

# AM03

## Notice of administrator's proposals



Companies House

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### 1 Company details

Company number 00914978

Company name in full Hulme and Gibson Limited

→ Filling in this form  
Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Matthew

Surname Ingram

### 3 Administrator's address

Building name/number 35 Newhall Street

Street Birmingham

Post town

County/Region

Postcode

Country

### 4 Administrator's name

Full forename(s) Allan Watson

Surname Graham

① Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address

Building name/number 35 Newhall Street

Street Birmingham

Post town



County/Region

Postcode

Country

② Other administrator  
Use this section to tell us about  
another administrator.

AM03  
Notice of Administrator's Proposals

|                           |   |   |   |
|---------------------------|---|---|---|
| 6                         |   | Statement of proposals  |   |
|                           |   | <input checked="" type="checkbox"/> I attach a copy of the statement of proposals |   |
| 7                         |   | Sign and date   |   |
| Administrator's Signature | <div>Signature</div> <div></div> |   | <div></div>  |
| Signature date            | <div><sup>d</sup><div>0</div></div> <div><sup>d</sup><div>1</div></div>   | <div><sup>m</sup><div>0</div></div> <div><sup>m</sup><div>5</div></div>           | <div><sup>y</sup><div>2</div></div> <div><sup>y</sup><div>0</div></div> <div><sup>y</sup><div>1</div></div> <div><sup>y</sup><div>8</div></div> |

## AM03 Notice of Administrator's Proposals



### Presenter information

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|               |                      |
|---------------|----------------------|
| Contact name  | Jamie Maddox         |
| Company name  | Duff & Phelps Ltd.   |
|               |                      |
| Address       | 35 Newhall Street    |
|               | Birmingham           |
|               |                      |
| Post town     |                      |
| County/Region |                      |
| Postcode      |                      |
| Country       |                      |
| DX            |                      |
| Telephone     | +44 (0) 161 827 9000 |



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Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



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# **Joint Administrators' Report to Creditors and Statement of Proposals**

1 May 2018

**Hulme and Gibson Limited;  
Wainwright and Gibson (Services)  
Limited; and  
Crosshall Engineering Limited  
(All in Administration)  
(together “the Companies”)**

Joint Administrators' Statement of Proposals Report to Creditors

## Definitions

| Word or Phrase           | Definition   |
|--------------------------|--|
| the Act                  | The Insolvency Act 1986 (as amended)   |
| the Agents and/or Hilco  | Hilco Valuation Services, independent agents who were instructed to value and sell the business assets of the Company  |
| AMA                      | Accelerated Merger and Acquisition process   |
| the Appointment Date     | 7 March 2018, being the date of appointment of the Joint Administrators  |
| the Bank                 | Santander UK plc, with whom the Companies banked with credit only banking facilities   |
| Birnam                   | Birnam Villa LP, the holder of a fixed and floating charge over the Group's assets   |
| BPI                      | BPI Auctions Limited, the purchaser of the unencumbered tangible assets of WG and Crosshall  |
| Category 2 Disbursements | The Joint Administrators' internal costs and expenses in dealing with the Administration   |
| CID                      | Confidential Invoice Discounting   |
| Crosshall                | Crosshall Engineering Limited (Company Number: 04048592)   |
| the Companies/the Group  | Wainwright and Gibson (Services) Limited (Company Number: 07872626); Crosshall Engineering Limited (Company Number: 04048592); and Hulme and Gibson Limited (Company Number: 00914978) |
| DBEIS                    | Department for Business, Energy & Industrial Strategy  |
| the Directors            | David Tucker and Paul Deehan, the Directors of the Companies   |
| Duff & Phelps            | Duff & Phelps Ltd., 35 Newhall Street, Birmingham, B3 3PU  |
| EC Regulation            | EC Regulation on Insolvency Proceedings 2000   |
| Elite                    | Elite Solutions Engineering Limited, the purchaser of the unencumbered tangible assets of HG   |
| ERA                      | ERA Solutions Limited, the Joint Administrators appointed employment rights consultants  |
| HG                       | Hulme and Gibson Limited (Company Number: 00914978)  |
| H G Rewinds              | H G Rewinds Limited (Company Number: 08911097)   |
| HMRC                     | HM Revenue and Customs   |

|                               |   |
|-------------------------------|---|
| the Joint Administrators      | Matthew Ingram and Allan Graham of Duff & Phelps  |
| Loan Note Holders             | Birnam and Mave   |
| Mave                          | Mave (UK) Limited, the holder of a fixed and floating charge over the Group's assets  |
| MBO Team                      | Management Buy Out Team, consisting of three members of the Group's former management team, being Paul Baxendale, Dominic Boyle and Anthony Thompson  |
| NOI                           | Notice of Intention to appoint Administrators   |
| Prescribed Part               | Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors |
| the Purchaser(s)              | Elite and BPI, the purchasers of the unencumbered tangible assets of HG and WG/Crosshall respectively   |
| RPS                           | Redundancy Payments Service   |
| the Rules                     | The Insolvency (England & Wales) Rules 2016 (as amended)  |
| the Secured Creditors         | Shawbrook, Birnam and Mave, the holders of fixed and floating charges over the Companies' assets  |
| Shawbrook                     | Shawbrook Bank Limited t/a Shawbrook Business Credit, the holder of a fixed and floating charge over the Companies' assets and provider of an invoice discounting facility to the Companies   |
| SIA                           | SIA Group UK Limited, independent property engaged by the Joint Administrators to review the property leases  |
| SIP 9                         | Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements  |
| SIP 13                        | Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by connected parties  |
| SIP 16                        | Statement of Insolvency Practice 16 – Industry best practice for Insolvency Practitioners in relation to the requirement for disclosure of information with respect to a 'Pre-Packaged' sale of business and/or assets of the Company                                 |
| the Solicitors and/or Squires | Squire Patton Boggs (UK) LLP, the solicitors acting on behalf of the Joint Administrators   |
| SOA                           | Statement of Affairs, documentation to be supplied by the Directors outlining the Groups financial position as at the Appointment Date  |

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|      |   |
|------|---|
| TTP  | Time to Pay arrangement with HMRC                                       |
| TUPE | The Transfer of Undertaking (Protection of Employment) Regulations 2006 |
| WIP  | Work-in-Progress  |
| WG   | Wainwright and Gibson (Services) Limited<br>(Company Number: 07872626)  |

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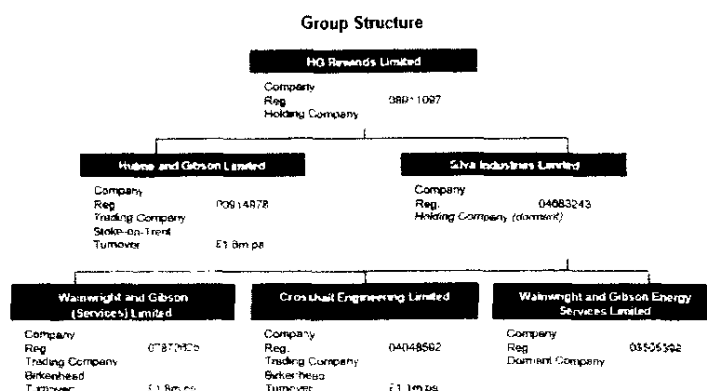
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## 1. Introduction

- 1.1 The Joint Administrators were appointed on the Appointment Date by the Directors of the Companies pursuant to Paragraph 22 of Schedule B1 to the Act.
- 1.2 The functions of the Joint Administrators may be exercised by either of the Joint Administrators.
- 1.3 This report is the statutory statement of proposals of the Joint Administrators. It sets out the circumstances leading up to their appointments as Joint Administrators of the Companies and their strategy for achieving the purpose of the Administrations.
- 1.4 These proposals are deemed delivered to creditors within 2 business days of the date of this report.

