

The Insolvency Act 1986

Administrator's progress report

Name of Company Yates's Wine Lodges Limited	Company number 00038397
In the High Court of Justice Chancery Division Companies Court	Court case number 2479 of 2008

(a) Insert full name(s) and
address(es) of
administrator(s)

We (a) Alastair Paul Beveridge, Simon Jonathan Appell and James John Gleave of Zolfo Cooper (formerly Kroll Limited), 10 Fleet Place, London, EC4M 7RB

administrators of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) 27 September 2008

(b) 16 March 2009

Signed

Joint Administrator

Dated

23/03/09

Contact Details:

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

Russell Parkin, Zolfo Cooper, Wellington Plaza, 31 Wellington Street, Leeds, LS1 4DL	
	Tel
DX Number	DX Exchange

WEDNESDAY



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25/03/2009

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COMPANIES HOUSE

have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

23 March 2009

Our ref: APB/RPA/PAR/ADM502/2203
Your ref:

Wellington Plaza
31 Wellington Street
Leeds LS1 4DL
t: +44 (0) 113 386 0300
f: +44 (0) 113 244 9305
www.zolfocooper.com

TO ALL KNOWN CREDITORS

When telephoning please ask for:
Russell Parkin

Direct Line:
0113 386 0835

Dear Sirs

**Yates's Wine Lodges Limited - In Administration (the Company)
Administrators' Progress Report**

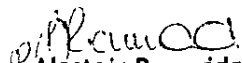
I write further to previous correspondence in relation to the above, and to advise that the Administration period of the Company has been extended by the Court for a period of six months to 27 September 2009.

I enclose formal notice and a detailed report covering progress of the Administration during the period ended 16 March 2009.

The reason for the extension is to facilitate the completion of a number of outstanding lease assignments. You will note from my report that the costs of the extension are being paid by the entities which purchased certain of the business and assets following my appointment on 27 March 2008, in addition to a further contribution being made to sums available for distribution to unsecured creditors.

Should you have queries please do not hesitate to contact Russell Parkin of my office.

Yours faithfully
For and on behalf of
Yates's Wine Lodges Limited


Alastair Beveridge
Joint Administrator

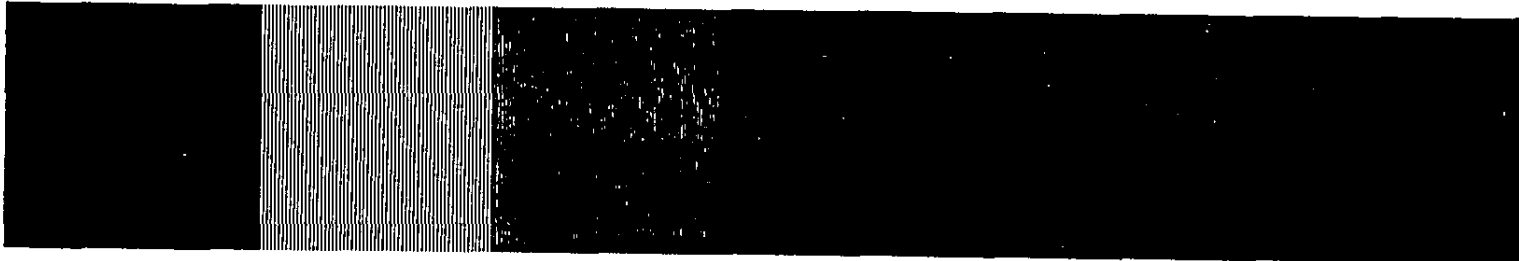
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**Joint Administrators'
Progress Report**

