H M Revenue & Customs Room BP3202 Warkworth House Benton Park View Longbenton Newcastle upon Tyne NE98 1ZZ	0.00
CH02	H M Revenue & Customs 5th Floor Regian House James Street Liverpool L75 1AD	0.00
CH03	H M Revenue & Customs Durrington Bridge House Barrington Road Worthing BN12 4SE	0.00
CH04	H M Revenue & Customs CT Operations SO838 PO Box 29997 Glasgow G70 5AB	0.00
4 Entries Totalling		0.00

@ - Denotes associate/excluded creditor

Archant Devon & Cornwall Holdings Limited
Company Registered Number: 12414639
C - Shareholders

Key	Name	Address	Type	Nominal Value	No. Of Shares	Called Up per share	Total Amt. Called Up
HA00	Archant Community Media Limit	c/o Prospect House, Rouen Road, Norwich, Norfolk, NR1 1RE	Ordinary	1.00	200	1.00	200.00
1 Ordinary Entries Totalling					200		

Schedule of secured creditors

Secured Creditors

Secured creditor's name and address	Amount of claim (estimated) £	Details of security	Date security was given	Value of security (per Statement of Affairs) £
N/A	N/A	N/A	N/A	N/A

Special creditor groups

Creditor group	Number of creditors in group	Total amount of claims (estimated)
Former employees (including directors)	-	-
Consumers claiming amounts paid in advance for the supply of goods and services	-	-

Appendix VI: Receipts and payments account


Archant Devon & Cornwall Holdings Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 24/12/2020

S of A £		£	£
	ASSET REALISATIONS		
17,000.00	Shareholdings - Torbay Media	17,000.00	
NIL	Shareholdings - "ADC"	NIL	
			17,000.00
	PREFERENTIAL CREDITORS		
(1,130,104.00)	H M Revenue & Customs - VAT	NIL	
			NIL
	DISTRIBUTIONS		
(200.00)	Ordinary Shareholders	NIL	
			NIL
(1,113,304.00)			17,000.00
	REPRESENTED BY		
			17,000.00
			17,000.00

Note:

The amounts stated are net of VAT.

All funds are held in a non-interest bearing account.



Michael Paul Roome
Joint Administrator

Appendix VII: Estimated outcome statement

Archant Devon & Cornwall Holdings Limited
(In Administration)
Joint Administrators' Estimated Outcome Statement
To 24/12/2020

Statement of Affairs £		Realised / Paid	Projected	Total £
	ASSET REALISATIONS			
17,000.00	Shareholdings - Torbay Media	17,000.00	NIL	17,000.00
NIL	Shareholdings - "ADC"	NIL	NIL	NIL
		17,000.00	NIL	17,000.00
	COST OF REALISATIONS			
	Specific Bond	NIL	48.00	48.00
	Pre Appointment Administrators Fees	NIL	3,395.00	3,395.00
	Administrators Fees	NIL	8,109.00	8,109.00
	Pre Appointment Legal Fees	NIL	4,000.00	4,000.00
	Pre Appointment Legal Disbursements	NIL	50.00	50.00
	Legal Fees	NIL	500.00	500.00
	Re-Direction of Mail	NIL	216.00	216.00
	Statutory Advertising	NIL	160.00	160.00
	Postage & Photocopying	NIL	22.00	22.00
		NIL	(16,500.00)	(16,500.00)
	PREFERENTIAL CREDITORS			
(1,130,104.00)	H M Revenue & Customs - VAT	NIL	500.00	500.00
		NIL	(500.00)	(500.00)
	DISTRIBUTIONS			
(200.00)	Ordinary Shareholders	NIL	NIL	NIL
		NIL	NIL	NIL
{1,113,304.00		17,000.00	{17,000.00}	NIL
	REPRESENTED BY			
		17,000.00	(17,000.00)	NIL
		17,000.00	{17,000.00}	NIL



Michael Paul Roome
Joint Administrator

Appendix VIII: The Joint Administrators' fees estimate

Please note that this estimate reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and thus it includes the time already incurred, details of which are provided in Appendix IX.

The fees estimate has been compiled on the following assumptions:

- the Joint Administrators' initial investigations will not identify any matters that require further investigations or pursuit;
- no exceptional work will be required to realise the remaining assets;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by the Joint Administrators' Proposals; and
- the relevant creditors will be asked to approve an extension of the Administration at the appropriate time.