## 2. Background

- 2.1 Statutory information on the Companies and a summary of financial information is included at Appendix 1.
- 2.2 The Companies operated as specialist providers of electrical and mechanical services, focusing on the sale, repair and refurbishment of motors and engines.
- 2.3 HG was acquired by its current shareholders in March 2014. In October 2015, the Group was created through the bolt-on acquisition of WG and Crosshall through the purchase of their holding company Silva. The current Group structure is shown below:



- 2.4 The trading results for the Companies for the eleven months ended 30 September 2017 are shown below:

| <b>Profit &amp; Loss - 11 Months to 30 September 2017</b> |                  |           |           |                    |                     |                     |
|---|------------------|-----------|-----------|--------------------|---------------------|---------------------|
| £000s   |                  |           |           |                    |                     |                     |
|   | <b>Crosshall</b> | <b>WG</b> | <b>HG</b> | <b>H G Rewinds</b> | <b>Eliminations</b> | <b>Consolidated</b> |
| Sales   | 1,089            | 1,642     | 1,587     | 413                | (764)               | 3,967               |
| Less: Direct Costs  | (705)            | (992)     | (938)     | -                  | 351                 | (2,284)             |
| Gross Profit  | 384              | 650       | 649       | 413                | (413)               | 1,683               |
| Overheads   | (556)            | (687)     | (533)     | (637)              | 207                 | (2,206)             |
| Profit/(loss) before tax                                  | (172)            | (37)      | 116       | (224)              | (206)               | (523)               |

Source: Management Accounts

- 2.5 WG and Crosshall were acquired for a price of £5m, of which £2m was deferred. The acquisition was funded through a CID facility and term loan, each of £1m, from Shawbrook and secured loan notes held by Mave and Birnam of £800,000. Since the acquisition the term loan has been paid down to £200,000. The deferred consideration and loan notes remain outstanding.

### 3. Events Leading up to the Administration

- 3.1 In April 2017, an audit of the Group's CID facility found that drawdowns were being made against invoices where purchase orders had not yet been obtained. This resulted in a repayment position on the Shawbrook facility of c£250,000. It was agreed with Shawbrook that this overpayment would be repaid over a period. As a result, the 15% drawdown normally available against cash collections would be withheld to reduce the over advanced position on the ID facility. This was reduced to 10% in the period 23 June 2017 to 23 September 2017 and has remained in place since. The cashflow impact of this issue had a material effect on supplier payments and the ability to obtain supplies. To help alleviate creditor pressure the Group's shareholders injected an additional £200,000 into the business, although cashflow remained tight from April 2017 onwards.
- 3.2 As a result of falling sales, increased overheads and the temporary inability to make drawdowns against the CID facility, creditor pressure intensified over the Summer of 2017 with the businesses regularly being placed on-stop with suppliers.
- 3.3 In the 11 months to 30 September 2017, the Group incurred exceptional costs for redundancy and severance pay of c£268,000, recruitment costs of c£77,000 and professional fees of c£73,000. These costs were significant for a Group with revenues of only c£4m.
- 3.4 The Group recruited a new financial controller in September 2017 and he was able to negotiate improvements to the credit that suppliers were prepared to provide. By November 2017, it became clear that to alleviate creditor pressure and deal with outstanding HMRC arrears, a further capital injection was required. The required level of additional support was estimated by management to be around £75,000 to £150,000. The Group shareholders were the only parties prepared to consider this funding requirement.
- 3.5 By January 2018, the Companies were on-stop with over 90% of their suppliers and had failed to make the December 2017 instalment payment against a TTP with HMRC.
- 3.6 On 10 January 2018, the Directors and the Group shareholders met with representatives of Duff & Phelps to discuss the Group's financial position.

- 3.7 On 12 January 2018, Duff & Phelps were engaged to undertake an options review for the Group and the Directors. The fee for undertaking this review was £10,000 plus disbursements and VAT. This fee was paid in full prior to the Appointment Date by the Group.
- 3.8 The conclusions of the review undertaken by Duff & Phelps was that the Companies were insolvent on both a cashflow and balance sheet basis (once adjustments were made to write-down assets to their realisable value). It was recommended that an AMA sale process should be pursued, over a period of up to three weeks, with any sale of the Group's business and assets as a going concern being concluded via a pre-packaged sale by Administrators.
- 3.9 Following the options review, Duff & Phelps were engaged on 29 January 2018 to undertake an AMA sale process and to provide advice to the Directors on the insolvency options facing the Group. The fees for this work were limited to £10,000 per week plus disbursements and VAT. Only £2,500 has been paid to date in respect of these costs by the Group. The outstanding costs are to be treated as Pre-Administration costs (see Section 9).
- 3.10 To provide time to pursue the AMA sale process, and in anticipation of the appointment of Joint Administrators to complete any sale, NOIs were filed by the Directors of HG on 29 January 2018 and by the Directors of WG and Crosshall on 30 January 2018.
- 3.11 Further NOIs were filed by the Directors of HG on 9 February 2018 and 22 February 2018, by the Directors of WG on 12 February 2018 and 23 February 2018 and by the Directors of Crosshall on 12 February 2018 and 26 February 2018.
- 3.12 The AMA sale process commenced on 29 January 2018 in accordance with a letter of engagement with the Companies and their parent company, H G Rewinds.
- 3.13 On 30 January 2018, a one-page business Lite memo document and non-disclosure agreement were sent by email, on a no-names basis, to 15 potential buyers who operate in the turnaround space, 12 trade buyers specifically selected for their industry focus and 7 individuals with a current or past interest in the business.
- 3.14 In addition, details were also sent to around 550 parties on the Duff & Phelps interested party database, comprising parties who had expressed an interest in acquiring industrial and engineering based businesses.
- 3.15 A total of 12 parties returned signed non-disclosure agreements and were provided with a 21 page Information Memorandum. Discussions were then held with 10 parties either by telephone or by face to face meetings at the Companies' premises.
- 3.16 The deadline for written offers to acquire the Group's business and assets was set for 5pm on 8 February 2018.
- 3.17 Following the passing of the deadline, only one offer was received from an MBO Team comprising of three of the Group's managers (not including the statutory Directors).
- 3.18 The MBO Team submitted an offer for the acquisition of the business and assets of the Group.
- 3.19 The sale process became delayed as the MBO Team received legal advice stating that the plant and machinery was subject to fixed charge security and that they should seek formal confirmation from the Loan Note Holders that they would release their security prior to completion of the sale.
- 3.20 Discussions between the MBO Team and Loan Note Holders regarding the release of security became protracted and as a result the Joint Administrators were formally appointed to the Companies on 7 March 2018 by the Directors in order to protect the value of the businesses.
-

- 3.21 A deadline of 12 noon on 9 March 2018 was set for the MBO Team to complete the sale.
- 3.22 Unfortunately, the MBO were unable to obtain confirmation from the Loan Note Holders that their fixed charge security would be released and subsequently withdrew their offer on 9 March 2018.
- 3.23 Unfortunately, the Joint Administrators had no option but to close business down with immediate effect with all staff made redundant on the basis that the business was insolvent and there was no sufficient funding to enable the Joint Administrators to trade the business on in Administration because of ongoing trading losses that would have been incurred.
- 3.24 The Company has therefore ceased trading with effect from the appointment date i.e. 7 March 2018.

#### **4. Purpose of the Administration**

- 4.1 The purpose of an Administration is to achieve one of the following hierarchical objectives:
- Rescuing a company as a going concern, or
  - Achieving a better result for a 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.
- 4.2 The first objective will not be achieved as the Companies' liabilities are substantially greater than the value of their assets.
- 4.3 The second objective has been achieved since the statutory moratorium put in place has preserved asset value from the threat of third party distraint action that will result in a better result than if the Companies had been wound up.
- 4.4 The Joint Administrators' proposals for achieving the purpose of the Administration are set out in the remainder of this report.

#### **5. Statement of Affairs**

- 5.1 In accordance with Paragraph 47 of Schedule B1 to the Act, the Joint Administrators have requested that the Directors provide a SOA.
- 5.2 To date no SOA has been received from either of the Directors, however it expected that this will be received shortly.
- 5.3 In the absence of an SOA the Joint Administrators attach a Statement of Assets and Liabilities at Appendix 3.
- 5.4 Some creditor amounts shown may differ from the actual amount owed. This does not affect their claim.