**For the Period
27 September 2008 to 16
March 2009**

**Yates's Wine Lodges Limited -
In Administration**

16 March 2009



ZC ZOLFO COOPER

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1 Statutory Information

- 1.1 I was appointed Joint Administrator of Yates's Wine Lodges Limited (the **Company**) together with Simon Jonathon Appell and James John Gleave on 27 March 2008 by the High Court of Justice, Chancery Division, Companies Court. The application for the appointment of an Administrator was made by the Directors of the Company.
- 1.2 As noted in the Joint Administrators' Proposals, the Company is part of the Laurel Group of Companies (the **Group**), a large managed-house operator formerly comprising 378 licensed trading sites. The Group traded under a number of brands, including 'Slug & Lettuce', 'Ha! Ha!', 'Yates', 'Santa Fe' and 'Litten Tree'.
- 1.3 The Administration is being handled by Zolfo Cooper's Leeds office, situated at Wellington Plaza, 31 Wellington Street, Leeds, LS1 4DL.
- 1.4 The Administration is registered in the High Court of Justice, Chancery Division, Companies Court, under reference number 2479 of 2008.
- 1.5 The registered office of the Company is 10 Fleet Place, London, EC4M 7RB, having been changed from Porter Tun House, 500 Capability Green, Luton, LU1 3LS, following my appointment. The Company's registered number is 00038397.
- 1.6 The functions of the Joint Administrators (the **Administrators**) may be exercised by either or all, acting jointly or alone.
- 1.7 Please note that following the recent completion of a Management Buy-Out (MBO) by the partner group of Kroll's UK Corporate Advisory and Business Recovery practice from Kroll Inc, we will be operating under the Zolfo Cooper brand name going forward. Zolfo Cooper Europe will continue to be headquartered at 10 Fleet Place, London EC4M 7RB with our existing network of UK offices remaining in their current locations.
- 1.8 Please also note that with effect from 1 January 2009, myself and my partners S J Appell and J J Gleave are all now licensed by the Insolvency Practitioners Association.

2 Progress of the Administration

- 2.1 Attached at Appendix A is my Receipts and Payments Account for the period from 27 September 2008 to 16 March 2009 and cumulative from 27 March 2008 to 16 March 2009.

- 2.2 You will recall from the Administrators' proposals that no trading profit or loss will occur, therefore the trading account final position will be nil.
- 2.3 As previously reported, the Group's structure comprises companies which are involved in the business of operating pubs, bars and/or restaurants (**Opco**) and companies whose business involved owning and leasing property (**Propco**).
- 2.4 Yates Propco Limited, Pumpster Property Limited, S&L Propco Limited and Pumpster Property Acquisitions Limited are the landlords of 104 of the Opco trading sites (the **Pumpster Landlords**). The Pumpster Landlords were placed into Administration on 27 June 2008 and the affairs of these entities are being handled by Ernst and Young (the **Propco Administrators**).
- 2.5 Opco and Propco are under common ownership, but with separate finance and security structures. Propco funding is provided by a syndicate of banks in respect of which Royal Bank of Scotland plc is the arranger and facility agent (together the **Propco Banks**). The Opco business is financed by Dresdner Bank AG and Kaupthing HF (the **Opco Banks**).
- 2.6 You will recall from the Administrators' proposals that a sale of 186 of the Opco sites (the **Opco Good Sites**) was completed on 27 March 2008. The sale of the Opco Good Sites to Laurel Restaurant Company Limited, The Barley Pub Company Limited, Ha! Ha! Bar & Kitchen Limited, La Tasca Restaurants Limited, Hops Pub Company Limited, Slug & Lettuce Company Limited, Bay Restaurant Group Limited and Town and City Pub Company Limited (together **Newco**) was for £150,601,696. In addition, contracts were exchanged on 27 March 2008 for the remaining 104 Opco sites (the **Pumpster Sites**) with Newco under a Conditional Sale Agreement (the **CSA**).
- 2.7 However, it subsequently became apparent that the CSA would not complete. As a result, the Administrators commenced new discussions with Newco.
- 2.8 Newco subsequently made an offer to acquire 89 of the 104 Pumpster Sites for a total consideration of £27,239,441. The Administrators considered that this offer represented the best achievable outcome for creditors, and also represented a higher return than was expected under the valuations prepared by Kroll Corporate Finance (**KCF**). This offer was therefore accepted, and a sale of 89 of the Pumpster Sites was completed on 12 August 2008.
- 2.9 Detailed below is a breakdown of the proceeds received in relation to this sale:

