

The Insolvency Act 1986

2.32B**Notice of end of
administration**

Name of Company Plymouth Argyle Football Company Limited (The)
--

Company number 00110819

In the High Court of Justice, Leeds District Registry (full name of court)

Court case number 270 of 2011

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

We, (a) Brendan Ambrose Guilfoyle
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF
DX 10616 Sheffield

Christopher Michael White
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF
DX 10616 Sheffield

John Russell
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF
DX 10616 Sheffield

(b) Insert name and
address of
registered
office of company
(c) Insert date of
appointment

having been appointed administrators of (b) Plymouth Argyle Football Company Limited (The),
93 Queen Street, Sheffield S1 1WF ('the company')

(d) Insert name of
appointor

on (c) 4 March 2011 by (d) The Directors
hereby give notice that we think the purpose of administration has been sufficiently achieved
in relation to the company

We attach to this notice a copy of the final progress report

We have sent a copy of this notice to the Registrar of Companies

Signed


Joint Administrators

Dated

03/03/2012

(e) Insert date
and time

Endorsement to be completed by the court

This form and the attached documents has
been filed (e)

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

Brendan Ambrose Guilfoyle
The P&A Partnership
93 Queen Street
Sheffield
S1 1WF

DX Number 10616

0114 2755033

DX Exchange Sheffield



COMPANIES HOUSE

When you 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**

FRIDAY

**PLYMOUTH ARGYLE FOOTBALL COMPANY LIMITED (THE)
IN ADMINISTRATION**

Report to creditors pursuant to
Rules 2.110 and 2.113 of the Insolvency Rules 1986
as amended by the Insolvency (Amendment)
Rules 2010 ("**Report**")

This Report contains 18 pages

Notice: about this Report

This Report has been prepared by Brendan Ambrose Guilfoyle, Christopher Michael White and John Russell, the Joint Administrators of Plymouth Argyle Football Company Limited (The), solely to comply with their statutory duty under Rule 2.47 of the Insolvency Rules 1986 as amended by the Insolvency (Amendment) Rules 2010 to lay before creditors a report on the progress of the Administration. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This Report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Plymouth Argyle Football Company Limited (The).

Any estimated outcome for creditors included in this Report is illustrative only and cannot be relied upon as guidance to the actual outcome for creditors.

Any person that chooses to rely on this Report for any purpose or in any context other than under Rule 2.47 of the Insolvency Rules 1986 as amended by the Insolvency (Amendment) Rules 2010 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 Report.

The Joint Administrators act as agents for Plymouth Argyle Football Company Limited (The) and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, The P&A Partnership does not assume any responsibility and will not accept any liability to any person in respect of this Report or the conduct of the Administration.

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GLOSSARY

Act	The Insolvency Act 1986 (as amended),
Administration	the Notice of Appointment filed in the High Court of Justice, Chancery Division, Leeds District Registry, in respect of Plymouth Argyle Football Company Limited (The), dated 4 March 2011 by the directors of the Company Court Administration Number 270 of 2011,
Administrators' Proposals	Report to Creditors pursuant to Schedule B1 of the Act dated 21 April 2011,
Administrators' Proposals for a CVA	Report to Creditors dated 21 April 2011,
Company	Plymouth Argyle Football Company Limited (The) – In Administration,
CVA	a Company Voluntary Arrangement pursuant to Part 1 of the Act,
EC Regulations	the Council Regulation (E/C) 1346/2000 of 29 May 2000 on Insolvency Proceedings (as amended),
FA	The Football Association Limited (CRN 77797) of registered address Wembley Stadium, Wembley, London, HA9 0WS,
Football League	The Football League Limited (CRN 80612) of registered address Edward VII Quay, Navigation Way, Preston, Lancashire, PR2 2YF,
Football League Share	the Club's shareholding in the share capital of the Football League,
Football Regulations	the current articles, rules, regulations and policies of the Football League and the Football Association,
HMRC	Her Majesty's Revenue & Customs,
Joint Administrators	Brendan Ambrose Guilfoyle, Christopher Michael White and John Russell all of The P&A Partnership,
PFA	the Professional Footballers' Association,
Premier League	The Football Association Premier League Limited (CRN 2719699) of registered address 30 Gloucester Place, London, W1U 8PL,
Purchaser	Plymouth Argyle Football Club Limited (Formerly - Green Pilgrim Limited) (CRN 779376) of Registered address Richmond Gate Hotel, Richmond Hill, Richmond, Surrey TW10 6RP,
Rules or Rule	The Insolvency Rules 1986 (as amended)

