

The Insolvency Act 1986

**Notice of move from administration
to creditors' voluntary liquidation**

Name of Company

Yates Group Limited

Company number

00478794

In the High Court of Justice
Chancery Division
Companies Court

Court case number

2474 of 2008

(a) Insert 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(b) Insert name and address
of registered office of
companyhaving been appointed administrators of (b) Yates Group Limited, C/o Zolfo Cooper, Toronto
Square, Toronto Street, Leeds, LS1 2HJ (the Company)(c) Insert date of
appointment

on (c) 27 March 2008 by (d) the Company's Directors

(d) Insert name of applicant /
appointor

hereby give notice that:

(e) Insert name(s) and
address(es) of liquidator(s)the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply,
and it is proposed that (e) Alastair Paul Beveridge, Simon Jonathan Appell and James John
Gleave of Zolfo Cooper (formerly Kroll Limited), 10 Fleet Place, London, EC4M 7RB
will be the liquidators of the company
(IP No(s) 8991, 9305 and 6657 respectively)

We attach a copy of the final progress report.

Signed

Joint Administrator

Dated

25/09/09

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, Toronto Square, Toronto Street, Leeds, LS1 2HJ

Tel

DX Number

DX Exchange



LD2

25/09/2009

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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

**Joint Administrators'
Final Progress Report**

**For the Period
27 March 2009 to 24
September 2009**

**Yates Group Limited -
In Administration**

24 September 2009



ZC ZOLFO COOPER



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1 Statutory Information

- 1.1 I was appointed Joint Administrator of Yates Group Limited (the Company) together with Simon Jonathan Appell and James John Gleave on 27 March 2008. The application for the appointment of an Administrator was made by the Directors of the Company.
- 1.2 This Administration is being handled by Zolfo Cooper's Leeds office, situated at Toronto Square, Toronto Street, Leeds, LS1 2HJ.
- 1.3 The Administration is registered in the High Court of Justice, Chancery Division, Companies Court, under reference number 2474 of 2008.
- 1.4 As noted in the Joint Administrators' Proposals (the 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', 'Hal Hal', 'Yates', 'Santa Fe' and 'Litten Tree'.
- 1.5 The registered office of the Company is Toronto Square, Toronto Street, Leeds, LS1 2HJ and its registered number is 00478794.
- 1.6 The functions of the Administrators may be exercised by either or all, acting jointly or alone.

2 Administrators' Proposals

- 2.1 As previously advised, the Joint Administrators (the Administrators) must perform their functions with the purpose of achieving one of the following objectives:
 - Rescuing the Company as a going concern;
 - Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
 - Realising property in order to make a distribution to one or more secured or preferential creditors.
- 2.2 The second objective was pursued; achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration).

3 Progress of the Administration

- 3.1 Attached at Appendix A is my Receipts and Payments Account for the period from 27 March 2009 to 24 September 2009 and cumulative from 27 March 2008 to 24 September 2009.
- 3.2 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).
- 3.3 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 & Young (the Propco Administrators).
- 3.4 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).
- 3.5 You will recall from the 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, Hal Hal Bar & Kitchen

YATES GROUP LIMITED - IN ADMINISTRATION

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, of which £34,445,068 was allocated to the Company (as detailed below). 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).

- 3.6 However, it subsequently became apparent that the CSA would not complete. As a result, the Administrators commenced new discussions with Newco.
- 3.7 Newco subsequently made an offer to acquire 89 of the 104 Pumpster Sites for a total consideration of £27,239,441, of which £1,155,033 was allocated to the Company (as below). The Administrators considered that this offer represented the best achievable outcome for creditors, and 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 completed on 12 August 2008.
- 3.8 Detailed below is a breakdown of the proceeds received in relation to this sale:

Company	Total (£)
The Laurel Pub Company Limited	20,069,956
Yates's Wine Lodges Limited	5,964,751
Yates Group Limited	1,155,033
Forno Vivo Limited	59,701
	<hr/> 27,239,441

- 3.9 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	£3	<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">}</div> <div> Hops Pub Company Limited Slug & Lettuce Company Limited Ha Ha Bar and Kitchen Limited La Tasca Restaurants Limited </div> </div>	Suzanne Baker
	Litigation Debtors	£250,000		Christian Keen
	Furniture and Equipment	£865,000		Timothy Payne
	Property	£33,330,065		Paul Symonds
				Aaron Brown
	TOTAL	<hr/> £34,445,068		Timothy Smalley

Pumpster Sites

Date of Transaction	Asset Involved	Consideration Paid	Sold To	Common Directors
12 August 2008	Tenants Fixtures Property Nominal value assets	£255,000 £900,029 £4	Barley Pub Company Limited Hops Pub Company Limited Slug & Lettuce Company Limited Bay Restaurant Group Limited	Suzanne Baker Christian Keen Timothy Payne Paul Symonds Aaron Brown Mark Grunnell Timothy Smalley
	TOTAL	£1,155,033		

- 3.10 In addition, a sale of 12 of the remaining Pumpster Sites was completed to JD Weatherspoon on 12 November 2008, and the proceeds allocated as below.