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Company	Total (£)
The Laurel Pub Company Limited	20,059,956
Yates's Wine Lodges Limited	5,964,751
Yates Group Limited	1,155,033
Forno Vivo Limited	59,701
	<hr/> 27,239,441

2.10 In accordance with Statement of Insolvency Practice No 13 (SIP13), I would advise you that the following assets were sold to a Director of the Company:

Opco Good Sites

Date of Transaction	Asset Involved	Consideration Paid	Sold To	Common Directors
27 March 2008	Trade Debtors	£92,003	Hops Pub Company Limited Slug & Lettuce Company Limited La Tasca Restaurants Limited	Suzanne Baker
	Goodwill	£2,101,009		Christian Keen
	Stock	£392,401		Timothy Payne
				Paul Symonds
				Aaron Brown
				Timothy Smalley
	TOTAL	<hr/> £2,585,413		

Pumpster Sites

Date of Transaction	Asset Involved	Consideration Paid	Sold To	Common Directors
12 August 2008	Stock	£410,660	Barley Pub Company Limited Hops Pub Company Limited Slug & Lettuce Company Limited Bay Restaurant Group Limited	Suzanne Louise Baker
	Goodwill	£5,554,087		Christian Keen
	Nominal value assets	£4		Timothy Payne
				Paul Symonds
				Aaron Brown
				Mark Grunnell
				Timothy Smalley
	TOTAL	<hr/> £5,964,751		

- 2.11 A further sale of an additional 12 Pumpster sites was completed to JD Weatherspoon on 12 November 2008, and the proceeds allocated as below. The Administrators are currently negotiating with the Propco Administrators to surrender of the Groups' interest in the remaining Pumpster sites and anticipate this will take place shortly.

Company	Total (£)
The Laurel Pub Company Limited	3,750
Yates Group Limited	1,250
	<hr/> 5,000

Other Property Realisations

- 2.12 You will recall from the Administrators' Proposals that the Group closed 90 of its sites prior to the appointment of the Administrators (the **Closed Sites**).
- 2.13 The Company held interest in two of the Closed Sites. The Administrators have worked with Colliers CRE (Colliers), and have continued to market these sites with a view to negotiating surrenders or assignments at a premium for the benefit of the Administration.
- 2.14 To date, I have achieved the surrender of one of these leases, and negotiated an assignment of the other lease. My solicitors, Sidley Austin LLP, have confirmed that any premiums realised are payable to The Laurel Pub Company Limited, which held the beneficial interest in the leases. As such, no funds will be received by the Company.

Business Rates Refunds

- 2.15 To date I have realised the sum of £120,990 in respect of overpayments on business rate accounts prior to my appointment, and in respect of refunds as a result of successful rating appeals by my agents. I am currently awaiting some further small refunds, of which I have been notified, and expect to receive these shortly. My agents are still instructed in this matter, and I am aware that there are some ongoing rating appeals, although further realisations will be solely dependent upon such appeals being agreed by the relevant rating authorities.

Cash at bank

- 2.16 Following my appointment, the Company held the sum of £275,776 in its pre-appointment bank accounts. This was subsequently transferred to the Administration bank accounts, and there will be no further realisations from this source.

- 2.17 In addition, the sum of £123,453 has been realised in relation to sales made prior to my appointment, and subsequently received into the Company's accounts.

Bank interest

- 2.18 To date, the sum of £110,885 in interest has accrued on the balances held in the Administration bank accounts.

Rent Income

- 2.19 This represents monies received from Newco to make payments for Opco Good sites where leases have yet to be assigned. This is in the process of being reconciled, and there will be no realisations from this source.

3rd Party Contributions

- 2.20 This represents sums received from the Opco Banks to pay the Company's insurance costs and legal fees during the Administration.

Book Debts

- 2.21 The Administrators have realised the sum of £40,795 in respect of book debts received following my appointment, which relate to the non-supplier related debtors.

