

The Insolvency Act 1986

2.24B**Administrator's progress report**

Name of Company Canterbury Europe Ltd	Company number 00295777
In the Manchester County Court [full name of court]	Court case number 2069 of 2009

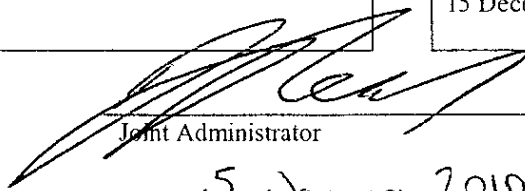
We
David James Costley-Wood
KPMG LLP
St James' Square
Manchester
M2 6DS
United Kingdom

Brian Green
KPMG LLP
St James' Square
Manchester
M2 6DS
United Kingdom

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

from	to
28 August 2009	15 December 2009

Signed


Joint Administrator

Dated

5 January 2010

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

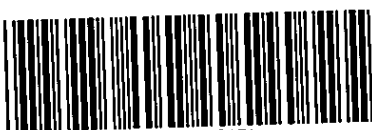
Robert Bennie KPMG LLP St James' Square Manchester M2 6DS United Kingdom DX Number DX 724620 Manchester 42	Tel +44 161 2464475 DX Exchange
--	------------------------------------

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

SATURDAY



A22

AMQONGI7
09/01/2010
COMPANIES HOUSE

175



**Canterbury Europe Limited (in
Administration)**

**Report to Creditors pursuant
to Rules 2.47 and 2.110 of
the Insolvency (Amendment)
Rules 2003**

KPMG LLP

21 December 2009

This report contains 23 Pages



Canterbury Europe Limited (in Administration)
*Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003*
KPMG LLP
21 December 2009

Notice: About this Report

This Report has been prepared by David Costley-Wood and Brian Green, the Joint Administrators of Canterbury Europe Limited, solely to comply with their statutory duty to report to members and creditors pursuant to Rule 2.110 of the Insolvency (Amendment) Rules 2003, and to provide an account of their acts and dealings and of the conduct of the Administration, 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.

This Report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in Canterbury Europe Limited.

Any estimated outcomes for creditors included in this Report 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 Report for any purpose or in any context other than under Rule 2.110 of the Insolvency (Amendment) Rules 2003 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 to any such person.

David Costley-Wood and Brian Green are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators act as agents for Canterbury Europe Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP 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.



Contents

1	Glossary	3
2	Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003	4
3	Introduction	4
4	Progress of the Administration to 15 December 2009	5
5	Receipts and Payments	6
6	Creditors	10
7	Conclusion of the Administration	10

Appendices

1	Receipts and Payments accounts to 15 December 2009
2	Joint Administrators' time costs to 15 December 2009
3	Joint Administrators' Proposals



1 Glossary

Joint Administrators	David Costley-Wood and Brian Green of KPMG LLP
KPMG	KPMG LLP
Administration	The Administration granted by the High Court of Justice, Chancery Division, Manchester District Registry in respect of Canterbury Europe Limited dated 13 July 2009. Court case number 2069 of 2009
Company / CEL	Canterbury Europe Limited (in Administration)
Canterbury / Group	Direct and indirect subsidiary undertakings of Canterbury Limited
KPMG US	KPMG LLP, the US member of KPMG International
Hallco	Hallco 1698 Limited and/or Hallco 1699 Limited
SCAL	Sail City Apparel Limited (trading as Canterbury of New Zealand, North America)
Solicitors / Addleshaws	Addleshaws LLP
Agents	Edward Symmons LLP
RRG	KPMG LLP's Recoveries Realisations Group
KPMG NZ	KPMG New Zealand LLP
Intesa	Intesa Sanpaulo S.p.A.
SIP	Statement of Insolvency Practice
TUPE Regulations	Transfer of Undertakings and Protection of Employment Regulations
Act	Insolvency Act 1986
US	United States of America
CVL	Creditors' Voluntary Liquidation



2 Other information required by Rule 2.47 of the Insolvency (Amendment) Rules 2003

Date of appointment	13 July 2009
Company registered number	00295777
Company registered office	c/o KPMG LLP Restructuring, St James Square, Manchester, M2 6DS
Appointer	By the directors of the Company pursuant to paragraph 22 of Schedule B1 of the Insolvency Act 1986.