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

- 3.11 The Administrators continued to trade the remaining Pumpster sites up until 27 March 2009, at which point the Administrators surrendered the Group's interest in the sites back to the Propco Administrators.

Other Property Realisations

- 3.12 You will recall from the Proposals that the Group closed 90 of its sites prior to the appointment of the Administrators (the Closed Sites).
- 3.13 Of the Closed Sites, the Company held an interest in 49. 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.
- 3.14 The Administrators have realised premiums totalling £280,000, £179,197 after costs and rent arrears for the three Closed Site leases. At the date of my previous report, I noted that I had received interest in a lease of one of the handback sites (detailed below) and had instructed Colliers to progress this matter. I can confirm that this assignment subsequently completed for a premium of £50,500, which realised £27,109 after the costs of realisation.

A summary of the progress in respect of the leases held by the Company is provided below:

	No of sites
Assignments Completed	3
Leases Surrendered	23
Leases forfeited	5
Surrenders offered but not accepted	18
	<hr/> 49

- 3.15 Any Closed Site leases remaining will be disclaimed once the Company is placed into Liquidation.

Handback Site Premium

- 3.16 As noted in my previous progress report in March 2009, Newco was unable to complete the assignments of ten properties it initially acquired, and as such it requested that it hand back these sites to the Administrators. Newco offered to pay the sum of £100,000 for the benefit of the unsecured creditors of the respective companies holding leases to these sites, and the split of these funds is shown below. Newco made this offer conditional on the Administration periods of these companies being extended by six months to complete the outstanding lease assignments for Opco Good Sites.
- 3.17 The Administrators deemed that it was in the best interests of the creditors to accept this offer, as it resulted in a further £20,000 being available to distribute to the unsecured creditors.

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

Miscellaneous Income

- 3.18 I advise that I realised the sum of £7,602 in respect of miscellaneous income, £690 in respect of bank interest and £208 relating to an insurance refund as part of the assignment of a Closed Site.

Sundry Receipts

- 3.19 I have realised the sum of £29,255 in respect of miscellaneous refunds. This largely comprised a refund in respect of a duplicate rental payment of £29,081, made in a period prior to my appointment.

Cash at bank

- 3.20 This relates to amounts held in the Company's pre-appointment bank accounts at the date of my appointment. This sum, shown as £6,863, is lower than as detailed in my previous report as I have subsequently reconciled certain sums received.

3rd Party Contributions

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

Business Rates Refunds

- 3.22 To date I have realised £152,896 in respect of overpayments on business rate accounts, and refunds as a result of successful rating appeals by my agents (noted at Appendix C). My agents remain instructed in this matter, and whilst I am aware that there are some ongoing rating appeals, I do not anticipate significant future realisations from this source. Should further amounts be identified, these will be realised in the Liquidation.

Rent (sublet)

- 3.23 This is rental income from sites which were sublet by the Company. To date the sum of £75,027 has been realised, representing amounts received from Pumpster site sub-tenants.

Rent From Newco

- 3.24 This represents sums received from Newco in order to make payments in respect of rent for Opco Good Sites where the Company remained the legal tenant as the lease had not been assigned. This is offset by a corresponding rent payment.

4 Administrators' Remuneration

- 4.1 At the date of the Proposals, I envisaged that the only return to the unsecured creditors would be by virtue of the Unsecured Creditors' Fund (detailed at 6.3 below). As such, the Opco Banks approved the basis of the Administrators' fees and gave authority to draw such fees as and when funds were available. However, as noted in my previous correspondence to creditors, it has recently become apparent that the Opco Banks would be repaid in full. I therefore requested that the unsecured creditors give their approval in respect of the Administrators' time costs on the same basis as agreed with the Opco Banks. I can confirm that the unsecured creditors have approved this. This was solely in relation to future fees, and the Administrators will not be seeking any retrospective approval for fees already drawn.
- 4.2 The Administrators' time costs at 24 September 2009 are £313,931. This represents 1,404 hours at an average rate of £224 per hour. Attached as Appendix B is a Time Analysis that provides details of the activity costs incurred by staff grade for the period since my last report together with a cumulative analysis for the entire Administration.