Other income

- 2.22 In addition, the Administrators received the sum of £887 in respect of a rent overpayment prior to my appointment, and £178 in respect of miscellaneous refunds.

Cheque receipts for Newco

- 2.23 The sum of £104,558 has been realised in respect of this, and relates to sums made payable to the Company, although due to Newco. These are in the process of being reconciled and will subsequently be transferred to Newco.

Suspense A/C

- 2.24 The sum of £249,246 relates to trading receipts and expenditure, and is currently in the process of being reconciled. As noted above, there will be no profit or loss made from trading and as such ultimately this amount will be zero.

Loan from Santa Fe Limited (Santa Fe)

- 2.25 As previously detailed, a loan in the sum of £5,031,695 sum was received from Santa Fe in order to satisfy the outstanding amounts due to the Opco Banks. This debt will be discharged in due course in satisfaction of any dividend payable by Santa Fe to the Company, and/or the payment of cash to Santa Fe.

3 Assets still to be Realised

- 3.1 The Company also has inter-company debtors totalling £61,182,805, which I am currently reconciling with the Finance Director. I anticipate these will realise approximately £4,600,000, as the debts are due from other insolvent companies in the Group. A dividend relating to these sums will be realised once all companies with inter-group balances are in Liquidation, as the Administrators do not have the power to agree claims and distribute monies to unsecured creditors without Court approval.

Hand back sites

- 3.2 Of the 186 Opco Good sites sold (noted at 2.6 above) Newco have, for a number of reasons, been unable to assign leases for ten of these properties. In light of this, Newco has requested that it hand back these sites to the Administrators, and have offered to pay the sum of £100,000 for the benefit of unsecured creditors, to facilitate this. The entities which hold the leases of the proposed hand back sites are The Laurel Pub Company Limited, Yates Group Limited and Target PIL Core Limited. Newco has made this offer conditional on the Administration periods of these entities, in addition to the Administration period of the Company, being extended, to allow it to complete the outstanding assignments of the remaining Opco Good leases.
- 3.3 The £100,000 proceeds are to be split as below:

Company	Total (£)
The Laurel Pub Company Limited	35,000
Yates Group Limited	20,000
Target PIL Core Limited	30,000
Yates's Wine Lodges Limited	15,000
	<hr/> 100,000

- 3.4 The Administrators deemed it was in the best interest of the Company's creditors to accept this offer, as it will result in a further £15,000 to distribute to unsecured creditors.

4 Administrators' Remuneration

- 4.1 Creditors approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by them and their staff in managing the Administration.

- 4.2 The Joint Administrators' total time costs at 16 March 2009 are £409,167. This represents 1,751 hours at an average rate of £234 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period. To date £114,942 plus VAT has been drawn on account.
- 4.3 As detailed below at 4.7, the Administrators have incurred time spent in relation to trading the Pumpster Sites, and to date this totals £282,873 (included in the total time costs figure above). In respect of this, £255,563 plus VAT has also been drawn on account. The Administrators' time costs associated with this will be funded under an agreement with the Pumpster Banks.
- 4.4 Attached as Appendix C is additional information in relation to our policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

Administration and Planning

- 4.5 The Administrators' time spent here incorporates the statutory duties of the Administration, initial statutory notices to creditors and the Court, case strategy matters, travel time, administration time, and cashiering time.

Investigations

- 4.6 The time in this category represents the statutory investigations undertaken into the conduct of the Directors of the Company.

Realisation of Assets

- 4.7 Time in this category represents time spent identifying assets within the Group, time spent realising these assets and allocating as appropriate.

Trading

The time recorded under this heading includes managing the day to day trading of the Company prior to the sale of the Pumpster business as set out above, and the ongoing time spent trading the remaining three Pumpster sites. It also records the time which has been spent in reconciling the trading accounts, and monitoring the trading of the Pumpster Sites.

Creditors

- 4.8 This represents time spent dealing with creditors, including correspondence and telephone calls received, in addition to handling queries and actions relating to personal injury claims, which have been significant.