2. INTRODUCTION

- 2 1 Brendan Ambrose Guilfoyle, Christopher Michael White and John Russell were appointed as Joint Administrators of the Company on 4 March 2011
- 2 2 The Joint Administrators are authorised to act as insolvency practitioners by the Insolvency Practitioners Association, 4-10 Heneage Lane, London, EC3A 5DQ
- 2 3 In accordance with Paragraph 100(2) of the Act the functions of the Joint Administrators are being exercised by any one of the Joint Administrators
- 2 4 This report covers the period following the appointment of the Joint Administrators on 4 March 2011 to 3 March 2012
- 2 5 The Report also includes certain information required to be provided to creditors in accordance with Rule 2 47 (1)(b) of the Insolvency (Amendment) Rules 2010
- 2 6 The appropriate statutory information is set out at Appendix A
- 2 7 The EC Regulation applies to the Administration and the proceedings are main proceedings as defined in article 3 of the EC Regulation Therefore the Administration will be conducted according to UK insolvency legislation and is not governed by the insolvency law of any other European Union member

3. JOINT ADMINISTRATORS' STRATEGY

3 1 Purpose of Administration

- 3 1 1 The purpose of the Administration, as outlined in the Administrators' Proposals, was to procure a sale of the Company's business and assets with a view to achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up

3 2 Initial Administration Strategy

- 3 2 1 As previously advised, following their appointment, the Joint Administrators immediately undertook a review of the Company's business
- 3 2 2 The Joint Administrators identified that the major value in the Club derived from its ability to compete in the Football League and various knockout competitions To do so, the Club must hold a share in each of the Football League and the Football Association Pursuant to the Football Regulations, the share can only be transferred to a new company, without further sanctions, via either a CVA or scheme of arrangement
- 3 2 3 Upon their appointment, the Joint Administrators were unable to realise any immediate funds from the sale of player registrations to secure future trading prospects as they were appointed outside the transfer window The Joint Administrators were, however, able to explore the possibility of a transfer of the Club's scholars with a view to receiving a compensation payment from the acquiring club

- 3 2 4 Other tangible assets appeared to be minimal when compared to ongoing trading costs. Such assets principally comprised furniture, fixtures and fittings in offices/banqueting suites and stocks of merchandise. Such assets were insufficient to secure funding for continued trading.
- 3 2 5 Cash flow forecasts were prepared by the Joint Administrators which showed that the Club could not trade on a day-to-day basis without the urgent need for additional funding and wage deferrals from all staff and players. The Joint Administrators therefore could only trade the Club by agreeing wage deferrals from all staff and players.
- 3 2 6 On 4 March 2011 The Football League imposed a sporting sanction and deducted 10 points from the Club given that it had been placed into Administration.

4 SALE OF THE BUSINESS AND ASSETS

4 1 Sale of the Business and Assets

- 4 1 1 The sale process was outlined in full in the Joint Administrators' Proposals and Joint Administrators' Proposals for a CVA.
- 4 1 2 The sale of the business and assets of the Company to the Purchaser completed on 31 October 2011.
- 4 1 3 As previously advised, the sale of the business and assets of the company was dependent upon The Football League agreeing to a transfer of The Football League Share to the Purchaser.

4 2 The Football League Share

- 4 2 1 The background to the Football League Share and the Football League's insolvency policy was explained in detail in the Administrators' Proposals and the Administrators' Proposals for CVA.