#### **6. Progress of the Administrations to Date**

- 6.1 The manner in which the affairs and business of the Companies have been managed, since the appointment of Joint Administrators and will continue to be managed and financed are set out below.

### **Decision Not to Trade**

- 6.2 As detailed at Section 3 of this report, discussions surrounding a potential sale of the Group's business and assets with the MBO Team became frustrated due to their protracted discussions with the Loan Note Holders regarding the requested release of their fixed charge security over the plant and machinery.
- 6.3 Because of these discussions, it became evident that this MBO deal being pursued was becoming increasingly unlikely to complete, the Directors took the decision to formally appoint the Joint Administrators to the Companies on 7 March 2018 to protect the value of the businesses.
- 6.4 On 8 March 2018, the Joint Administrators implemented contingency plans for a shut-down of the businesses should an MBO sale not be successful and members of the Duff & Phelps team attended the Companies' sites at both Stoke and Birkenhead.
- 6.5 Discussions with the MBO Team continued regarding the proposed sale of the business and assets of WG as a going concern as well as the business assets of both Crosshall and HG.
- 6.6 A final deadline of 12 noon on 9 March 2018 was set for the completion of the sale.
- 6.7 During this time, the Joint Administrators' staff began to collate all information necessary for the Administrations of the Companies.
- 6.8 The staff of each of the Group Companies were addressed separately at their respective sites to advise of the financial position of the Group and the appointment of the Joint Administrators.
- 6.9 The staff of Crosshall and HG were informed that sales of the businesses had not been achieved and consequently staff were made redundant with immediate effect.
- 6.10 As the sale of WG as a going concern remained a possibility and would have resulted in the staff of WG transferring to the purchaser under TUPE regulations, all WG staff were sent home and advised to wait for further information regarding the potential sale and status of their employment.
- 6.11 At these meetings, and with the assistance of ERA, all staff were effectively given notice of their redundancy and provided with an information sheet to enable them to submit their claims to the RPS to claim their entitlements for the following:
- Arrears of salary
  - Accrued unpaid holiday entitlement
  - Redundancy
  - Payment in lieu of notice
- 6.12 ERA was also instructed to assist with the collation of employee records and details for each of the Companies to enable them to submit the employee claims on behalf of the Joint Administrators.
- 6.13 Following the withdrawal of the MBO Teams offer on 9 March 2018, the Joint Administrators contacted all employees of WG to confirm that the sale of the business as a going concern had not be successful and consequently their employment had been terminated with immediate effect.
- 6.14 ERA subsequently contacted the former WG employees to discuss the redundancy claims process and deal with any further queries on behalf of the Joint Administrators.
- 6.15 Letters were issued to the employees of each company on 12 March 2018 confirming their redundancy.
-

- 6.16 ERA have now submitted the relevant information to the RPS on behalf of the Joint Administrators to ensure that employee claims can be processed. It is the Joint Administrators understanding that the RPS has now processed the claims and payments have been made to the employees of each of the Group companies.
- 6.17 The Agents also attended site on 8 March 2018 to prepare asset inventories and ensure that the site was fully secured to protect the value of the assets.
- 6.18 A 'walk around' of the site was completed in order to carry out an assessment of immediate and future security needs and all locks were changed accordingly.
- 6.19 Open cover insurance was also put in place immediately following the appointment of Joint Administrators.

#### **Tangible Assets**

- 6.20 Following the appointment of the Joint Administrators, and the withdrawal of the MBO Teams offer, it was decided that the tangible assets of each of the Companies would be sold on a piecemeal basis.
- 6.21 The Agents were instructed to assist with the marketing and sale of the tangible assets of each of the Group companies.
- 6.22 Open days were held by the Agents at the Group's trading premises in Stoke and Birkenhead with a number of interested parties invited to attend and view the assets on site.
- 6.23 A number of offers were received for the assets of each of the companies and for the Group assets as a whole.
- 6.24 Upon the recommendation of the Agents, offers were accepted for the tangible assets held at Birkenhead, belonging to WG and Crosshall, and the tangible assets of HG held at the Stoke premises.
- 6.25 The total consideration and details of the sale of assets for the Companies is shown below:

|           | <u>Purchaser</u> | <u>Date of Sale</u> | <u>Premises</u> | <u>Consideration</u> |
|-----------|------------------|---------------------|-----------------|----------------------|
| HG        | Elite            | 29 March 2018       | Stoke           | £60,000 plus VAT     |
| WG        | BPI              | 3 April 2018        | Birkenhead      | £24,150 plus VAT     |
| Crosshall | BPI              | 3 April 2018        | Birkenhead      | £10,850 plus VAT     |

- 6.26 Both sets of sale consideration were payable in full upon completion of the sale and there were no deferred consideration terms.
- 6.27 Creditors should be advised that BPI and Elite are unconnected third parties.
- 6.28 The Joint Administrators have only sold such right, title and interest they have in the assets of the Companies.
- 6.29 Any assets subject to third party finance agreements were excluded from these sales.

### Book Debts

- 6.30 According to the Companies' books and records, the outstanding debts due to the Companies as at the Appointment Date was as follows:

|             |          |
|-------------|----------|
| ❖ HG        | £230,802 |
| ❖ WG        | £352,158 |
| ❖ Crosshall | £353,553 |

These debts were assigned to Shawbrook under invoice discounting agreements created on 21 October 2015.

- 6.31 The principal amounts owing to Shawbrook under the invoice discounting agreements as at the Appointment Date was as follows:

|             |          |
|-------------|----------|
| ❖ HG        | £152,885 |
| ❖ WG        | £396,448 |
| ❖ Crosshall | £136,531 |

All the above balances are subject to accruing interest and charges.

- 6.32 In addition, Shawbrook were owed £166,668 under a trade finance facility in the name of WG.

- 6.33 Shawbrook holds cross guarantees from all three Companies.

- 6.34 Debtor collections to date are as follows:

|             |         |
|-------------|---------|
| ❖ HG        | £68,490 |
| ❖ WG        | £93,103 |
| ❖ Crosshall | £24,599 |

Creditor should note that these balances have been received directly into the Shawbrook ID trust bank accounts and therefore are not showing on the R&P's at Appendix 2.

- 6.35 Creditors should note that the Companies' ledgers are subject to several disputes, counter-claims and other potential erosions.

- 6.36 The Joint Administrators are assisting Shawbrook with the collection of the outstanding debtor ledger for an agreed fee of 3.5% of total debtor realisations.

- 6.37 The Group's former management team advised that all debtor information was stored and processed through a computer programme called EMIR. The EMIR system was backed up via a cloud storage facility which was hosted by the Company's IT provider.

- 6.38 Prior to the appointment of the Joint Administrators, the Group's IT systems were deactivated by the IT provider because of non-payment of fees by the Companies.

- 6.39 Consequently, the Joint Administrators were initially unable to secure the relevant information required to begin the debt collection exercise i.e. invoices and delivery notes.

- 6.40 In order to reactivate the IT systems, the IT provider requested that the outstanding balance of £9,330 be paid in full.
- 6.41 It was further advised by the former management team that all of the required debtor information had been provided to Shawbrook prior to appointment. However, this proved to be incorrect and only a small portion of this information had been received by Shawbrook.
- 6.42 Furthermore, the information received by Shawbrook was incomplete and full supporting documents had not been provided as previously advised by management.
- 6.43 In view of the above, the Joint Administrators attended the Birkenhead premises on 5 April 2018 to review and extract any files which contained debtor information and supporting documents.
- 6.44 From this exercise, eight 'debtor upload' files were retrieved and the Joint Administrators began to collate the debtor information available.
- 6.45 It soon became apparent that the records available from the upload files were insufficient to carry out a meaningful debt collection exercise and that it would be necessary to reactive the IT systems.
- 6.46 A commercial agreement was reached with the IT provider and the sum of £2,000 was paid directly by Shawbrook to reactivate the IT systems.
- 6.47 It is anticipated that debtor letters will be issued to all debtors shortly requesting full and final settlement of the outstanding balances due to the Companies within 14 days.
- 6.48 The Shawbrook trust accounts remain active to ensure that debtors can continue to make payment into these accounts as normal.
- 6.49 An estimated realisable value for the debtors cannot be provided at this stage so as not to prejudice the collection exercise. It is also expected that a number of debtor balances may be subject to contra claims therefore the expected realisable value of debtors is currently uncertain.
- 6.50 However, based upon current estimates from the information obtained to date by the Joint Administrators, it is unlikely that there will be sufficient debtor realisations to enable Shawbrook to recover their indebtedness in full.
- 6.51 Further details regarding the realisation of debtors will be provided in the next report to creditors.