- 4.3 At the commencement of the Administrations, it was unclear which entities owned certain assets within the Group and therefore, how the costs of Administration would be funded. In the circumstances, the Opco banks agreed to make a loan totalling £3,088,863 to the companies in Administration, to fund the fees and costs of the Administrations. This was necessary to facilitate the sale of the business and assets of the various companies and maximise recoveries. Given the uncertainty regarding ownership of assets, it was necessary for most of the companies in Administration to be party to the sale agreement. To ensure that creditors of any one or more of the companies in Administration were not prejudiced by these arrangements and in particular, the payment terms, it was agreed that the funding could be used where appropriate, to fund Prescribed Part Claims and distributions to unsecured creditors as required by the Insolvency Act 1986 (the Act).
- 4.4 The funds were loaned to the entities in Administration as required, on a joint and several basis. The risk to those entities with significant assets of having to contribute more than others to the cost of funding, was taken into account in assessing the likely recoveries to those entities from the sale which the funding was set up to facilitate. As a further precaution, it was agreed that these sums would be repaid only to the extent that realisations exceeded the costs and distributions across the companies in Administration.
- 4.5 I am currently finalising the repayment of the loan to the Opco banks from the entities which have sufficient realisations. I can confirm that any unpaid Administrators' fees and costs in relation to the Company will be drawn as an expense of the Liquidation.
- 4.6 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

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 cashing time.

Investigations

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

Realisation of Assets

Time in this category represents time spent identifying assets within the Group, time spent realising these assets and allocating these as appropriate. Time spent dealing with Closed Site property related matters is also included here.

Trading

Time spent under this heading is in relation to the Group's trading receipts received into the various bank accounts held by the companies in the Group.

Creditors

This represents time spent dealing with creditors, including correspondence and telephone calls received, in addition to dealing with correspondence and queries from landlords.

5 Unrealised Assets

- 5.1 I would confirm that the Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments discharged during the course of the Administration. The only assets yet to be realised are the inter-company receivables detailed below, and these will be dealt with by the Liquidator once appointed.

Inter-company receivables

- 5.2 Further to my previous report, I have now finalised, with the help of the Finance Director, the inter-company debts between the entities in the Group, and the table below shows these as at 27 March 2008.
- 5.3 The Administrators do not have the power to agree unsecured creditor claims and distribute monies without Court approval, including distributions in relation to inter-group receivables, and as such, any dividends due to the Company will be realised once all of the companies in the Group are in Liquidation.

Inter-group debtor	Amount due to the Company (£)
Ha! Ha! Bar & Canteen Limited	31,858,988
The High Street Bar & Restaurant Group Limited	379,936
	<hr/> 32,238,924

- 5.4 Additionally, and as previously noted, another company within the Group, Laurel Pub Bidco Limited (LPBL), was the borrower re the Opco Bank facilities, with certain other group companies (including the Company) giving cross-guarantees in respect of the debt. Therefore, in addition to the sum noted above, the Company will have a subrogated unsecured claim against LPBL for amounts paid to the Opco Banks under the cross guarantee. I am currently finalising this position.
- 5.5 The realisations from these amounts will be dependent upon the value of dividends paid by the debtor companies.

6 Outcome for Creditors

Secured Creditors

- 6.1 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 certain companies in the Group. The Opco Banks have released their security over the assets of the Company, with the loan noted at 4.3 being the only amount now due to them.

Preferential Creditors

- 6.2 The Administrators are not aware of any preferential creditors of the Company to date. Employees in the Group were contracted to work for the Company or The Laurel Pub Company Limited. Those employed by the Company at the date of my appointment transferred their employment to Newco as part of the sale of the business and assets on 27 March 2008, with the remainder having being made redundant prior to my appointment. The Administrators thus consider any future claims made will be minimal, and can confirm that to date no preferential claims have been received.

Unsecured Creditors

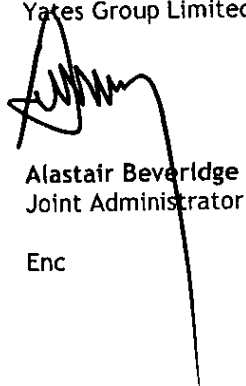
- 6.3 As the Company granted a floating charge to the Opco Banks which post-dated the Enterprise Act 2002, the Administrators are required to ring fence a proportion of the floating charge realisations for the benefit of the unsecured creditors in an Unsecured Creditors' Fund. At present, the Administrators anticipate that the value of the Unsecured

Creditors' Fund to be £350,000. Furthermore, I have realised £350,000 in respect of properties over which the Opco Banks did not hold security. I currently expect that these monies, in addition to the £20,000 in respect of the hand back sites, will also be available for distribution to the unsecured creditors.