In summary -

- 4 2 2 The Club's right to compete in the Football League and remain a member of the Football Association depends upon it holding a share in each of the Football League and the Football Association. When a football club enters into an insolvency procedure the Football League and the Football Association have the right to require the club in question to transfer its share to another club or organisation. Under the Football League's Articles of Association, it is a condition of continued membership of the Football League that all creditors classified by the Football League as Football Creditors are paid in full and the Football League's insolvency policy is complied with in full. The Football Association also requires compliance with the Football League's insolvency policy.
- 4 2 3 The Football League suspended the Club's share in the Football League generally subject to a transfer of the Football League Share to a "newco", which may be subject to additional conditions applied at the absolute discretion of the Football League.

4 2 4 The Football League's insolvency policy requires all clubs to exit Administration via an agreed CVA or scheme of arrangement

5 THE CREDITORS' MEETINGS

- 5 1 A meeting of creditors was called in accordance with Paragraph 51 of Schedule B1 of the Act on 6 May 2011
- 5 2 The purpose of the meeting was to consider the Administrators' Proposals, which, in accordance the terms of a court order dated 7 April 2011, had had been posted on the nominated website, www.pafc.pandareports.com, on 21 April 2011 The Administrators' Proposals were approved by creditors
- 5 3 A meeting of creditors was called under Section 3 of the Act on 6 May 2011 to allow creditors to vote on the Administrators' Proposals for a CVA The Administrators' Proposals for a CVA had been posted on the nominated website on 21 April 2011
- 5 4 The Administrators' Proposals for a CVA were accepted by creditors with only HMRC voting to reject HMRC explained in a letter to the Administrators that their reasoning for rejecting the Administrators' Proposals for a CVA was primarily their objection to the Football League's insolvency policy, specifically the payment of Football Creditors
- 5 5 The 28 day statutory appeal period expired on 9 June 2011 without a challenge to the validity of the CVA
- 5 6 Full details of the outcome of the meetings of creditors, together with all other relevant documentation, have been published on the Administrators' nominated website, www.pafc.pandareports.com

6 PROGRESS OF THE ADMINISTRATION

Trading Position

- 6 1 As explained above, as the transfer window was closed and the Club had assigned all of its central distribution monies from The Football League, there was minimal ability to raise any funds to trade the Club The Joint Administrators therefore entered into 100% wage deferrals for both the staff and players for the months of March and April
- 6 2 During their trading period, the Joint Administrators reviewed the level of staff wage deferrals on a monthly basis with a view to facilitating the payment of an element of employee salaries whenever possible
- 6 3 As stated at paragraph 4 2 3, the Joint Administrators were immediately able to explore the possibility of a transfer of the Club's scholars, whose registrations can be transferred outside of the transfer window, with a view to receiving a compensation payment from the acquiring company The Joint Administrators instructed football agency specialists, Hart Sport & Media Limited ("Hart Sport"), to advise in this respect
- 6 4 Upon Hart Sports' advice, Jack Stephens was transferred to Southampton FC for the sum of £150,000 The Joint Administrators also negotiated a 10% sell on clause for the future benefit of the Club

- 6 5 As previously advised, the Club was given a 10 point sporting sanction by The Football League upon filing for Administration and was subsequently relegated to The Football League Npower League 2 at the end of the 2010/2011 season
- 6 6 The summer transfer window opened in early May 2011 and the Joint Administrators immediately instructed Hart Sport to explore the possibility of a sale of the club's senior players. Acting upon Hart Sport's advice, Joe Mason was transferred to Cardiff City FC for the sum of £150,000 and Yannick Bolasie was transferred to Bristol City FC for the sum of £20,000
- 6 7 The Joint Administrators also secured the sale of another of the Club's scholars, Lloyd Jones, who was sold to Liverpool FC for the sum of £20,000
- 6 8 The Club received the sum of £150,000 from Queens Park Rangers FC and £30,000 from Brighton FC in respect of promotion bonuses due in relation to two historic transfer agreements
- 6 9 The funds generated from all of the above enabled the Club to complete its 2010/2011 season's fixtures, continue trading throughout the close season and make the necessary preparations for the 2011/2012 season. In addition, the Joint Administrators were able to pay the Club's employees 100% of their May salaries, 50% of June's salaries, 24% of July's salaries and 52% of September's salaries
- 6 10 The Joint Administrators established a 'trust account' which was used to facilitate the sale of season tickets for the 2011/2012 season. These monies were held on trust pending a sale of the business and assets of the Company at which point in time they were released to the Purchaser
- 6 11 The Joint Administrators were entitled to draw a proportion of the season ticket monies after each home game during the 2011/2012 season. These funds, together with the match day gate receipts, enable the Joint Administrators to meet the running costs of the Club with the exception of wages
- 6 12 Throughout the course of the Administration, The Football League withheld the Club's central distributions in accordance The Football League Regulations