5 Estimated Outcome for Creditors

Secured Creditors

- 5.1 As previously reported, the proceeds from the business and asset sales above were used to satisfy the secured claims of the Opco Banks due from The Laurel Pub Company Limited, Laurel Pub PIKCO Limited, Laurel Pub Bidco Limited, Sapphire Property Portfolios Limited, Laurel High Street Estate Pubs Limited, Yates Bidco Limited, Laurel High Street Bars Limited, Yates Group Limited, Yates Brothers Limited, Ha! Ha! Bar & Canteen Limited and the Company.

Preferential Creditors

- 5.2 The Administrators are not aware of any preferential creditors of the Company, as employees of the Group were contracted to work for The Laurel Pub Company Limited or Yates Group Limited. A small amount of time has been spent dealing with employees, and this relates to clarifying the position of employees at appointment and employee matters relating to the trading of the Pumpster sites.

Unsecured Creditors

- 5.3 As the Company granted a floating charge to the Opco Banks which post-dated the Enterprise Act 2002, the Administrators are required to ring fence a proportion of the floating charge realisations for the benefit of the unsecured creditors in an Unsecured Creditors' Fund. At present, the Administrators anticipate the value of the Unsecured Creditors' Fund to be £600,000, being the maximum amount under the Insolvency Act 1986 (the Act). In addition, £15,000 in respect of the hand back sites will be available for distribution to unsecured creditors.

6 Ending the Administration

- 6.1 As set out above, the Company still holds the legal title to a number of the Opco Good leases. These lease assignments are being progressed by Newco and remain ongoing at present. As such, it is the intention of the Administrators to extend the Administration period by six months to enable Newco to complete these assignments. Additionally,

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

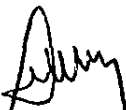
Newco has agreed to pay the costs associated with this extension and thus this will be no detriment to the creditors of the Company.

- 6.2 The Administrators intend to make an application to Court to extend the Administration period.
- 6.3 Based on present information, the Administrators believe that a dividend is only likely to be paid to the Company's unsecured creditors from the Unsecured Creditors' Fund, as defined by S176A of the Act, and as detailed at 5.3 above.
- 6.4 In order to facilitate the distribution noted above, the Administrators will file a notice with the Registrar of Companies bringing the Administration to an end and commencing the winding up of the Company in accordance with paragraph 83 of Schedule B1 of the Act, once the outstanding assignments have been finalised. The Administrators expect that the Company will be placed into Creditors' Voluntary Liquidation (CVL) within the next six months. Following the Administrators proposals, creditors approved that the Administrators will also become the Liquidators of the CVL.
- 6.5 The Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Act immediately upon their appointment as Administrators ceasing to have effect.

7 Next Report

- 7.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

For and on behalf of
Yates's Wine Lodges Limited



Alastair Beveridge
Joint Administrator

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Receipts and Payments Account for the Period from 27 September
2008 to 16 March 2009 and cumulative from 27 March 2008 to 16
March 2009

Appendix A

27 September 2008 to 16 March 2009

S of A (£)	INCOME	Total (£)
4,394,028.00	Inter-Company Debtors	0.00
-	Sales - ACS	38,051.80
-	Sales - Cash & Cheque	304,237.27
-	Sales - ATM	11,370.00
-	Sales - Amex	56.18
-	Float Differences	171.36
-	Gratuities	7.04
-	Deposits	275.00
-	Rent Income	276,388.27
-	Carriage	8,492.35
-	Charge Card Commission	3.27
-	Account Sales	5,136.80
-	Business Rates Refunds	29,820.35
-	Bank Interest Gross	7,085.31
-	3rd Party Contribution - Insurance	4,411.62
-	Pre-appt rent overpayments	887.01
-	Suspense Account	247,169.99
-	Misc income	100.00
		933,663.62
	EXPENDITURE	
	Cost of Sales	261,249.13
	Wages & Salaries	188,652.67
	Rents	276,368.27
	Legal Fees - Pumpster	85,931.09
	Bank Charges	10.50
	Trading Expenses	231,456.32
	House Manager Bonus	734.00
	Tesco Clubcard	3,808.57
	Machine Hopper Fill	250.00
	TSA Charge	87,780.00
	Legal Fees	6,996.32
	Bank charges	43.16
	Rent	40,882.14