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators are being exercised by any or all of the Joint Administrators.

3 Introduction

Further to my report dated 3 September 2009, I write to provide my final report on the outcome of the Administration in accordance with Rule 2.110 of the Insolvency (Amendment) Rules 2003.

The Joint Administrators' proposals were agreed by the Company's creditors on 18 September 2009 and are attached at Appendix 4. The Joint Administrators' proposals have been completed and it is likely that a dividend will be available to both preferential and unsecured creditors, this is discussed further in section 6 of this report.

To enable a dividend to be made as soon as possible the Company will be placed in to CVL on the filing of this report, along with form 2.34B, at Companies House with David Costley-Wood and Brian Green appointed Joint Liquidators.

For your information final abstract receipts and payments accounts for the period 28 August 2009 to 15 December 2009 are attached at Appendix 1.

Funds held as at 15 December 2009 were £3,810,121 and €959,328. Funds held by the Joint Administrators will be transferred to the Joint Liquidators. Any outstanding costs of the Administration will be paid during the CVL.



4 Progress of the Administration to 15 December 2009

4.1 Sale of Business and Assets

As confirmed in my previous report, the Company's business and assets, excluding book debts and stock bespoke to a specific customer, were sold to Halco for £4,288,589. The sale completed on 3 August 2009. The bespoke stock was sold to the specific customer for £680,000.

4.2 Joint Administrators' Proposals

A creditors' meeting was held on 18 September 2009 at the Freemasons Hall, 36 Bridge Street, Manchester, M3 3BT.

At the meeting the Joint Administrators' proposals were approved and a notice of the outcome was sent to all known creditors of the Company on 18 September 2009.

4.3 Debtors

RRG, the Joint Administrators' debt collection specialists, have continued the debt collection exercise with the assistance of certain members of the Company's credit control team and are utilising specialist debt collection agencies where appropriate.

Book debt collections to 27 August 2009 totalled £698,825 and €293,430. As at 15 December 2009 a further £610,418 and €444,886 of book debts have been collected and total book debt collections were £1,309,243 and €738,316.

RRG will continue the collection exercise when the Company enters Liquidation and total collections are forecast to be £2,776,666 in a best case and £2,221,333 in a worst case.

4.4 Inter-company debtor

My previous report referred to an inter-Company debt due to CEL from SCAL, a US subsidiary. The Company's records provide for a balance due from SCAL of £6,767,954 and the Joint Administrators have met with SCAL's management in the US to discuss recoverability. The Joint Administrators engaged KPMG US to assist in the process.

SCAL have insufficient funds available to pay its debts and SCAL was placed in to Liquidation on 5 October 2009. As SCAL is a New Zealand registered company Shaun Neil Adams and Ian Charles Thursfield of KPMG NZ were appointed Liquidators. An application was made to the United States Bankruptcy Court for an order under Chapter 15 of the Bankruptcy Code to allow the New Zealand Liquidation to be recognised as a foreign main proceeding and recognition was given on 24 November 2009.



At the date of this report it is not certain what level of dividend will be available from SCAL to the Company.

4.5 Leasehold property

As stated in my previous report a licence to occupy the Company's Stockport premises was granted to Hallco for a period of six months from the date of sale. Under the terms of the licence, Hallco will refund the Administration for rent, service charges and utility payments made relevant to Hallco's period of occupation. Refunds received after the Company has exited the Administration will be paid to the Liquidation. The licence expires on 3 February 2010.

4.6 Intesa Account

The Company held a pre-appointment bank account with the banking group Intesa. The Joint Administrators have requested Intesa confirm the balance of this account and have further requested that any Company funds they are holding be transferred to the Administration. Any funds received after the Company enters CVL will be paid to the Liquidation.

5 Receipts and Payments

As a number of the Company's debtors are non UK based it was necessary to set up Sterling, Euro and US Dollar bank accounts. As at 15 December 2009 no transactions have taken place in the US Dollar bank account.

An analysis of the receipts and payments for the period 28 August 2009 to 15 December 2009 is attached at Appendix 1.

5.1 Receipts

5.1.1 Newco charges

Refund payments of £5,442 and £2,477 have been received during the period from Hallco for service and utility charges relevant to their occupation of the Company's Stockport premises.

5.1.2 Debtors

A further £610,418 and €444,886 of book debt collections have been made during the period. Total book debt collections now stand at £1,309,243 and €738,316. Collections will continue in the Liquidation.