Sale of Business

- 6 13 An exclusivity payment of £300,000 was received from Bishop International Limited ("Bishop") in May 2011
- 6 14 Bishop subsequently entered into a sale agreement in July 2011 but failed to complete the acquisition within the required time period. The Joint Administrators issued legal proceedings against Bishop in an attempt to force completion and to secure a payment to cover ongoing trading losses. In September 2011 Bishop withdrew their interest
- 6 15 The Joint Administrators identified several alternative interested parties between August 2011 and October 2011 but all withdrew their interest following a campaign instigated by the Club's fans

- 6 16 In early October 2011, the Joint Administrators announced that James Brent had been given preferred bidder status. Mr Brent had previously expressed an interest in the Club in March 2011 but was not able to proceed at that time as his offer was not acceptable to a number of the Club's stakeholders.
- 6 17 Mr Brent recommenced negotiations with the Club's stakeholders and the sale of the business and assets of the Company completed on 31 October 2011.
- 6 18 Upon the completion of the sale, the Purchaser provided the Joint Administrators with a funding contribution in the sum of £100,000 which was utilised to discharge outstanding trading costs incurred during the period prior to completion.

Meetings and Reports

- 6 19 The Joint Administrators have provided regular reports and met with the Football League to discuss its current insolvency policy and to provide an update on the progress of the sale and rescue of the Club.
- 6 20 The Joint Administrators have provided regular reports and attended meetings with the Company's secured creditors throughout the course of the Administration.
- 6 21 Throughout the course of the Administration, the Joint Administrators have liaised with the PFA and their legal advisors concerning the deferral of the players' wages on a monthly basis.
- 6 22 The Joint Administrators have provided regular updates and held meetings with representatives of various supporters' groups regarding the progress of the sale of the business and the likely return to unsecured creditors.

Receipts & Payments

- 6 23 A copy of the Joint Administrators' receipts and payments account for the period 4 March 2011 to 3 March 2012 is attached at Appendix C.

7 TRANSFER OF THE FOOTBALL LEAGUE SHARE & COMPLETION OF THE SALE AGREEMENT

- 7 1 As previously advised, the sale of the business and assets of the Company was dependent upon The Football League agreeing to a transfer of the Club's Football League Share.
- 7 2 In consideration of the Football League agreeing to a transfer of the Football League Share, the Purchaser undertook to pay all Football Creditors in full. All payments to Football Creditors have been dealt with directly by the Purchaser.

8 DIVIDEND PAYMENT

- 8 1 As anticipated in the Joint Administrators Proposals for a CVA, funds totalling £100,000 were paid to the Joint Supervisors upon the completion of the sale.
- 8 2 The Joint Supervisors have paid a first and final dividend in the sum of £1 00p in the £ to the Company's preferential creditors.

- 8.3 The Joint Supervisors have paid a first and final dividend in the sum of £0.21p in the £ to unsecured creditors

9 COMPLETION OF THE ADMINISTRATION

9.1 Completion of the Administration

- 9.1.1 In accordance with paragraph 80 of Schedule B1 to the Act, the Joint Administrators have today issued a Notice of Cessation to Act. The Joint Administrators are therefore discharged from office with immediate effect.

- 9.1.2 It is anticipated that HMRC will now take steps to wind up the Company. It envisaged that the Company will then proceed into Liquidation allowing a thorough investigation into the Company's affairs.

9.2 Other Matters

- 9.2.1 As required by the Company Directors Disqualification Act 1986 the Joint Administrators have submitted a report on the conduct of the directors of the Company. This report has been lodged with the Department of Business, Innovation and Skills but its contents are to remain confidential.