#### **Third Party Assets / Retention of Title ("ROT")**

- 6.52 Following the Joint Administrators appointment, several parties have made claims subject to ROT in relation to equipment held at the Company's former trading premises in Stoke and Birkenhead.
- 6.53 A schedule of these known third party assets was provided to the Purchasers and these assets were excluded from the sales of the tangible assets.
- 6.54 It has also been noted that a number of these parties have outstanding debtor balances due to the Company.
- 6.55 In view of the above, the Joint Administrators are using this commercial leverage to ensure that any valid debts are paid in full prior to the Joint Administrators' authorising the collection of their equipment via the Purchasers and/or the landlords of the former trading leasehold premises.
- 6.56 Some of the outstanding balances are being disputed, therefore discussions regarding the settlement of these accounts and collection of the equipment remain ongoing.

- 6.57 Any third parties that do not have an outstanding debtor balance have been instructed to liaise with the Purchasers directly to arrange collection of their owned equipment.

#### **Leasehold Properties**

- 6.58 As creditors will be aware, the Companies operated from two leasehold sites in Birkenhead and Stoke.
- 6.59 WG and Crosshall traded from premises at 251 Cleveland Street, Birkenhead, CH41 3SB.
- 6.60 HG traded from premises at Mount Pleasant, Hanley, Stoke on Trent, ST1 4AY.
- 6.61 As detailed earlier in this report, the locks at both sites were changed by the Agents on 8 March 2018 to ensure that the tangible assets were secured.
- 6.62 The landlords for the two trading premises confirmed that they would allow the Joint Administrators a limited period with which to market and sell the tangible assets of the Companies from site.
- 6.63 The landlords were advised that because the Companies had ceased trading and there was no intention of the Joint Administrators to recommence any trading activity from the properties, there would be no benefit of occupation derived to the Administration estates, then rents would not be paid as an expense of the Administration.
- 6.64 As a result, the Joint Administrators were able to minimise the costs of uplift, removal and storage.
- 6.65 Following the sales of the tangible assets, the Joint Administrators instructed SIA to appraise the leases for both sites to see whether there was any realisable value for the benefit of the estate to be secured by way of any reverse premium.
- 6.66 SIA subsequently confirmed that there was no value in the Joint Administrators' interest in either of the leasehold premises.
- 6.67 Considering this, the Joint Administrators are currently taking steps to return the keys to the respective landlords and seeking a surrender of the leases.

#### **Cash at Bank**

- 6.68 On the Appointment Date, the Joint Administrators contacted the Bank to advise that the Companies had entered into Administration and requested that the accounts be frozen immediately.
- 6.69 The Bank have confirmed that all of the Group's accounts were overdrawn as at the date of appointment.
- 6.70 In light of the above, there will be no recoveries from this source for the benefit of the Companies' estates.

#### **Rates Refund**

- 6.71 The sum of £519 has been received from Stoke City Council in respect of a rates refund for HG.
- 6.72 To date, no rates refunds have been received in respect of WG and Crosshall.

### **Sundry Debtor**

- 6.73 The sum of £150 has been received from a debtor of HG which was not subject to the invoice discounting facility with Shawbrook, however enquiries will be made to see if any recoveries can also be made in this regard for the estates of WG and Crosshall.

### **Other Assets**

- 6.74 There are no other known assets to be realised for the benefit of the estate.

## **7. Investigations**

- 7.1 The Joint Administrators' investigations into the affairs of the Companies have now commenced and will remain ongoing.
- 7.2 The Joint Administrators have a statutory obligation to file a report with DBEIS regarding the conduct of the Directors that held office in the three years prior to the Administrations. This report must be filed within three months from the Appointment Date and the content of this report is confidential.
- 7.3 The Joint Administrators also have a duty to investigate antecedent transactions which include:
- Transactions at an undervalue, Section 238 of the Act;
  - Preferences, Section 239 of the Act; and
  - Transactions to defraud creditors, Section 423 of the Act.
- 7.4 If any creditor has any information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them.

## **8. Liabilities and Dividends**

### **Secured Creditors**

#### **Shawbrook**

- 8.1 *In consideration for monies advanced through CID facilities and a term loan, the Companies have each granted Composite Guarantees and Debentures to Shawbrook, which confer fixed and floating charges over all the assets of the Companies.*
- 8.2 The debentures were created on 21 October 2015.
- 8.3 At the Appointment Date, under the CID facilities, Shawbrook was owed £152,885 by HG, £396,448 by WG and £136,531 by Crosshall subject to accruing charges and interest.
- 8.4 In addition, Shawbrook were owed £166,667 on the trade finance facility in the name of WG.
- 8.5 All liabilities due to Shawbrook have been cross guaranteed by each of the Companies.
- 8.6 As at 1 May 2018, the outstanding indebtedness to Shawbrook on the facilities, after taking into account (1) all charges and interest applied to date and (2) debtor realisations crediting the facilities is as follows:

|             |          |          |
|-------------|----------|----------|
| ❖ HG        | £84,834  |          |
| ❖ WG        | £490,158 | Note (1) |
| ❖ Crosshall | £116,800 |          |

Note (1) – this includes an amount outstanding on the trade finance facility of £111,111

- 8.7 Based upon current estimates, it is currently uncertain whether Shawbrook will recover its indebtedness from debtor collections across the Companies.
- 8.8 In the event of any shortfall, Shawbrook will need to rely upon personal guarantees that are in place.

#### **Loan Note Holders**

- 8.9 In consideration for the monies advanced to the Group via loan notes, the Companies each granted *Birnam and Mave a Composite Guarantee and Debenture, which confer fixed and floating charges over all the assets of the Companies.*
- 8.10 The debentures were created on 21 October 2015.
- 8.11 The Loan Note Holders were owed a total of c£887,000 at the Appointment Date and rank *pari passu* between themselves in respect of distributions.
- 8.12 Under an Intercreditor Deed dated 21 October 2015, the debts due to Shawbrook rank ahead of those due to the Loan Note Holders.
- 8.13 It is not anticipated that the Loan Note Holders will receive any repayment from the Administration estates under their security due to the level of asset realisations.

#### **Preferential Creditors**

- 8.14 The only known preferential creditors of the Companies are the former employees who were all made redundant following the appointment of the Joint Administrators.
- 8.15 All these former employees will have claims for unpaid salary arrears and accrued holiday pay that will both rank as preferential claims against the insolvent estates.
- 8.16 Preferential claims are subject to a maximum limit set by the insolvency legislation.
- 8.17 The estimated preferential claims are summarised below:

|           |         |
|-----------|---------|
| HG        | £11,860 |
| WG        | £16,373 |
| Crosshall | £36,653 |

- 8.18 It is likely that a significant element of the preferential claim will be employees' claims which are mostly subrogated to the Secretary of State, following payment by the RPS.
- 8.19 Based on current information, it is anticipated that there will be insufficient realisations to enable a dividend to the preferential creditors of the Companies.

## Prescribed Part

8.20 The Prescribed Part is calculated as a percentage of net property, as detailed below:

|                                    |  |
|------------------------------------|--|
| Net property less than £10,000:    | 50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential creditors would be disproportionate to the benefits |
| Net property greater than £10,000: | 50% up to £10,000 plus 20% thereafter to a maximum of £600,000.  |

8.21 As detailed above, the Companies granted floating charges to the Secured Creditors on 21 October 2015.

8.22 However, based upon current estimates it is not expected that there will be any Prescribed Part set aside to enable a distribution to non-preferential creditors as the net property for each of the Companies will be less than £10,000.