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Cheque Receipts for Newco	1,175.00
Insurance of Properties	4,411.62
Administrators Fees - Pumpster Sites	255,563.00
Administrators Fees	114,942.00
Legal Fees	34,659.91
Stationery & Postage	510.40
Bank Charges	35,559.68
Business Rates - Agent Fees	1,110.95
	1,632,094.73
Balance	<u>(698,431.11)</u>

MADE UP AS FOLLOWS

VAT Receivable	(302,108.69)
Fixed Interest Bearing	421.00
Floating Interest Bearing	(803,412.31)
VAT Payable	320,045.50
Vat Control Account	85,573.94
Fixed VAT Receivable	1,049.45
	<u>(698,431.11)</u>

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

27 March 2008 to 16 March 2009

S of A (£)	INCOME	Total (£)
4,394,028.00	Inter-Company Debtors	0.00
-	Sales - ACS	1,087,991.50
-	Sales - Cash & Cheque	12,334,983.71
-	Sales - ATM	359,975.16
-	Sales - Amex	16,158.95
-	Rent Income	463,379.43
-	Carriage	8,492.35
5,332,627.00	Goodwill	2,101,009.00
	Goodwill - Pumpster	5,554,087.00
796,118.00	Stock	392,401.00
	Stock - Pumpster	410,660.00
92,003.00	Trade Debtors	92,003.00
-	Cash in Transit	123,452.82
-	3rd Party Contribution - Legal Fees	64,361.97
144,189.00	Cash at Bank	275,776.27
-	Business Rates Refunds	120,990.10
-	Bank Interest Gross	110,884.68
-	3rd Party Contribution - Insurance	4,411.62
-	Furniture - Pumpster	4.00
-	Pre-appt rent overpayments	887.01
-	Suspense Account	249,245.82
-	Cheque Receipts for Newco	104,557.82
-	Misc income	178.47
-	Loan from Santa Fe Limited	5,031,695.00
-	Book Debts	40,794.77
		28,948,381.45
	EXPENDITURE	
	Cost of Sales	4,479,842.27
	Wages & Salaries	3,151,580.70
	Pre-appointment wages	143,730.43
	Non Pumpster rental	8,283.59
	Rents	463,359.42
	Legal Fees - Pumpster	86,068.09
	Bank Charges	13,764.47
	Trading Expenses	3,601,257.07
	Maintenance Capex approved by banks	67,244.78
	Sundry Costs	58.00
	House Manager Bonus	167,386.05
	Tesco Clubcard	47,821.14
	Account Sales	3,444.11
	Machine Hopper Fill	8,782.90
	TSA Charge	493,668.26
	Pumpster Rent	450,800.00

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

Newco Trading Receipts to be transferred	0.04
Legal Fees	6,996.32
Bank charges	43.16
Due to Chargeholder	7,655,096.00
Rent	1,916.20
Insurance of Properties	4,411.62
Administrators Fees - Pumpster Sites	255,563.00
Administrators Fees	114,942.00
Legal Fees	125,387.94
Stationery & Postage	510.40
Bank Charges	65,675.21
Business Rates - Agent Fees	1,110.95
Floating Charge Creditor	5,926,763.00
	<u>27,345,507.12</u>
Balance	<u><u>1,602,874.33</u></u>

MADE UP AS FOLLOWS

VAT Receivable	199,171.24
Fixed Interest Bearing	421.00
Fixed Deposit Account	113.17
14 day Notice Deposit A/c	2.87
Floating Interest Bearing	1,359,212.28
Floating Deposit Account	(1,080.53)
VAT Payable	(70,554.45)
Vat Control Account	114,539.30
Fixed VAT Receivable	1,049.45
	<u><u>1,602,874.33</u></u>

Time Analysis for the Period from 27 September 2008 to 16 March 2009 and cumulative from 27 March 2008 to 16 March 2009