9.3 Joint Administrators' fees

- 9.3.1 The basis of the Joint Administrators' fees is time properly spent at The P&A Partnership's complex hourly rates. These rates are included in Appendix D to this report.

- 9.3.2 In the period from our appointment to 3 March 2012, we have incurred time costs of £883,634.70. However, to date the Joint Administrators have been paid the sum of £238,010 which equates to an average hourly rate of £71. Providing the payments detailed below are received, the Joint Administrators will receive further payments totalling £112,299 in due course.

- 9.3.4 In accordance with the terms of the Sale Agreement, The P&A Partnership will receive a further payment of £100,000 on 31 October 2012 and a conditional payment of £50,000 dependent upon the level of player sale realisations achieved during the club's 2013/2014 season. These monies are to be utilised to discharge an element of the outstanding professional fees due to the Joint Administrators and their legal advisors, Walker Morris Solicitors. The right to receive these monies has been assigned to The P&A Partnership.

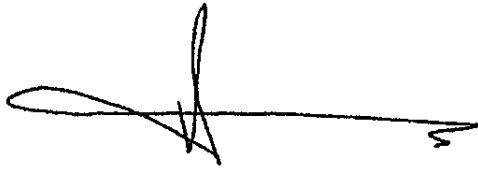
- 9.3.5 In addition, The P&A Partnership is pursuing a debt due from the Purchaser in the sum of £18,449 which will also be utilised to discharge outstanding professional fees when payment is received. Again, the right to receive these monies has been assigned to The P&A Partnership.

- 9.3.6 No fee has been charged by the Joint Supervisors of the Company's CVA.

- 9.3.7 In accordance with Statement of Insolvency Practice 9, a breakdown of these costs and expenses for each grade of staff is attached at Appendix B.

- 9 3 8 A creditors' guide to Joint Administrators' fees is available and provides explanations of creditors' rights. This can be accessed via the internet at www.thepandapartnership.com/resources or alternatively a copy is available on request by telephoning our Help Desk on 0114 2755033.
- 9 3 9 Please note that all staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent.

Dated this 3 March 2012

A handwritten signature in black ink, consisting of a large loop followed by a horizontal line and a small flourish at the end.

B A GUILFOYLE
Joint Administrator
Acting as Agent of the Company
Without Personal Liability

PLYMOUTH ARGYLE FOOTBALL COMPANY LIMITED – IN ADMINISTRATION

APPENDIX 1

STATUTORY INFORMATION

Company Name	Plymouth Argyle Football Company Limited
Registered Address	93 Queen Street Sheffield S1 1WF Formerly - Home Park Plymouth PL2 3DQ
Company Number	00110819
Date of Incorporation	15 July 1910
Objects	Professional Football League Club
Authorised Capital	150,000 Ordinary £1 Shares
Issued Capital	Ordinary £1 Shares
Shareholders	Plymouth Argyle Football Company (Holdings) Limited - 53,880 Ordinary £0 25 Shares Other Individual Shareholders - 6,120 Ordinary £0 25 Shares
Debenture Holder	Lombard North Central Plc hold a debenture dated 12 September 2002
Directors	Mr Paul D Stapleton Mr Robert E Dennerly Mr Anthony E Wrathall Mr Yasuki Kagami Mr Thomas K Todd Mr George Z Synan
Company Secretary	Mr Paul D Stapleton

PLYMOUTH ARGYLE FOOTBALL COMPANY LIMITED – IN ADMINISTRATION

APPENDIX 2

SIP 9 TIME COSTS ANALYSIS

SIP 9 - Time & Cost Summary

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner	Manager	Other Senior Professionals	Assistants	Total Hours		
Administration & planning	65 00	97 40	230 35	74 40	467 15	118,127 00	252 87
Investigations	0 00	0 00	1 10	0 00	1 10	182 00	174 55
Realisations of assets	440 95	10 20	412 25	9 00	872 40	265,281 60	304 08
Trading	144 05	5 50	696 00	16 40	861 95	190,924 30	221 50
Creditors	180 40	50 50	395 25	105 80	731 95	187,233 80	255 80
Case specific matters	166 50	40 50	188 40	2 80	398 20	121,876 00	306 07
Pre Sip9 Time Recording	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Total Hours	996 90	204 10	1,923 35	208 40	3,332 75	883,634 70	265 14
Total Time Cost (£)	469,424 00	69,519 50	336,355 20	8,336 00			