## Non-Preferential Creditors

8.23 According to the Companies' books and records, non-preferential creditors total the amounts shown below:

| Creditor                        | HG              | WG              | Crosshall       |
|---------------------------------|-----------------|-----------------|-----------------|
| Trade & Expense Creditors       | £131,874        | £357,155        | £123,610        |
| HM Revenue & Customs – VAT      | £199,847        | £199,847        | £199,847        |
| HM Revenue & Customs – PAYE/NIC | £116,030        | £131,269        | £96,191         |
| <b>Total</b>                    | <b>£447,751</b> | <b>£688,271</b> | <b>£419,648</b> |

8.24 Based upon the current information available, it is anticipated that there will be insufficient realisations to enable a distribution to the non-preferential creditors of the Companies.

8.25 If not already done so, creditors of the Companies should complete the appropriate proof of debt form at Appendix 9 and return this to the Joint Administrators.

## 9. Statement of Pre-Administration Costs

9.1 Pre-Administration costs are fees charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.

9.2 As mentioned in Section 3 of this report, Duff & Phelps were engaged by the Companies on 29 January 2018, to provide insolvency advice and to pursue an AMA sale process. Duff & Phelps time costs for undertaking this work will rank as pre-administration costs and is shown below. The Joint Administrators will be seeking the approval of the Secured Creditors in respect of paying those costs as a Pre-Appointment expense.

9.3 Given the level of realisations anticipated in the Administrations, it is unlikely that these costs will be paid in full.

9.4 The Solicitors were engaged in assisting the Directors with preparing the necessary documentation to place the Companies into Administration and filing those documents in Court. They also assisted with drafting and negotiating the sale agreement for the proposed sale of the Group assets prior to the withdrawal of the MBO Team's offer. The Agents were engaged to provide valuation advice.

9.5 The Pre-Administration costs are summarised below:

|                               | <u>HG</u>      | <u>WG</u>      | <u>Crosshall</u> |
|-------------------------------|----------------|----------------|------------------|
| Duff & Phelps - fees          | £20,556        | £23,934        | £18,000          |
| Duff & Phelps – disbursements | Nil            | £440           | Nil              |
| Squires – fees                | £12,781        | £8,772         | £7,475           |
| Squires – disbursements       | £244           | £244           | £190             |
| Hilco – Valuation Advice      | £500           | £250           | £250             |
| Hilco – Disbursements         | £58            | £23            | £23              |
| <b>TOTAL</b>                  | <b>£34,139</b> | <b>£33,663</b> | <b>£25,938</b>   |

\*The above costs are exclusive of VAT

9.6 The Joint Administrators confirm that payment of the unpaid Pre-Administration costs, as an expense of the Administration, is subject to approval under r.3.52 of the Rules, and not part of the proposals subject to approval under Paragraph 53 of Schedule B1 to the Act.

## 10. Costs & Expenses

### Estimated Fees and Expenses

- 10.1 It is proposed that the Joint Administrators' fee basis is based on time costs for each of the Companies.
- 10.2 The time costs already charged since appointment are analysed at Appendix 4. Time is charged in six minute units.
- 10.3 The amount proposed to be drawn in fees over the life of each case by the Joint Administrators is shown in Appendix 5 - Fee Estimates. The total amount indicated effectively acts as a cap on the level of fees to be drawn by the Joint Administrators.
- 10.4 The Joint Administrators will be seeking the approval of the Secured Creditors for their remuneration.
- 10.5 Given the level of realisations anticipated in the Administrations, it is unlikely that the Joint Administrators' fees will be recovered in full.
- 10.6 The Joint Administrators estimate the expenses of the Administrations to total circa £9,049 for HG, £8,455 for WG and £6,455 for Crosshall (as shown in Appendix 7 - Estimated Expense Schedule). This schedules illustrate the estimated expenses for the whole of the Administrations and are for information purposes only. No approval is required by creditors. These estimates may change over the course of the Administrations but creditors will be informed of any variations with associated reasons in the six-monthly Progress Reports.

10.7 Also attached at Appendix 6 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors. Further details of assets and liabilities and the estimated return to creditors, if any, are in the body of this report.

10.8 Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators is attached at Appendix 8.

#### **11. Joint Administrators' Receipts and Payments Account**

11.1 A Receipts and Payments account for each of the Companies is provided at Appendix 2 and is self-explanatory.

#### **12. EC Regulation**

12.1 It is the Joint Administrators' opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation.

#### **13. Deemed Approval**

13.1 A creditors decision on the approval of these proposals will not be sought as the Joint Administrators believe that the Companies will have insufficient property to enable a distribution to be made to non-preferential creditors.

13.2 The Joint Administrators' proposals for each of the Companies will be deemed approved by the creditors of each of the Companies unless creditors whose debts amount to at least 10% of the total debts of the appropriate company request the Joint Administrators to seek a specific decision from that company's creditors by 15 May 2018.

13.3 Further information is provided in Appendix 8 – Statement of Creditors' Rights.

#### **14. End of Administrations**

14.1 The options available to the Joint Administrators for the exit from the Administrations are as follows:

- Compulsory Liquidation
- Creditors' Voluntary Liquidation
- Company Voluntary Arrangement
- Return of control to the Directors
- Dissolution of Company

14.2 Based on current information, the Joint Administrators recommend that at the appropriate time the Companies should be dissolved, for the reasons set out below.

14.3 The Joint Administrators have formed the view that once all the outstanding Administration matters have been finalised, and all liabilities incurred during the Administrations have been discharged, there will be insufficient funds available to allow a distribution to non-preferential creditors, other than from the Prescribed Part (if any).

14.4 Once all outstanding matters have been satisfactorily completed by the Joint Administrators, then in accordance with Paragraph 84 of Schedule B1 to the Act, the Joint Administrators will give notice to the Registrar of Companies to the effect that the Companies have no remaining property, at which stage the Administrations will cease.

- 14.5 The Companies will each be dissolved three months following the registration of these notices at the Registrar of Companies.
- 14.6 You will note from the proposals section below that the Joint Administrators have left the choice of exit route from the Administrations open so that an alternative strategy can be adopted, should this prove more appropriate at the time.

**15. Joint Administrators' Proposals**

- 15.1 The Joint Administrators' proposals (applicable to each of the Companies), detailed in paragraphs 15.1.1 to 15.1.4 below, shall be deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed in Appendix 8.

- 15.1.1 That the Joint Administrators continue the Administrations to deal with such outstanding matters in relation to the Companies as the Joint Administrators consider necessary until such time as the Administrations cease to have effect.
- 15.1.2 That the Joint Administrators do all such other things and generally exercise all their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient to achieve the purpose of the Administrations.
- 15.1.3 That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Companies have no remaining property which might permit a distribution to their creditors, at which stage the Administrations will cease.
- 15.1.4 That the Joint Administrators, where they consider that there are funds available to be distributed to the non-preferential creditors (other than under the prescribed part) take the necessary steps to put the Companies into either Creditors' Voluntary Liquidation or into Compulsory Liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Matthew Ingram and Allan Graham of Duff & Phelps would act as Joint Liquidators should the Companies be placed into Creditors' Voluntary Liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.

The Joint Administrators will be seeking specific agreement to the following proposals from the Secured Creditors:

- 15.1.5 That the Joint Administrators be discharged from all liability pursuant to Paragraph 98 of Schedule B1 to the Insolvency Act 1986, upon filing the end of the Administrations or their appointment otherwise ceasing.
- 15.1.6 That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administrations.
- 15.1.7 That the Joint Administrators' Fee Estimates in the total sums of £72,360 for HG, £64,202 for WG and £48,230 for Crosshall be approved.
- 15.1.8 That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administrations ("Category 2 Disbursements").