On these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the fees estimate. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

General Description	Includes	Estimate of no. of hours £	Estimated blended hourly rate £	Estimate of total £
Administration (including statutory reporting)		55.2	163	8,984.50
Statutory /advertising	Filing and advertising to meet statutory requirements			
Document maintenance /file review /checklist	Filing of documents Periodic file reviews, including ethical, anti-money laundering and anti-bribery matters Maintenance of statutory and case progression task lists/diaries Updating checklists			
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers			

General Description	Includes	Estimate of no. of hours £	Estimated blended hourly rate £	Estimate of total £
	Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments			
Planning / review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case			
Books and records / storage	Dealing with records in storage Sending case files to storage			
Creditor reports	Preparing proposal, six monthly progress reports, fee authority report to creditors, conversion to CVL (where appropriate) and final report Seeking extension via creditors (where appropriate) and/or court Reporting to secured creditor appointor Proposing further fee approval (where the fees estimate is not for the administration of the case to conclusion)			
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure Issuing notice of result of decision on Proposals			

General Description	Includes	Estimate of no. of hours £	Estimated blended hourly rate £	Estimate of total £
Investigations		17.2	171	2,934.00
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken			
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with the Insolvency Service Submission of report to the Insolvency Service Preparation and submission of supplementary report (if required) Assisting the Insolvency Service with its investigations			
Examinations, if applicable	Preparing brief to solicitor Liaising with solicitor(s) regarding examinations Attendance at examination Reviewing examination transcripts Liaising with solicitor(s) regarding outcome of			

General Description	Includes	Estimate of no. of hours £	Estimated blended hourly rate £	Estimate of total £
	examinations and further actions available			
Litigation / Recoveries, if applicable	Strategy meeting regarding litigation Seeking funding from creditors Reviewing terms of solicitors' conditional fee agreements Preparing brief to solicitors/Counsel Liaising with solicitors regarding recovery actions Dealing with ATE insurers Attending to negotiations Attending to settlement matters			
Realisation of Assets		1.5	245	367.50
Shareholdings	Liaising with the purchaser regarding the sale of the Shareholdings Liaising with the Joint Administrators solicitors regarding the completion of the sale Monitoring receipt of the funds			
Creditors (claims and distribution)		19.5	126	2,460.00
Creditor communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post			
Dealing with proofs of debt ('POD')	Receipting and filing POD when not related to a dividend Corresponding with HM Revenue & Customs regarding POD			

General Description	Includes	Estimate of no. of hours £	Estimated blended hourly rate £	Estimate of total £
Dividend procedures	Preparation of correspondence to preferential creditors advising of intention to declare a dividend distribution Advertisement of notice of intended dividend distribution Preparation of dividend distribution calculation Preparation of correspondence to preferential creditors announcing declaration of distribution Preparation of cheques/BACS to pay dividend distribution Preparation of correspondence to preferential creditors enclosing payment of distribution Dealing with any unclaimed dividends			
Creditors' Committee	No estimate has been provided, as it has been assumed that no Committee will be established			
Total		93.4	158	14,746.00

Administration (including Statutory Reporting)

The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

Investigations

At present, the Joint Administrators' investigations are ongoing and it is not yet clear whether any matters will be identified with the potential to generate additional recoveries for the insolvent estate.

At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in carrying out a detailed exploration and pursuit of any questionable matters. The fees and expenses estimates reflect the anticipated work in carrying out basic investigations in order to identify any potential causes of action. If any are identified and the Joint Administrators consider that additional work is required in order to generate a net financial benefit for creditors, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

The receipts and payments account at Appendix VI sets out the realisations achieved to date and the estimated outcome statement at Appendix VII sets out the total anticipated realisations and the financial benefit that this work is expected to generate for creditors. In brief, the following main tasks are yet to be completed:

- Sale of business and assets: collecting the deferred sale consideration

Creditors (claims and distributions)

Irrespective of whether sufficient realisations are achieved to pay a dividend to preferential or unsecured creditors, time will be spent in dealing with creditors' queries

Appendix IX: Breakdown of the Joint Administrators' time costs

ARCHANT DEVON & CORNWALL HOLDINGS LIMITED - IN ADMINISTRATION

SUMMARY OF TIME SPENT IN THE POST APPOINTMENT PERIOD 17 DECEMBER 2020 TO 24 DECEMBER 2020

CLASSIFICATION OF WORK FUNCTION	HOURS SPENT					TOTAL COSTS £	AVERAGE HOURLY RATE £
	Partners/ Directors	Manager	Other/Senior Professionals	Assistants & Support Staff	Total Hours		
Case Administration and Planning, incl Statutory Reporting	1.70	2.60	-	9.00	13.30	1,907.50	143.42
Investigations	-	-	-	-	-	-	-
Realisation of Assets	-	-	-	-	-	-	-
Cashiering	-	-	-	-	-	-	-
Creditors incl Distribution	-	-	-	-	-	-	-
Trading	-	-	-	-	-	-	-
Total Hours	1.70	2.60	-	9.00	13.30		
Total Costs £	603.50	494.00		810.00		1,907.50	143.42

Appendix X: Charge-out rates and disbursements policy

INFORMATION FOR CREDITORS IN RELATION TO FEES AND DISBURSEMENTS

INFORMATION RELEVANT AT 1 APRIL 2017

W	smithcooper.co.uk
F	0115 8242110
VAT	123 3549 34

General information to creditors regarding insolvency matters

Creditors wishing to understand or find out more information in relation to this or any other type of insolvency process may visit the website:

<http://www.creditorinsolvencyguide.co.uk>

This website is a step-by-step guide designed to help creditors navigate their way through an insolvency process and has been produced by R3, the UK insolvency trade body.