7 Ending the Administration

- 7.1 In order to make the distributions detailed 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. Following the Proposals, creditors approved that the Administrators will subsequently become the Liquidators of the Company.
- 7.2 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act immediately upon their appointment as Administrators ceasing to have effect.

For and on behalf of
Yates Group Limited



Alastair Beveridge
Joint Administrator

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Receipts and Payments Account for the Period from 27 March 2009 to
24 September 2009 and cumulative from 27 March 2008 to 24
September 2009

Appendix A

27 March 2009 to 24 September 2009

S of A (£)	INCOME	Total (£)
-	Leasehold Property	50,500.00
-	Handback Site Reallisations	20,000.00
-	Rent from Newco	254,526.53
-	3rd Party contribution - Insurance	3,280.20
-	Misc Income	5,734.10
-	Bank charges	12.00
		<hr/> 334,052.83
	 EXPENDITURE	
	Carriage	187.68
	Bank Charges	65.88
	Rent for Newco	297,082.50
	Legal Fees Rumpco	6,000.00
	Agents/Valuers Fees Rumpco	7,500.00
	Rents Payable - Rumpco	17,391.30
		560.95
	Rent (sublet)	19,109.30
	Rental Income Suspense Account	2,643.76
	Insurance of Properties	3,280.20
	Stationery & Postage	751.24
	Agent Fees - Business Rates	5,378.94
	Transfer to CVL	241,583.99
		<hr/> 601,515.74

YATES GROUP LIMITED - IN ADMINISTRATION

Cumulative from 27 March 2008 to 24 September 2009

S of A (£)	INCOME	Total (£)
	Leasehold Property	33,330,065.00
37,445,849.00	Buildings - Pumpster	900,029.00
-	Rumpco Realisations	330,500.00
-	Bank Interest	502.90
-	Handback Site Realisations	20,000.00
-	Insurance Refund	208.31
-	Rent from Newco	2,258,255.14
	Furniture & Equipment	865,000.00
1,120,000.00	F&F - Pumpster	256,250.00
	Furniture - Pumpster	4.00
-	Trade Debtors	3.00
250,000.00	Litigation Debtors	250,000.00
-	3rd Party contribution - Insurance	9,275.48
3,030.00	Cash at Bank	6,862.50
-	Rent (sublet)	75,027.20
-	Business Rates Refunds	152,895.87
-	Bank Interest Gross	187.09
-	Sundry receipts	29,255.35
-	Misc Income	7,602.16
-	3rd Party Contribution - Legal Fees	14,500.00
190,119.00	Inter-Company Debtors	0.00
		38,506,423.00
	EXPENDITURE	
	Carriage	187.68
	Rent for Newco	2,258,255.34
	Legal Fees Rumpco	31,326.00
	Agents/Valuers Fees Rumpco	35,224.38
	Legal Fees Sidleys Fixed	471.85
	Rents Payable - Rumpco	65,143.04
	Due to Chargeholder	34,230,094.00
	Insurance of Properties	9,275.48
	Petitioners Costs	590.53
	Administrators Fees	233,766.00
	Agents/Valuers Fees	750.00
	Legal Fees	19,161.32
	Stationery & Postage	1,053.38
	Council Tax	252.95
	Bank Charges	750.48
	Agent Fees - Business Rates	8,529.58
	Floating Charge Creditor	1,370,007.00
	Transfer to CVL	241,583.99
		38,506,423.00
	Balance	0.00

Time Analysis for the Period from 27 March 2009 to 24 September 2009
2009 and cumulative from 27 March 2008 to 24 September 2009