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules

2003

KPMG LLP

21 December 2009

5.1.3 Rent Receipts

A total of £35,000 has been received from Hallco during the period. This payment relates to four months of rental charges in respect of their occupation of the Company's Stockport premises.

5.1.4 Bank interest

Bank interest of £953 has been received during the period on funds held in the Company's Sterling bank account.

5.1.5 Newco receipts

Sums totalling £11,014 and €10,170 have been incorrectly paid into the Administration account by customers of Hallco in respect of Hallco sales receipts. These funds will be refunded to Hallco when the Company is in Liquidation.

5.1.6 Pre-appointment cash

A total of €55,092 has been received in respect of monies held in the Company's pre-appointment Irish bank account.

5.1.7 Sundry receipts

A total of £34 has been received in respect of petty cash held at appointment.

5.1.8 Unallocated funds

There have been a large number of direct receipts into the Euro and Sterling bank accounts during the period. These receipts have limited references confirming their origin. These receipts total €159,244 and £27,385 and the origin of these receipts will be confirmed in the Liquidation.

5.2 Payments

5.2.1 Mobile phone costs

A total of £671 has been paid in respect of Company employee mobile telephone costs. These costs relate to mobile telephone usage by retained Company employees between the date of appointment to completion of the business and assets sale to Hallco.

5.2.2 Administrators' fees and expenses

A total of £681,759 and £4,101 have been paid during the period in respect of Administrators' fees and expenses.

To 15 December 2009 KPMG LLP have incurred post appointment time costs of £693,271 representing 2,727 hours at an average hourly rate of £254, and expenses of £4,716. Pursuant to Statement of Insolvency Practice 9, a detailed analysis of these costs is attached at Appendix 2.



Please note that a creditors' guide to fees can be found at:
[http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007\(1\).pdf](http://www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf). However, if you are unable to access this guide and would like a copy please contact Robert Bennie of KPMG LLP on 0161 246 4160.

Any outstanding time costs and expenses of the Joint Administrators will be paid by the Joint Liquidators.

5.2.3 NewCo refunds

A total of £20,912 has been paid during the period to Hallco for stock storage and transport costs relevant to the £680,000 bespoke stock sale achieved.

5.2.4 Debt collection costs

A total of £2,730 has been paid in respect of external debt collection agency costs.

5.2.5 Agents' / Valuers' fees

A total of £7,000 and £178 has been paid during the period for Agents' fees and expenses. These costs are for valuation and marketing advice on the Company's business and assets.

5.2.6 Legal Fees

A total of £107,000 and £2,061 has been paid for solicitors' fees and expenses. These costs are for legal advice on the Administration and sale of the business and assets to Hallco.

5.2.7 Site clearance costs

A total of £3,800 has been paid for collecting, packing and transporting the Company's books and records from the Company's Stockport premises to a secure offsite storage facility.

5.2.8 Employee expenses

Employee expenses of £5,684 have been paid. These payments relate to Company employee pension and consulting expenses incurred between the date of appointment and completion of the business and assets sale to Hallco.

5.2.9 Newco payments

A payment of £37,500 was made to Hallco for their assistance in facilitating the release of large quantities of Company stock held by a third party creditor at the date of appointment.



5.2.10 Property – Utilities and Service Charges

A total of £2,533 and £5,442 have been paid during the period for the Stockport premises' utility and service charge costs. These payments have been refunded to the Administration by Halco.

5.2.11 Storage costs

A total of £950 has been paid for secure off site storage of the Company's books and records.

5.2.12 Statutory Advertising

A total of £354 has been paid for statutory advertising costs. These costs relate to advertising the appointment of the Joint Administrators and the holding of the Company's creditors meeting.

5.2.13 Property rental charge

A total of £26,250 has been paid during the period for the Stockport premises' rent. These payments have been refunded by Halco in accordance with the licence discussed in section 4.5 of this report.

5.2.14 Other property costs

A total of £240 has been paid during the period for sundry security costs for the Stockport premises.

5.2.15 Wages and salaries

A total of £3,508 has been paid for temporary staff costs incurred between the date of appointment and completion of the business and assets sale. These temporary staff were working for the Company prior to appointment and were retained by the Joint Administrators to assist in the Administration.