A creditors' guide to the fees payable in an insolvency process and the process an insolvency practitioner is required to adopt for seeking approval of his or her fees may be acquired from the following website:

<https://www.r3.org.uk/what-we-do/publications/professional/fees>

If any party is unable to obtain a copy of either of the above guides, please contact the individual referred to below who will furnish you with a copy, free of charge:

- Contact – Kimberley Wapplington
- Telephone – 0115 945 4318
- Email – kimberley.wapplington@smithcooper.co.uk
- Post – 2 Lace Market Square, Nottingham, NG1 1PB

Sent from: Smith Cooper, 2 Lace Market Square, Nottingham, NG1 1PB

Smith Cooper is the trading name of SC Advisory Services Limited, a company Registered in England
 Registered number: 7678255
 Registered Office: St Helen's House, King Street, Derby DE1 3EE
 A list of directors is available for inspection at the above address.



AWARDS



Dean Anthony Nelson, Nicholas Charles Osborn Lee, Andrew Paul Stevens and Michael Paul Roome are licensed in the United Kingdom to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. They are all bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment, which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>. When acting as Receiver, Administrative Receiver or Administrator they act as agent only, without personal liability and when acting as Administrator, the affairs, business and property of the company are being managed by them.

Regulated by the Institute of Chartered Accountants in England & Wales for a range of investment business activities.

When taking appointments, the firm's licensed Insolvency Practitioners are Data Controllers of personal data as defined by the Data Protection Act 1998 and the General Data Protection Regulations 2018. Smith Cooper will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the appointments which they take. For further details see the firm's privacy policy which can be accessed on our website using the following link www.smithcooper.co.uk/bri-privacy-notice/.

Information specific to Smith Cooper

Grade	Charge out rate (£ per hour)
Partner	355
Director	255
Senior Manager/Manager	190
Assistant Manager	190
Senior Insolvency Administrator	165
Administrator	130
Junior Administrator	90
Cashier	90
Other	60
Time costs are calculated using 6 minute units.	

The Office Holder does not recover the costs of support staff other than where their time is specifically incurred and can be identified in dealing with work undertaken on a specific engagement.

Agent's Costs

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

Disbursements

In accordance with Statement of Insolvency Practice 9 (SIP9) the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1, being expenses directly referable to a third party, eg statutory advertising, external meeting room hire, specific bond insurance and courier costs, external archive, storage and subsequent destruction and Company Search fees, or Category 2, being expenses incurred by the firm and recharged to the estate, which may include a profit element, eg postage, stationery and storage.

Category 1 disbursements are recoverable in full from the estate without the prior approval of creditors. Category 2 disbursements are recoverable in full from the estate, subject to the basis of the disbursement allocation being approved by creditors in advance.

Category 2 disbursements are proposed to be recovered, subject to obtaining the requisite approval, as follows:-

Postage	Charged at actual cost (first class)
Photocopying	Recharged at 17p per sheet
Storage	Charged at cost
Room Hire	£50 per meeting held Smith Cooper offices
Archiving case files & closure	Recharged at £42.70 per box
Archiving records & closure	Recharged at £9.55 per box
Mileage	45p per mile

Appendix XI: The Joint Administrators' expenses estimate

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Direct expenses	Basis	Estimate of total £
Specific bond	Fixed fee	48
Legal costs – Pre appointment: Sills & Betteridge were instructed to provide advice in respect of the sale of business and assisting with the legal aspects of the Joint Administrators appointment	Fixed fee	4,512
Legal disbursements – Pre appointment: Sills & Betteridge incurred pre appointment disbursements in respect of a Court filing fee	Fixed fee	50
Legal costs – Post appointment: Sills & Betteridge will be instructed to provide advice in respect of any potential rights of actions, if applicable	Time-costs	500
Re-direction of mail	Fixed fee	216
Statutory advertising	Fixed fee	160
TOTAL		5,486

Category 2 disbursements	Basis	Estimate of total £
Postage & photocopying	Fixed fee	22
TOTAL		22

Appendix XII: Summary of the Joint Administrators' proposals

In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

- The Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (ii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- The Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- The Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) In the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Michael Paul Roome and Dean Anthony Nelson may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator; or
 - (iii) in the event that the Joint Administrators think that the purpose of the Administration has been sufficiently achieved and that control of the Company should be returned to the Company directors, they shall apply to the court to bring the Administration to an end in accordance with Paragraph 79(3) of Schedule B1 of the Act.