Appendix B

27 September 2008 to 16 March 2009

	Employee Grade (Hours)				Total Hours	(£'s)	
	Partner/ Director	Senior Associate	Associate/ Analyst	Junior Analyst/ Support		Total Cost	Average Rate p/h
Administration and Planning							
Strategy and Control	0.1	8.2	12.8	0.2	21.3	6,394.50	300
Creditor Reporting	0.5	2.9	23.1	0.6	27.1	7,304.50	270
Committee Meetings and Reports	-	-	-	-	-	-	-
Statutory Duties	-	-	0.3	-	0.3	72.00	240
Job Administration	-	2.8	4.8	5.2	12.8	2,915.00	228
Cash Accounting and Time Records	-	29.4	80.6	137.6	247.6	56,010.50	226
Travel and Waiting Time	-	3.2	5.0	-	8.2	2,470.00	301
Case Closure	-	1.1	-	-	1.1	429.00	390
Internal Documentation and IT	-	5.8	18.6	-	22.4	6,497.00	290
Investigations							
D Reports	-	-	-	-	-	-	-
Other Investigations	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Valuation and Offers	-	-	-	0.3	0.3	37.50	125
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	-	0.1	-	0.1	24.00	240
Realisation of Assets - Debtors							
Debt Collection	-	-	4.0	-	4.0	990.00	248
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Realisation of Assets - Floating Charge							
Valuation and Offers	-	-	-	-	-	-	-
Sale of Assets	-	1.9	14.0	-	15.9	4,445.00	280
Insurance	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	11.4	0.2	11.6	2,951.00	254
Litigation	-	-	-	-	-	-	-
Internal and External Communications	-	-	-	-	-	-	-
Trading							
Initial Actions	1.4	-	-	-	1.4	709.50	507
Cash Accounting	0.2	3.4	7.5	2.4	13.5	3,595.50	266
Ongoing Trading Activities	-	5.4	15.5	1.0	21.9	6,200.00	283
Internal and External Communications	-	1.3	1.5	-	2.8	860.00	307
Creditors							
Initial Actions	-	-	29.0	0.9	29.9	7,612.50	255
Creditor claims	-	0.1	-	-	0.1	39.00	390
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
Employees	-	-	0.5	-	0.5	120.00	240
Totals	2.2	65.5	226.7	148.4	442.8	109,676.50	248

YATES'S WINE LODGES LIMITED - IN ADMINISTRATION

27 March 2008 to 16 March 2009

	Employee Grade (Hours)					(£'s)	
	<u>Partner/ Director</u>	<u>Senior Associate</u>	<u>Associate/ Analyst</u>	<u>Junior Analyst/ Support</u>	<u>Total Hours</u>	<u>Total Cost</u>	<u>Average Rate p/h</u>
Administration and Planning							
Strategy and Control	38.0	21.1	48.7	0.8	108.6	38,404.50	354
Creditor Reporting	6.7	4.3	138.8	2.0	149.8	41,268.00	275
Committee Meetings and Reports	-	-	-	-	-	-	-
Statutory Duties	-	2.7	4.4	1.2	8.3	2,195.50	265
Job Administration	-	5.5	9.6	9.6	24.7	5,605.00	227
Cash Accounting and Time Records	1.8	32.7	301.9	542.5	878.9	168,383.00	192
Travel and Waiting Time	-	3.2	7.8	1.7	12.7	3,417.50	269
Case Closure	-	1.1	-	-	1.1	429.00	390
Internal Documentation and IT	-	6.2	39.3	0.4	45.9	12,811.50	279
Investigations							
D Reports	-	0.7	3.4	0.2	4.3	1,086.00	253
Other Investigations	7.5	-	-	-	7.5	3,712.50	495
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Valuation and Offers	-	-	0.5	1.1	1.6	257.50	161
Sale of Assets	0.7	-	-	-	0.7	280.00	400
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal and External Documentation	-	0.7	1.4	-	2.1	563.50	268
Realisation of Assets - Debtors							
Debt Collection	-	-	7.3	4.7	12.0	2,393.50	199
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal and External Documentation	-	-	1.1	-	1.1	276.00	251
Realisation of Assets - Floating Charge							
Valuation and Offers	-	-	0.5	-	0.5	120.00	240
Sale of Assets	-	1.9	22.9	-	24.8	6,812.00	275
Insurance	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	0.1	11.4	0.6	12.1	3,036.00	251
Litigation	-	-	-	-	-	-	-
Internal and External Communications	-	-	1.8	-	1.8	486.00	270
Trading							
Initial Actions	4.4	54.8	8.8	0.2	68.2	22,168.00	325
Cash Accounting	0.3	5.5	36.7	37.9	80.4	16,240.50	202
Ongoing Trading Activities	4.7	5.4	190.5	6.0	206.6	55,955.00	271
Internal and External Communications	-	4.4	33.7	17.6	55.7	12,764.00	229
Creditors							
Initial Actions	-	0.8	34.9	2.3	38.0	9,463.50	249
Creditor claims	-	0.1	-	0.3	0.4	76.50	191
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	0.1	-	-	0.1	32.50	325
Employees	-	-	3.5	-	3.5	930.00	266
Totals	64.1	151.3	906.9	629.1	1,751.4	409,167.00	234