In addition, the following resolution which is not part of the Proposals:

15.1.9 The Joint Administrators will be seeking the Secured Creditors' decision regarding the approval of Pre-Administration expenses. The unpaid Pre-Administration Costs are summarised below:

|                               | <u>HG</u> | <u>WG</u> | <u>Crosshall</u> |
|-------------------------------|-----------|-----------|------------------|
| Duff & Phelps - fees          | £20,556   | £23,934   | £18,000          |
| Duff & Phelps – disbursements | Nil       | £440      | Nil              |
| Squires – fees                | £12,781   | £8,772    | £7,475           |
| Squire – disbursements        | £244      | £244      | £190             |
| Hilco – Valuation Advice      | £500      | £250      | £250             |
| Hilco – Disbursements         | £58       | £23       | £23              |

**16. Other Matters**

- 16.1 If any creditor has any information concerning the Companies' affairs that they would like to bring to the Joint Administrators' attention, then they would be pleased to hear from them.
- 16.2 If you require further information or assistance, please do not hesitate to contact Jamie Maddox.

  
**Matthew Ingram**  
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Matthew Ingram and Allan Graham, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

## **Appendix 1**

### **Statutory Information**

## **Statutory Information – Hulme and Gibson Limited**

|                              |  |
|------------------------------|--|
| <b>Date of Incorporation</b> | 8 September 1967   |
| <b>Registered Number</b>     | 00914978   |
| <b>Company Directors</b>     | Andrew Tucker<br>Paul Deehan   |
| <b>Company Secretary</b>     | None appointed   |
| <b>Shareholders</b>          | HG Rewinds Ltd   |
| <b>Trading Address</b>       | 251 Cleveland Street<br>Birkenhead<br>CH41 3SB   |
| <b>Registered Office</b>     | <b>Current:</b><br>Duff & Phelps Ltd.<br>The Chancery<br>58 Spring Gardens<br>Manchester<br>M2 1EW<br><br><b>Former:</b><br>251 Cleveland Street<br>Birkenhead<br>CH41 3SB |

**Statutory Information – Wainwright and Gibson (Services) Limited**

|                              |  |
|------------------------------|--|
| <b>Date of Incorporation</b> | 6 December 2011  |
| <b>Registered Number</b>     | 07872626   |
| <b>Company Directors)</b>    | Andrew Tucker<br>Paul Deehan   |
| <b>Company Secretary</b>     | Andrew Tucker  |
| <b>Shareholders</b>          | Silva Industries Limited   |
| <b>Trading Address</b>       | 251 Cleveland Street<br>Birkenhead<br>CH41 3SB   |
| <b>Registered Office</b>     | <b>Current:</b><br>Duff & Phelps Ltd.<br>The Chancery<br>58 Spring Gardens<br>Manchester<br>M2 1EW<br><br><b>Former:</b><br>251 Cleveland Street<br>Birkenhead<br>CH41 3SB |

**Statutory Information – Crosshall Engineering Limited**

|                              |  |
|------------------------------|--|
| <b>Date of Incorporation</b> | 7 August 2000  |
| <b>Registered Number</b>     | 04048592   |
| <b>Company Directors</b>     | Andrew Tucker<br>Paul Deehan   |
| <b>Company Secretary</b>     | None appointed   |
| <b>Shareholders</b>          | Silva Industries Limited   |
| <b>Trading Address</b>       | 251 Cleveland Street<br>Birkenhead<br>CH41 3SB   |
| <b>Registered Office</b>     | <b>Current:</b><br>Duff & Phelps Ltd.<br>The Chancery<br>58 Spring Gardens<br>Manchester<br>M2 1EW<br><br><b>Former:</b><br>251 Cleveland Street<br>Birkenhead<br>CH41 3SB |

## Financial Information - HG

### Balance Sheet

|  |   | As at<br>30 September<br>2017<br>(Management) |   | As at<br>31 October<br>2016<br>(Audited) |
|--|---|---|---|--|
| <b>Fixed Assets</b>                          | £ | 45,694  | £ | 64,117                                   |
| <b>Current Assets</b>                        |   |   |   |  |
| Stock  | £ | 188,092                                       | £ | 124,041                                  |
| Debtors                                      | £ | 1,276,850                                     | £ | 1,163,409                                |
| Cash at bank                                 | £ | 537   | £ | 11,688                                   |
|  | £ | 1,465,479                                     | £ | 1,299,138                                |
| <b>Current Liabilities</b>                   |   |   |   |  |
| Creditors                                    | £ | (884,037)                                     | £ | (843,206)                                |
|  | £ | (884,037)                                     | £ | (843,206)                                |
| <b>Net Current Assets</b>                    | £ | 581,442                                       | £ | 455,932                                  |
| <b>Total Assets less Current Liabilities</b> | £ | 627,136                                       | £ | 520,049                                  |
| <b>Provisions for Liabilities</b>            |   |   |   |  |
| Deferred tax                                 | £ | 0   | £ | (8,562)                                  |
| <b>Net Assets</b>                            | £ | 627,136                                       | £ | 511,487                                  |

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**Capital and Reserves**

|                            |          |                |          |                |
|----------------------------|----------|----------------|----------|----------------|
| Share Capital              | £        | 3,750          | £        | 3,750          |
| Other reserves             | £        | 0              | £        | 21,166         |
| Profit and Loss Account    | £        | 623,386        | £        | 486,571        |
| <hr/>                      |          |                |          |                |
| <b>Shareholders' funds</b> | <b>£</b> | <b>627,136</b> | <b>£</b> | <b>511,487</b> |

# **Profit and Loss - HG**

|                            | <b>For the 11<br/>Months Ended 30<br/>September 2017<br/>(Management)</b> |                  | <b>Year Ended<br/>31 October<br/>2016<br/>(Audited)</b> |                  |
|----------------------------|---|------------------|---|------------------|
| <b>Turnover</b>            | £   | <b>1,570,078</b> | £   | <b>1,743,479</b> |
| Cost of sales              | £   | (938,266)        | £   | (1,170,872)      |
| <b>Gross Profit</b>        | £   | <b>631,812</b>   | £   | <b>572,607</b>   |
| <b>Less: Overheads</b>     |   |                  |   |                  |
| Administration Expenses    | £   | (528,415)        | £   | (563,072)        |
| <b>Operating Profit</b>    | £   | <b>103,397</b>   | £   | <b>9,535</b>     |
| Interest receivable        | £   | 17,289           | £   | 21               |
| Interest payable           | £   | (5,036)          | £   | (8,498)          |
| <b>Profit For The Year</b> | £   | <b>115,650</b>   | £   | <b>1,058</b>     |

## Financial Information - WG

### Balance Sheet

|  |   | As at<br>30 September<br>2017<br>(Management) |   | As at<br>31 October<br>2016<br>(Audited) |
|--|---|---|---|--|
| <b>Fixed Assets</b>                          | £ | <b>882</b>                                    | £ | <b>19,959</b>                            |
| <b>Current Assets</b>                        |   |   |   |  |
| Stock  | £ | 190,066                                       | £ | 112,978                                  |
| Debtors                                      | £ | 2,234,070                                     | £ | 2,156,514                                |
| Cash at bank                                 | £ | 18,635  | £ | 367                                      |
|  | £ | <b>2,442,771</b>                              | £ | <b>2,269,859</b>                         |
| <b>Current Liabilities</b>                   |   |   |   |  |
| Creditors                                    | £ | (1,452,277)                                   | £ | (1,281,289)                              |
|  | £ | <b>(1,452,277)</b>                            | £ | <b>(1,281,289)</b>                       |
| <b>Net Current Assets</b>                    | £ | <b>990,494</b>                                | £ | <b>998,570</b>                           |
| <b>Total Assets less Current Liabilities</b> | £ | <b>991,376</b>                                | £ | <b>1,008,529</b>                         |
| <b>Net Assets</b>                            | £ | <b>991,376</b>                                | £ | <b>1,008,529</b>                         |
| <b>Capital and Reserves</b>                  |   |   |   |  |
| Share Capital                                | £ | 100   | £ | 100                                      |
| Profit and Loss Account                      | £ | 991,276                                       | £ | 1,008,429                                |
| <b>Shareholders' funds</b>                   | £ | <b>991,376</b>                                | £ | <b>1,008,529</b>                         |