Appendix B

27 March 2009 to 24 September 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	0.4	3.0	6.4	-	9.8	2,961.50	302
Creditor Reporting	0.5	0.2	9.0	-	9.7	2,730.00	281
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	-	0.3	0.6	-	0.9	276.00	307
Job Administration	-	2.7	6.0	6.0	14.7	3,661.00	249
Cash Accounting and Time Records	0.1	2.5	14.5	18.0	35.1	7,487.50	213
Case Related Travel Time	-	-	-	-	-	-	-
Case Closure	-	-	-	-	-	-	-
Internal Documentation and IT	-	3.7	-	-	3.7	1,295.00	350
Investigations							
D Reports	-	-	-	-	-	-	-
Other Investigations	0.2	-	-	-	0.2	110.00	550
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal Documentation	-	1.4	-	-	1.4	490.00	350
Realisation of Assets - Debtors							
Debt Collection	-	-	5.0	-	5.0	1,325.00	265
Debtors Litigation	-	-	-	-	-	-	-
Crown Debtors	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	-	-
Insurance	-	-	0.1	-	0.1	26.50	265
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	-	16.1	-	16.1	4,266.50	265
Litigation	-	-	-	-	-	-	-
Internal Documentation	-	0.2	-	-	0.2	70.00	350
Trading							
Initial Actions	1.7	-	-	-	1.7	935.00	550
Cash Accounting	0.2	-	-	0.9	1.1	236.00	215
Ongoing Trading Activities	-	-	-	-	-	-	-
Internal and External Documentation	-	-	-	-	-	-	-
Creditors							
Creditor Dealings	-	0.1	49.2	0.6	49.9	13,161.00	264
Creditor Claims	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	-	-	-	-	-	-
Employees	-	-	0.2	-	0.2	58.00	290
Totals	3.10	14.10	107.10	25.50	149.80	39,089.00	261

YATES GROUP LIMITED - IN ADMINISTRATION

Cumulative from 27 March 2008 to 24 September 2009

	Employee Grade (Hours)				Total Hours	(£'s)	
	<u>Partner/ Director</u>	<u>Senior Associate</u>	<u>Associate / Analyst</u>	<u>Junior Analyst/ Support</u>		<u>Total Cost</u>	<u>Average Rate p/h</u>
Administration and Planning							
Strategy and Control	10.1	5.9	22.6	1.1	39.7	12,891.00	327
Creditor Reporting	4.1	2.9	47.4	2.8	57.2	15,502.50	271
Creditors Committee	-	-	-	-	-	-	-
Statutory Duties	-	1.3	4.3	2.6	8.2	1,885.50	230
Job Administration	-	7.6	23.5	47.6	78.7	15,030.00	191
Cash Accounting and Time Records	0.7	11.8	77.0	75.2	164.7	35,323.50	214
Case Related Travel Time	-	-	1.1	2.4	3.5	597.00	171
Case Closure	-	0.4	-	-	0.4	156.00	390
Internal Documentation and IT	-	4.9	13.1	0.1	18.1	5,221.00	288
Investigations							
D Reports	-	0.4	2.4	0.2	3.0	741.00	247
Other Investigations	16.0	-	-	-	16.0	7,931.00	496
Internal Documentation	-	-	-	-	-	-	-
Realisation of Assets - Fixed Charge							
Initial Actions and Valuations	-	-	6.7	6.6	13.3	2,433.00	183
Sale of Assets	-	-	19.7	-	19.7	4,728.00	240
Insurance	-	-	-	-	-	-	-
Litigation	-	-	-	-	-	-	-
Internal Documentation	-	4.4	4.8	-	9.2	2,629.00	286
Realisation of Assets - Debtors							
Debt Collection	-	-	14.8	12.4	27.2	5,416.50	199
Debtors Litigation	-	-	-	0.3	0.3	37.50	125
Crown Debtors	-	-	-	-	-	-	-
Internal Documentation	-	-	0.3	-	0.3	81.00	270
Realisation of Assets - Floating Charge							
Initial Actions and Valuations	-	-	7.6	2.3	9.9	2,111.50	213
Sale of Assets	-	-	147.4	-	147.4	35,376.00	240
Insurance	-	1.4	0.3	-	1.7	569.50	335
Retention of Title	-	-	-	-	-	-	-
Hire Purchase / Leased Assets	-	1.0	82.8	113.1	196.9	35,089.50	178
Litigation	-	-	-	-	-	-	-
Internal Documentation	-	0.2	0.1	-	0.3	97.00	323
Trading							
Initial Actions	4.8	2.5	3.1	0.8	11.0	4,142.00	377
Cash Accounting	1.7	0.3	1.2	24.2	27.4	4,322.50	158
Ongoing Trading Activities	-	-	6.4	17.9	24.3	3,965.50	163
Internal and External Documentation	-	-	1.9	15.4	17.3	2,438.00	141
Creditors							
Creditor Dealings	-	0.4	420.3	82.1	502.8	113,839.00	226
Creditor Claims	-	0.1	-	0.3	0.4	76.50	191
Litigation	-	0.2	1.3	-	1.5	382.00	255
Shareholders / Bankrupts	-	-	-	-	-	-	-
Internal Documentation	-	0.1	-	-	0.1	32.50	325
Employees	-	-	2.7	0.9	3.6	785.50	218
Totals	37.20	45.80	912.80	408.30	1,404.10	313,930.50	224

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 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
Treasury Analyst	90
Support	90
*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 Seniors 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 Analyst	