5.2.16 Park Freight payment

An import duty payment of £13,291 was made to Park Freight to facilitate the release of a large quantity of Company stock held by HMRC at the date of appointment.

5.2.17 Rates

A total of £1,660 relating to business rates has been paid in the period.

5.2.18 Bank charges

A total of £720 and €2,682 has been paid during the period for bank charges.



5.2.19 Debits / Credits to be allocated

Unallocated charges from the Euro account total €272 and the origin of these charges will be confirmed in the Liquidation.

5.2.20 Creditors' meeting expenses

A total of £222 has been paid for room hire for the creditors meeting.

5.2.21 Direct Labour

A further £59,501 has been paid in respect of outstanding wages for the Company's contracted employees between the date of appointment and completion of the business and assets sale.

6 Creditors

6.1 Preferential creditors

It is estimated that preferential claims total approximately £60,000, however this has yet to be confirmed. These claims relate to certain employees' arrears of pay and accrued holiday pay. It is currently anticipated that preferential creditors will be paid in full.

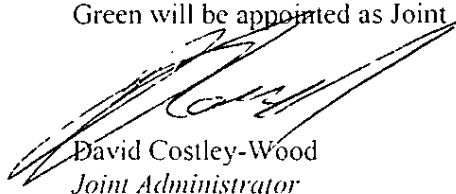
6.2 Unsecured creditors

There are sufficient funds to enable a dividend to be paid to unsecured creditors. Whilst the exact timing and quantum of any such dividend remains uncertain, current estimates indicate a dividend of 7.5 pence in the pound in a best case and 6 pence in the pound in a worst case, with an interim dividend being paid by the Joint Liquidators by April 2010. The Joint Liquidators will write to creditors on this matter when the Company enters CVL.

7 Conclusion of the Administration

The Joint Administrators' proposals have been completed. The Company will be placed into CVL in early January 2010 on the filing of the report along with form 2.34B at Companies House. Any ongoing matters being dealt with in the Administration will be concluded in the Liquidation.

In accordance with the Joint Administrators' proposals, David Costley-Wood and Brian Green will be appointed as Joint Liquidators.


David Costley-Wood
Joint Administrator



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

Appendix 1

Joint Administrators' Sterling receipts and payments account from 28 August 2009 to 15 December 2009

ABSTRACT OF RECEIPTS AND PAYMENTS - 28/08/2009 to 15/12/2009
Canterbury Europe Ltd

Appendix to Form 2.24
Page 1

RECEIPTS

£

Brought forward from previous Abstract (if Any)	3,769,380.20
Unallocated Funds	27,385.33
Newco service charges	3,442.38
Newco utilities charges	2,476.84
Trade Debtors	610,117.61
Rent Receipts	35,000.00
Bank interest, gross	953.42
CNZ - Newco receipts	11,013.79
Sundry receipts	33.51
Floating ch. VAT payable	6,437.88

* Delete as
appropriate

Carried forward to * continuation sheet / next abstract	6,468,741.06
--	--------------

PAYMENTS

£

Brought forward from previous Abstract (if Any)	1,548,804.16
Direct labour	59,501.41
Mobile phone costs - (02)	(73).00
Administrators' fees	(681,759.00)
Administrators' expenses	4,100.25
Newco refunds	20,912.22
Debt collection costs	2,729.00
Agents/Valuers' fees	7,000.00
Agents/Valuers' fees (2)	1,78.25
Legal fees	(107,200.00)
Legal fees (2)	2,000.00
Site clearance costs	3,800.00
Employee expenses	5,684.25
Newco payments	37,500.00
Property - Utilities	2,533.38
Storage costs	980.00
Statutory advertising	354.17
Property - Rental charge	26,250.00
Rates	1,660.27
Other property costs	2,400.00
Wages & salaries	3,928.00

* Delete as
appropriate

Carried forward to * continuation sheet / next abstract	2,517,288.16
--	--------------

Note: - The receipts and payments must separately be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

ABSTRACT OF RECEIPTS AND PAYMENTS - 28/08/2009 to 15/12/2009
Canterbury Europe Ltd

Appendix to Form 2.24
Page 2

RECEIPTS

£

Brought forward from previous Abstract (if Any)

6,468,741.06

* Delete as
appropriate

Carried forward to

6,468,741.06

* continuation sheet / next abstract

PAYMENTS

£

Brought forward from previous Abstract (if Any)