**Profit and Loss - WG**

|   | <b>For the 11<br/>Months Ended 30<br/>September 2017<br/>(Management)</b> |                  | <b>Year Ended<br/>31 October<br/>2016<br/>(Audited)</b> |                  |
|---|---|------------------|---|------------------|
| <b>Turnover</b>                             | £   | <b>1,642,274</b> | £   | <b>2,317,564</b> |
| Cost of sales                               | £   | (942,483)        | £   | (1,415,741)      |
| <b>Gross Profit</b>                         | £   | <b>649,791</b>   | £   | <b>901,823</b>   |
| <b>Less: Overheads</b>                      |   |                  |   |                  |
| Administration Expenses                     | £   | (677,914)        | £   | (657,360)        |
| <b>Operating Profit/(Loss)</b>              | £   | <b>(28,123)</b>  | £   | <b>244,463</b>   |
| Interest payable                            | £   | (9,241)          | £   | (9,855)          |
| <b>Profit/(Loss) before tax</b>             | £   | <b>(37,364)</b>  | £   | <b>234,608</b>   |
| Tax   | £   | -                | £   | (47,399)         |
| <b>Profit/(Loss) for the financial year</b> | £   | <b>(37,364)</b>  | £   | <b>187,209</b>   |

## Financial Information – Crosshall

### Balance Sheet

|                             |   | As at<br>30 September<br>2017<br>(Management) |   | As at<br>31 October<br>2016<br>(Audited) |
|-----------------------------|---|---|---|--|
| <b>Fixed Assets</b>         | £ | 11,823  | £ | 27,314                                   |
| <b>Current Assets</b>       |   |   |   |  |
| Stock                       | £ | 226,536                                       | £ | 139,005                                  |
| Debtors                     | £ | 1,958,634                                     | £ | 2,131,502                                |
| Cash at bank                | £ | 617   | £ | 15,433                                   |
|                             | £ | 2,185,787                                     | £ | 2,285,940                                |
| <b>Current Liabilities</b>  |   |   |   |  |
| Creditors                   | £ | (768,369)                                     | £ | (707,442)                                |
|                             | £ | (768,369)                                     | £ | (707,442)                                |
| <b>Net Current Assets</b>   | £ | 1,417,418                                     | £ | 1,578,498                                |
| <b>Net Assets</b>           | £ | 1,429,241                                     | £ | 1,605,812                                |
| <b>Capital and Reserves</b> |   |   |   |  |
| Share Capital               | £ | 20,000  | £ | 20,000                                   |
| Other reserves              | £ | 0   | £ | 120,300                                  |
| Profit and Loss Account     | £ | 1,409,241                                     | £ | 1,465,512                                |
| <b>Shareholders' funds</b>  | £ | 1,429,241                                     | £ | 1,605,812                                |

# **Profit and Loss - Crosshall**

|                                |   | <b>For the 11<br/>Months Ended 30<br/>September 2017<br/>(Management)</b> |   | <b>Year Ended<br/>31 October<br/>2016<br/>(Audited)</b> |
|--------------------------------|---|---|---|---|
| <b>Turnover</b>                | £ | <b>1,089,018</b>  | £ | <b>1,667,901</b>  |
| <b>Cost of sales</b>           | £ | <b>(704,745)</b>  | £ | <b>(1,089,938)</b>                                      |
| <b>Gross Profit</b>            | £ | <b>384,273</b>  | £ | <b>577,963</b>  |
| <b>Less: Overheads</b>         |   |   |   |   |
| Administration Expenses        | £ | (547,045)   | £ | (518,712)   |
| Loss on disposal of property   | £ | 0   | £ | (78,146)  |
| <b>Operating Profit/(Loss)</b> | £ | <b>(162,772)</b>  | £ | <b>(18,895)</b>   |
| Interest payable               | £ | (8,770)   | £ | (6,987)   |
| <b>Loss Before Tax</b>         | £ | <b>(171,542)</b>  | £ | <b>(25,882)</b>   |
|                                |   |   |   | 8,420   |
| <b>Loss For The Year</b>       | £ | <b>(171,542)</b>  | £ | <b>(17,462)</b>   |

## **Appendix 2**

### **Receipts and Payments Account**

**Hulme and Gibson Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 01/05/2018**

| <b>S of A £</b>               | <b>£</b>  | <b>£</b>         |
|-------------------------------|-----------|------------------|
| <b>ASSET REALISATIONS</b>     |           |                  |
| Tangible Assets               | 60,000.00 |                  |
| Rates Refund                  | 519.38    |                  |
| Sundry Debtor                 | 149.70    |                  |
|                               |           | 60,669.08        |
| <b>COST OF REALISATIONS</b>   |           |                  |
| Re-Direction of Mail          | 204.00    |                  |
|                               |           | (204.00)         |
|                               |           | <b>60,465.08</b> |
| <b>REPRESENTED BY</b>         |           |                  |
| Floating/main current account |           | 72,465.08        |
| VAT payable                   |           | (12,000.00)      |
|                               |           | <b>60,465.08</b> |

**Wainwright and Gibson (Services) Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 01/05/2018**

| <b>S of A £</b>               | <b>£</b>  | <b>£</b>         |
|-------------------------------|-----------|------------------|
| ASSET REALISATIONS            |           |                  |
| Tangible Assets               | 24,150.00 | 24,150.00        |
| COST OF REALISATIONS          |           |                  |
| Re-Direction of Mail          | 204.00    | (204.00)         |
|                               |           | <b>23,946.00</b> |
| REPRESENTED BY                |           |                  |
| Floating/main current account |           | 28,776.00        |
| VAT payable                   |           | (4,830.00)       |
|                               |           | <b>23,946.00</b> |

**Crosshall Engineering Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 01/05/2018**

| <b>S of A £</b>               | <b>£</b>  | <b>£</b>         |
|-------------------------------|-----------|------------------|
| <b>ASSET REALISATIONS</b>     |           |                  |
| Tangible Assets               | 10,850.00 | 10,850.00        |
| <b>COST OF REALISATIONS</b>   |           |                  |
| Re-Direction of Mail          | 204.00    | (204.00)         |
|                               |           | <b>10,646.00</b> |
| <b>REPRESENTED BY</b>         |           |                  |
| Floating/main current account |           | 12,816.00        |
| VAT payable                   |           | (2,170.00)       |
|                               |           | <b>10,646.00</b> |

## **Appendix 3**

### **Statement of Assets and Liabilities**

**Hulme and Gibson Limited (In Administration)**  
**Summary Of Assets & Liabilities as at 1 May 2018**

|   | Book Value<br>£ | Estimated<br>Realisations / Liabilities<br>£ |
|---|-----------------|--|
| <b>Assets Subject to Fixed Charge</b>   |                 |  |
| Book Debts  | 209,082         | Uncertain                                    |
| Less: Shawbrook   | (128,948)       | (128,948)                                    |
| <b>Assets Subject to Floating Charge</b>  |                 |  |
| Tangible Assets   | 60,000          | 60,000                                       |
| Less: Loan Note Holders   | (887,000)       | (887,000)                                    |
|   |                 | <u>0</u>                                     |
| <b>Liabilities</b>  |                 |  |
| <b>Preferential Creditors</b>   |                 |  |
| Employee Arrears of Pay / Holiday Pay   |                 | <u>(11,860)</u>                              |
| <b>Non-Preferential Claims (Excluding Any Shortfall to Floating Charge Holders)</b> |                 |  |
| Trade & Expense Creditors   |                 | (174,033)                                    |
| HM Revenue & Customs  |                 | (116,048)                                    |
|   |                 | <u>(290,081)</u>                             |
| <b>Issued and called up capital</b>   |                 |  |
| Ordinary Shareholders   |                 | <u>3,750</u>                                 |