PLYMOUTH ARGYLE FOOTBALL COMPANY LIMITED – IN ADMINISTRATION

APPENDIX 3

ANALYSIS OF RECEIPTS AND PAYMENTS

	Estimated Statement of Affairs (£)	Actual (£)
RECEIPTS		
Ticket sales		548,333
Exclusivity payment		300,000
Retail sales		98,932
Corporate hospitality		404,642
Transfer fees/loan agreement income		411,729
Income from football authorities		78,867
Miscellaneous trading income		34,794
Book debts		56,782
Contribution to Trading Costs – New Co		100,000
Cash at bank and in hand		19,531
Bank interest gross		206
Sundry receipts		968
Freehold property	2,250,000	
Stock, fixtures & fittings	1,000	
	<hr/> 2,251,000	
		<hr/> 2,054,785

PAYMENTS

Matchday expenditure	190,708
Loan player wages & transfer fee	30,000
Rent & rates	2,125
Physiotherapy & fitness training	3,713
Wages including PAYE/NIC	673,650
Health trust contributions	57,186
Pensions/ Life assurance	1,367
Football agency fees	18,500
Shop purchases	55
Utilities & mobile phones	125,301
Hire of equipment	34,194
Stadium consumables	3,486
Catering supplies & services	43,988
Office supplies	2,685
Subcontractors	349
Ticketing agents	16,181
Insurance	24,788
Football authorities charges/fines	2,272
Credit card & bank charges	6,434
Repairs and maintenance	22,190
Sundry expenses	1,610

Commercial expenditure	4,428
Postage & stationary	10,755
FA/FL levies	11,694
Subscriptions	3,886
Accommodation/travel expenses	169,462
Employees expenses	33,955
Public relations	17,002
Specific bond	30
Office holder fees	238,010
Agents fees & disbursements	12,940
Legal fees & disbursements	181,713
(Including PFA legal fees)	
Consultancy fees	60,500
Statutory advertising	140
Incidental outlay	
– Category 1 disbursements	
Postage	299
Accommodation	1,461
Rail travel	731
– Category 2 disbursements	
Postage and stationary	1,122
Travel, accommodation and expenses	45,018
Faxes	311
Searches	35
Storage	61
Telephone	450
	<u>2,054,785</u>

PLYMOUTH ARGYLE FOOTBALL COMPANY LIMITED – IN ADMINISTRATION

APPENDIX 4

**CREDITORS GUIDE TO FEES, EXPENSES AND DISBURSEMENTS CHARGED BY THE
P&A PARTNERSHIP**

Creditors Guide to the Fees, Expenses and Disbursements charged by The P&A Partnership

Rates applicable from the 1st April 2011

Details of Insolvency Practitioners Licensing Bodies

John Russell, Brendan Ambrose Guilfoyle, Andrew Philip Wood, Christopher Michael White, Gareth David Rusling, Filippa Connor and Ashleigh William Fletcher are all licensed by the Insolvency Practitioners Association of Valiant House, 4-10 Heneage Lane, London, EC3A 5DQ Philip Andrew Revill is licensed by the Institute of Chartered Accountants of England & Wales of Silbury Court, 412/416 Silbury Boulevard, Milton Keynes, MK9 2AF Derek Ewan Simpson is licensed by The Institute of Chartered Accountants of Scotland of CA House, 21 Haymarkets Yard, Edinburgh EH12 5BH

Insolvency Practitioners Fees

The Insolvency Rules 1986 entitles the Insolvency Practitioner to receive remuneration for his services and sets out the basis of how such remuneration shall be fixed which includes a percentage of the assets realised and monies distributed to creditors, a set amount, by reference to the time properly given by the office holders, their partners and staff in attending to matters arising, or one or more of the above bases and different basis may be fixed for different things Where it has been agreed by resolution of the secured creditors, a creditor's committee or creditors generally, that the office holders remuneration will be calculated by reference to a time basis, then such remuneration will be calculated in units of 6 minutes at the following hourly standard rates -