2,517,288.16

Bank charges

719.58

Creditors meeting expenses

221.74

Property - Service Charges

5,442.38

Floating ch. VAT rec'd/able

131,947.87

* Delete as
appropriate

Carried forward to

2,558,619.73

* continuation sheet / next abstract

Note - The receipts and payments must generally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

Canterbury Europe Ltd
(In Administration)
Administrators' Trading Account

Statement of Affairs	From 28/08/2009 To 15/12/2009	From 13/07/2009 To 15/12/2009
OTHER DIRECT COSTS		
Direct labour	59,501.41	213,232.15
	(59,501.41)	(213,232.15)
TRADING EXPENSES		
DHL storage costs	NIL	35,000.00
Civica IT hosting	NIL	9,245.00
	NIL	(44,245.00)
TRADING SURPLUS(DEFICIT)	(59,501.41)	(257,477.15)



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules 2003
KPMG LLP
21 December 2009

Canterbury Europe Ltd
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 28/08/2009 To 15/12/2009	From 13/07/2009 To 15/12/2009
ASSET REALISATIONS		
	27,385.33	27,385.33
Unallocated Funds	5,442.38	5,442.38
Newco service charges	NIL	2.00
Business rights and business name	2,476.84	2,476.84
Newco utilities charges	NIL	2.00
CIL Limited and CL Limited sale monies	NIL	4,288,588.85
3,800,000.00 Company stock sold in group sale	NIL	680,000.00
4,100,000.00 Stock excluded from newco sale	610,417.61	1,309,242.87
100.00 Trade Debtors	NIL	1.00
Computer and office equipment	35,000.00	35,000.00
Rent Receipts	680,722.16	6,348,141.27
OTHER REALISATIONS		
	953.42	1,114.61
Bank interest, gross	11,013.79	11,013.79
CNZ - Newco receipts	(59,501.41)	(257,477.15)
Trading Surplus/(Deficit)	33.51	33.51
Sundry receipts	(47,500.69)	(245,315.24)
COST OF REALISATIONS		
	671.00	671.00
Mobile phone costs - O2	NIL	5,000.00
Statement of affairs work	681,759.00	681,759.00
Administrators' fees	4,100.75	4,100.75
Administrators' expenses	20,912.22	20,912.22
Newco refunds	2,729.90	2,729.90
Debt collection costs	7,000.00	7,000.00
Agents'/Valuers' fees	178.25	178.25
Agents'/Valuers' fees (2)	107,000.00	107,000.00
Legal fees	2,061.07	2,061.07
Legal fees (2)	3,800.00	3,800.00
Site clearance costs	NIL	844,228.71
Purchase of stock	5,684.25	5,907.11
Employee expenses	NIL	204,808.84
HMRC Duty	NIL	13,290.54
Park Freight	37,500.00	37,500.00
Newco payments	2,533.38	2,533.38
Property - Utilities	950.00	950.00
Storage costs	354.47	354.47
Statutory advertising	26,250.00	26,250.00
Property - Rental charge	1,660.29	1,660.29
Rates	240.00	240.00
Other property costs	3,508.01	6,948.01
60,000.00 Wages & salaries	719.58	1,494.58
Bank charges	221.74	221.74
Creditors meeting expenses	5,442.38	5,442.38
Property - Service Charges	(915,276.29)	(1,987,042.24)
FLOATING CHARGE CREDITORS		
66,911,422.00 Floating charge	NIL	NIL
	NIL	NIL



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

Canterbury Europe Ltd
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 28/08/2009 To 15/12/2009	From 13/07/2009 To 15/12/2009
74,871,522.00	(282,054.82)	4,115,783.79

REPRESENTED BY

Floating ch. VAT rec'able	414,100.34
Floating charge current	3,810,121.33
Floating ch. VAT payable	(108,437.88)
	4,115,783.79

.....
David James Costley-Wood
Administrator



**Joint Administrators' Euro receipts and payments account from
28 August 2009 to 15 December 2009**

ABSTRACT OF RECEIPTS AND PAYMENTS - 28/08/2009 to 15/12/2009
Canterbury Europe - Euro A/C

Appendix to Form 2.24
Page 1

RECEIPTS

£

Brought forward from previous Abstract (if Any)	349,378.32
New Co Receipts	10,169.94
Book debts	44,885.59
Unallocated Funds	103,295.92
Pre Appointment Cash	55,092.03