**Additional Information in Relation to Administrators' Fees Pursuant to
Statement of Insolvency Practice 9**

Appendix C

1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

1.1 *Staff Allocation and the use of Sub-contractors*

Our general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Partner, Senior Associate, Associate and Analyst. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. Our charge out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, we would advise that time spent by cashiers in relation to specific tasks on an assignment is charged. Only if there is a large block of time incurred by a member of the secretarial team, eg, report compilation and distribution, do we seek to charge and recover our time in this regard.

We have not utilised the services of any sub-contractors in this case.

1.2 *Professional Advisors*

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

Name of Professional Advisor	Basis of Fee Arrangement
Sidley Austin LLP (legal advice)	Hourly rate and disbursements
Denton Wilde Sapte LLP (legal advice in relation to leasehold properties only)	Hourly rate and disbursements
Blake Laphorn Tarlo Lyons (legal advice in relation to premises licenses - North England & Wales)	Hourly rate and disbursements
Bevan Brittan LLP (legal advice in relation to premises licenses - South England and Wales)	Hourly rate and disbursements
Brunton Miller (legal advice in relation to premises licenses - Scotland)	Hourly rate and disbursements
Safe Estates Limited (key safe service in relation to leasehold properties)	Fixed fee per site and call out charges
Willis Limited (insurance)	Risk based premium
Gerald Eve Limited (rating appeals in relation to leasehold properties)	Contingent fee arrangement
Atis Real Limited (rating appeals in relation to leasehold properties)	Contingent fee arrangement
Goodman Nash Limited (rates audit work in relation to leasehold properties)	Contingent fee arrangement
Colliers CRE Limited (valuation and disposal advice)	Small fixed admin fee plus variable percentage of realisations

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

1.3 Disbursements

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require prior approval by creditors before they are paid and whilst it is unlikely that any Category 2 disbursements will be incurred on the case, appropriate approval will be sought before any such expenses are paid.

2 Charge-out Rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 January 2009 is detailed below.

	(Per hour) £
Partner/Director:	
Partner 1*	550
Partner 2*	495
Director	430
Senior Associate:	
Senior Associate 1*	390
Senior Associate 2*	350
Associate/Analyst:	
Associate	290
Analyst*	265
Junior Analyst and Support Staff:	
Junior Analyst*	140
Senior Treasury Associate	210
Treasury Associate	140
Support Manager	315
Support Administrator	75
Secretary / PAs / Reception	75
*Key	
Partner 1 – Partners with 3 or more years experience at partner level	
Partner 2 – Partners with less than 3 years experience at partner level	
Senior Associate 1 – Staff who have been Senior Associates for over 2 years	
Senior Associate 2 – Staff who have been Senior Associates for less than 2 years	
Analyst – Staff who have been Analysts for more than 1 year	
Junior Analyst – First year Analysts	