Grade	Total Hourly Standard Rates £	Total Hourly Complex Rates £
Partners/Associate Partners & Directors	320 – 435	480 – 600
Senior Manager & Managers	215 – 290	320 – 440
Administrators	176 – 215	
Assistants	40 – 176	

These are our current hourly charge out rates and are exclusive of value added tax Rates are reviewed annually and creditors will be advised of any alteration thereto In cases of exceptional complexity or risk, the insolvency practitioner reserves the right to obtain authority from the secured creditors, creditor's committee or the creditors generally, that their remuneration on such time as is agreed shall be charged on the above higher hourly complex rate

Debt Collection, Contested Asset Recovery and Related Services

Contested debt collection will be referred to P&A Receivables Services PLC, an associated company of The P&A Partnership and its dedicated legal firm James Peters & Co The fees of P&A Receivables Services PLC shall be charged by reference to the time properly given by their staff, such fees will be calculated in units of 6 minutes at the hourly rate of £80 P&A Receivable Services PLC may also be used to recover items such as plant and machinery, to locate debtors and to serve documents The fees for work of this nature will be calculated in accordance with P&A Receivables Services PLC's standard rates James Peters & Co fees will be charged by reference to time costs properly incurred, calculated in 6 minute units at an hourly rate of between £109 and £213, plus their disbursements These fees are in accordance with the guideline rates for summary assessment of costs following consultation between the legal profession and the Designated Civil Judge and are typical of legal firms in this geographical area

Expenses and Disbursements

The payment of **Category 1** disbursements will be a charge against the estate to recover the actual cost of the disbursement paid out in respect of the administration of the estate A separate amount will be charged by way of an expense to recover the cost of **Category 2** disbursements for services provided by the insolvency practitioner's firm Category 2 disbursements will include storage of company's books and records at the insolvency practitioner's own storage facility The books and records will be stored in banker's boxes and a storage fee will be charged at the rate of £7 50 per box per month This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after the first anniversary of the completion of the insolvency administration The recharge for company searches and electronic identification procedures for all new clients will depend on the documentation requested The charges will be £10 per set of financial accounts, £5 for an annual return, £5 for a mortgage summary, £10 for a company report, £35 for the Memorandum and Articles of Association, £15 for credit references, £5 for any other documents and £15 for electronic verification searches These charges reflect the insolvency practitioners costs to cover the administration costs of collating the information in addition to the direct costs in obtaining the documents An annual fee of £175 will be charged on corporate matters for the maintenance of the company's registered office at our office addresses The charge for the use of meeting rooms will be a flat rate of £100 per meeting or £150 in our London premises This includes where requested, the use of computer and media facilities Travelling by motor vehicle on business for the administration of the insolvency will be charged to the estate per mile at the appropriate rate currently published by the "AA" for the type of vehicle and engine size used All circulars will be sent out by first class post and the actual postage costs will be charged as an expense to the estate In respect of circulars, stationery and photocopying will be charged out at the rate of 50p per letterhead, 25p per copy paper or facsimile, 09p per proxy form, 09p creditor's guide, 20p large envelope, 18p small envelope, 16p address labels No charge will be made in respect of individual letters relating to the administration of the estate as the costs of these disbursements are reflected in the hourly rate The charges stated above are subject to small annual increments and creditors will be advised of these with future circulars

Introduction to Lending Sources

The P&A Partnership may make referrals to P&A Lender Services Ltd ('PALS') being an associated company PALS and its authorised representatives are not authorised under the Financial Services and Markets Act 2000 or by the Financial Services Authority to provide specific investment advice but they may be able to introduce funding seeking parties ('FSP's') to one or more reputable lending services ('Lender')

In such circumstances where any party associated with the referral is subsequently subject to any formal insolvency procedure and the Partners of The P&A Partnership are appointed office holders in relation to any formal insolvency, then any arrangement fees or commissions or payments becoming due to PALS (if any) from any Lender in respect of the acquisition or future trading of the business and assets of the insolvent party, will be paid into the realisation fund in the formal insolvency for the benefit of creditors

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