* Delete as
appropriate

Carried forward to	962,821.80
* continuation sheet / next abstract	

PAYMENTS

£

Brought forward from previous Abstract (if Any)	604.82
Bank charges	2,682.26
Debits/Credits to be allocated	206.41

* Delete as
appropriate

Carried forward to	3,493.49
* continuation sheet / next abstract	

Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

Canterbury Europe - Euro A/C
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 28/08/2009 To 15/12/2009	From 13/07/2009 To 15/12/2009
ASSET REALISATIONS		
New Co Receipts	10,169.94	10,169.94
Book debts	444,885.59	738,316.08
Unallocated Funds	103,295.92	159,243.75
Pre Appointment Cash	<u>55,092.03</u>	<u>55,092.03</u>
	613,443.48	962,821.80
COST OF REALISATIONS		
Bank charges	2,682.26	3,221.98
Debits/Credits to be allocated	<u>206.41</u>	<u>271.51</u>
	(2,888.67)	(3,493.49)
	<u>610,554.81</u>	<u>959,328.31</u>
REPRESENTED BY		
Floating charge current		959,328.31
		<u>959,328.31</u>

.....
David James Costley-Wood
Administrator



**Joint Administrators' US Dollar receipts and payments account from
28 August 2009 to 15 December 2009**

ABSTRACT OF RECEIPTS AND PAYMENTS - 28/08/2009 to 15/12/2009 Appendix to Form 2.24
Canterbury Europe - USD Page 1

RECEIPTS

£

Brought forward from previous Abstract (if Any)

000

* Delete as
appropriate

Carried forward to
* continuation sheet / next abstract

000

PAYMENTS

£

Brought forward from previous Abstract (if Any)

000

* Delete as
appropriate

Carried forward to
* continuation sheet / next abstract

000

Notes: The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balances so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003
KPMG LLP
21 December 2009

Canterbury Europe - USD
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 28/08/2009 To 15/12/2009	From 13/07/2009 To 15/12/2009
	<u>NIL</u>	<u>NIL</u>
REPRESENTED BY		<u>NIL</u>

.....
David James Costley-Wood
Administrator



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003

KPMG LLP
21 December 2009

Appendix 2

Joint Administrators' time costs from 28 August 2009 to 15 December 2009

28/08/2009 to 15/12/2009

	Partner / Director	Manager	Administrator / support	Total hours	Time cost	Average hourly rate
Administration & planning						
Cashiering			0.50	0.50	£82.50	£165.00
Fund management						
General (Cashiering)		3.50	172.10	175.60	£25,202.50	£143.52
Reconciliations (& IPS accounting reviews)		28.50	37.90	66.40	£15,661.50	£235.87
General						
Books and records			30.00	30.00	£4,620.00	£154.00
Tees and WIP			6.50	6.50	£1,042.50	£160.38
Statutory and compliance						
Appointment and related formalities	0.10			0.10	£51.50	£515.00
Checklist & reviews		11.20	19.50	30.70	£8,201.00	£267.13
Closure and related formalities		44.00		44.00	£14,080.00	£320.00
Statutory receipts and payments accounts			1.00	1.00	£165.00	£165.00
Strategy documents	0.50	14.00		14.50	£4,737.50	£326.72
Tax						
Initial reviews - CT and VAT		2.00	2.50	4.50	£1,222.50	£271.67
Post appointment corporation tax	1.50	15.16	17.60	34.26	£8,675.00	£253.65
Post appointment VAT	0.20	2.00	2.00	4.20	£1,073.00	£255.48
Creditors						
Creditors and claims						
Agreement of secured claims			10.50	10.50	£2,352.50	£225.00
General correspondence	4.00	65.50	78.00	147.50	£38,620.00	£263.86
Statutory reports	4.00	64.50	27.00	95.50	£28,475.00	£298.17
Employees						
Correspondence		22.00		22.00	£7,040.00	£320.00
DII redundancy payments service		18.00	7.00	25.00	£7,335.00	£293.40
Pensions reviews			1.40	1.40	£315.00	£225.00
Investigation						
Directors						
D form drafting and submission		14.50		14.50	£4,640.00	£320.00
Directors' questionnaire / checklist		0.20		0.20	£81.00	£405.00
Investigations						
Mail redirection			3.00	3.00	£495.00	£165.00
Realisation of assets						
Asset Realisation						
Cash and investments	1.00		8.50	9.50	£2,427.50	£255.53
Debtors	5.00	84.00	277.50	366.50	£70,017.50	£207.41
Household property		2.50		2.50	£850.00	£320.00
Other assets	2.00			2.00	£1,030.00	£515.00
Pre appointment of tax & VAT refunds		2.00		2.00	£640.00	£320.00
Rent		1.50		1.50	£450.00	£320.00
Stock and WIP		1.00		1.00	£320.00	£320.00
Trading code used outside trading period						
Trading						
Purchases and trading costs		1.50	1.50	3.00	£727.50	£242.50
Sales			19.00	19.00	£3,915.00	£206.05
Total in period				1,138.80	£260,835.50	£229.04
Comparison of time costs to SIP period				6.00	£1,070.00	
Comparison of time costs to SIP period (excluding SIP period)				1,132.80	£259,765.50	
Comparison of time costs to SIP period (including SIP period)				1,144.80	£261,905.50	



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003

KPMG LLP
21 December 2009

**Canterbury Europe Limited (in
Administration)**

13 July 2009 to 15 December 2009

**KPMG LLP Restructuring chargeable rates from 1
April 2009**

Grade	Charge out rates £		
Partner/Director	440	to	515
Management	320	to	405
Administrators	165	to	225
Support	105	To	105

Category 1 expenses

Expense name	Expense amount £
<i>Mileage</i>	<i>1,759.80</i>
<i>Flights</i>	<i>985.50</i>
<i>Other travel</i>	<i>164.33</i>
<i>Hotels / accommodation</i>	<i>608.96</i>
<i>Postage</i>	<i>89.10</i>
<i>Meals / lunches</i>	<i>588.12</i>
<i>Telephone Charges</i>	<i>305.13</i>
<i>Sundry expenses</i>	<i>215.17</i>
Total	4,716.11

Appendix 3

Joint Administrators' proposals

The Joint Administrators propose the following:

- to continue to do all such things reasonably expedient and generally exercise all their powers as contained in Schedule 1 to the Act as Joint Administrators as they, in their discretion, consider desirable in order to maximise realisations from the assets of the Company;
- to extend the administration period if deemed necessary by the Joint Administrators pursuant to Paragraph 76 of schedule B1 to the Act;
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move the Company from administration to dissolution, pursuant to Paragraph 84 of Schedule B1 to the Act. If the Joint Administrators consider that a distribution will be made to unsecured creditors of the Company, to take the necessary steps to move the Company into Creditors' Voluntary Liquidation pursuant to Paragraph 83 of Schedule B1 to the Act;
- if Creditors' Voluntary Liquidation is deemed appropriate, the Joint Administrators will seek the appointment of David Costly-Wood and Brian Green of KPMG LLP as Liquidators of Canterbury Europe Limited (in Administration). In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved;
- if one of the criteria set out in Paragraph 79(2) of schedule B1 to the Act apply to the Company, to make an application to court to end the administration and, if deemed appropriate, to petition the court for the winding up of the Company. If appropriate, the Joint Administrators will, at the same time, apply to be appointed as Joint Liquidators under Section 140(1) of the Act;
- in the event that David Costly-Wood and Brian Green are appointed Joint Liquidators then they will be allowed to act jointly and severally.
- the Joint Administrators will seek a resolution from creditors to be discharged from liability upon cessation of their appointment, in respect of any action of the Joint Administrators pursuant to Paragraph 98(1) of Schedule B1 to the Act.

In relation to Joint Administrators' fees:

- that in the event that no creditors' committee is formed, or if no determination of the creditors' committee is reached, the Joint Administrators will be authorised to draw fees on account from the assets of Canterbury Europe Limited (in Administration) from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates as set out in Appendix 3. Also, the Joint Administrators will draw disbursements from time to time; and



Canterbury Europe Limited (in Administration)
Report to Creditors pursuant to Rules 2.47 and 2.110 of the Insolvency (Amendment) Rules
2003

KPMG LLP
21 December 2009

- that the costs of KPMG LLP in respect of RRG, GSS, Pension, Tax and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of Canterbury Europe Limited (in Administration). Also, the Joint Administrators will draw disbursements from time to time.