**Wainwright and Gibson (In Administration)**

**Summary Of Assets & Liabilities as at 1 May 2018**

|   | Book Value<br>£ | Estimated<br>Realisations / Liabilities<br>£ |
|---|-----------------|--|
| <b>Assets Subject to Fixed Charge</b>   |                 |  |
| Book Debts  | 286,392         | Uncertain                                    |
| Less: Shawbrook   | (493,331)       | (493,331)                                    |
| <b>Assets Subject to Floating Charge</b>  |                 |  |
| Tangible Assets   | 24,150          | 24,150                                       |
| Less: Loan Note Holders   | (887,000)       | (887,000)                                    |
|   |                 | <u>0</u>                                     |
| <b>Liabilities</b>  |                 |  |
| <b>Preferential Creditors</b>   |                 |  |
| Employee Arrears of Pay / Holiday Pay   |                 | <u>(16,373)</u>                              |
| <b>Non-Preferential Claims (Excluding Any Shortfall to Floating Charge Holders)</b> |                 |  |
| Trade & Expense Creditors   |                 | (283,026)                                    |
| HM Revenue & Customs  |                 | (131,287)                                    |
| Employees   |                 | (74,129)                                     |
|   |                 | <u>(488,442)</u>                             |
| <b>Issued and called up capital</b>   |                 |  |
| Ordinary Shareholders   |                 | <u>100</u>                                   |

**Crosshall Engineering Limited (In Administration)**

**Summary Of Assets & Liabilities as at 1 May 2018**

|   | Book Value<br>£ | Estimated<br>Realisations / Liabilities<br>£ |
|---|-----------------|--|
| <b>Assets Subject to Fixed Charge</b>   |                 |  |
| Book Debts  | 365,599         | Uncertain                                    |
| Less: Shawbrook   | (135,939)       | (135,939)                                    |
| <b>Assets Subject to Floating Charge</b>  |                 |  |
| Tangible Assets   | 10,850          | 10,850                                       |
| Less: Loan Note Holders   | (887,000)       | (887,000)                                    |
|   |                 | <u>0</u>                                     |
| <b>Liabilities</b>  |                 |  |
| <b>Preferential Creditors</b>   |                 |  |
| Employee Arrears of Pay / Holiday Pay   |                 | <u>(36,653)</u>                              |
| <b>Non-Preferential Claims (Excluding Any Shortfall to Floating Charge Holders)</b> |                 |  |
| Trade & Expense Creditors   |                 | (123,610)                                    |
| HM Revenue & Customs  |                 | (94,204)                                     |
| Employees   |                 | (64,805)                                     |
|   |                 | <u>(282,619)</u>                             |
| <b>Issued and called up capital</b>   |                 |  |
| Ordinary Shareholders   |                 | <u>(20,000)</u>                              |

#### **Appendix 4**

#### **Analysis of Time Charged and Expenses Incurred**

## ANALYSIS OF TIME COSTS FOR THE PERIOD 07/03/2018 to 20/04/2018

ADM-Admin. - Post Appt.

| Classification of Work Function                  | Hours             |                  |                  |                 |                 | Total Hours   | Time Cost £      | Avg Hourly Rate £ |
|--|-------------------|------------------|------------------|-----------------|-----------------|---------------|------------------|-------------------|
|  | Managing Director | Manager          | Senior           | Assistant       | Support         |               |                  |                   |
| <b>Administration and Planning</b>               |                   |                  |                  |                 |                 |               |                  |                   |
| Cashiering & accounting                          | 0.00              | 0.30             | 0.40             | 2.80            | 0.45            | 3.95          | 754.25           | 190.95            |
| Dealings with Directors and Management           | 0.00              | 0.80             | 0.00             | 0.00            | 0.00            | 0.80          | 336.00           | 420.00            |
| IPS set up & maintenance                         | 0.00              | 0.00             | 0.00             | 0.20            | 0.65            | 0.85          | 97.75            | 115.00            |
| Insurance  | 0.00              | 0.30             | 1.00             | 0.20            | 0.00            | 1.50          | 458.00           | 305.33            |
| Statement of affairs                             | 0.00              | 0.10             | 0.00             | 0.25            | 0.00            | 0.35          | 70.75            | 202.14            |
| Statutory matters (Meetings & Reports & Notices) | 0.00              | 0.80             | 8.30             | 5.50            | 0.80            | 15.40         | 3,426.00         | 222.47            |
| Strategy planning & control                      | 0.00              | 2.10             | 2.60             | 0.85            | 0.00            | 5.55          | 1,720.75         | 310.05            |
| <b>Creditors</b>                                 |                   |                  |                  |                 |                 |               |                  |                   |
| Communications with Creditors/Employees          | 0.00              | 9.80             | 3.80             | 6.10            | 0.50            | 20.20         | 6,498.00         | 321.68            |
| Non Pref Creditor claims adjudication and dist'n | 0.00              | 0.00             | 0.00             | 0.00            | 0.40            | 0.40          | 46.00            | 115.00            |
| Non Pref Creditors/Employee claims handling      | 0.00              | 0.00             | 0.90             | 3.60            | 6.25            | 10.75         | 1,389.25         | 129.23            |
| Secured Creditors                                | 0.30              | 5.10             | 0.00             | 0.00            | 0.15            | 5.55          | 2,318.25         | 417.70            |
| <b>Investigations</b>                            |                   |                  |                  |                 |                 |               |                  |                   |
| CDDA & reports & Communication                   | 0.00              | 0.40             | 0.00             | 0.00            | 2.00            | 2.40          | 384.50           | 160.21            |
| <b>Realisation of Assets</b>                     |                   |                  |                  |                 |                 |               |                  |                   |
| Book debts                                       | 0.00              | 14.10            | 10.90            | 0.00            | 12.50           | 37.50         | 10,466.00        | 279.09            |
| Freehold and Leasehold Property                  | 0.00              | 5.70             | 0.60             | 0.00            | 0.00            | 6.30          | 2,565.00         | 407.14            |
| Hire Purchase and Lease Assets                   | 0.00              | 4.50             | 1.00             | 0.00            | 0.00            | 5.50          | 2,175.00         | 395.45            |
| Other Tangible Assets                            | 1.30              | 0.30             | 0.00             | 1.00            | 0.00            | 2.60          | 1,050.00         | 403.85            |
| Plant & Machinery & Fixtures & Motor Vehicles    | 0.00              | 0.00             | 5.80             | 0.00            | 0.00            | 5.80          | 1,653.00         | 285.00            |
| Sale of business                                 | 0.00              | 9.30             | 0.00             | 0.00            | 0.00            | 9.30          | 3,906.00         | 420.00            |
| <b>Total Hours:</b>                              | <b>1.60</b>       | <b>53.60</b>     | <b>35.30</b>     | <b>20.50</b>    | <b>23.70</b>    | <b>134.70</b> |                  | <b>291.87</b>     |
| <b>Total Fees Claimed: £</b>                     | <b>848.00</b>     | <b>22,501.50</b> | <b>10,066.00</b> | <b>3,173.50</b> | <b>2,725.50</b> |               | <b>39,314.50</b> |                   |

**85457 WAINWRIGHT AND GIBSON (SERVICES) LIMITED**
**ANALYSIS OF TIME COSTS FOR THE PERIOD 07/03/2018 to 20/04/2018**

ADM-Admin. - Post Appt.

| Classification of Work Function                  | Hours             |                  |                  |                 |                 | Total Hours   | Time Cost £      | Avg Hourly Rate £ |
|--|-------------------|------------------|------------------|-----------------|-----------------|---------------|------------------|-------------------|
|  | Managing Director | Manager          | Senior           | Assistant       | Support         |               |                  |                   |
| <b>Administration and Planning</b>               |                   |                  |                  |                 |                 |               |                  |                   |
| Case review and Case Diary management            | 0.00              | 0.00             | 0.00             | 0.00            | 2.35            | 2.35          | 270.25           | 115.00            |
| Cashiering & accounting                          | 0.00              | 0.70             | 0.60             | 1.90            | 0.45            | 3.65          | 843.75           | 231.18            |
| Dealings with Directors and Management           | 0.00              | 2.10             | 0.60             | 0.00            | 2.00            | 4.70          | 1,283.00         | 272.98            |
| IPS set up & maintenance                         | 0.00              | 0.00             | 0.00             | 2.15            | 1.65            | 3.80          | 437.00           | 115.00            |
| Insurance  | 0.00              | 0.30             | 1.00             | 0.00            | 0.00            | 1.30          | 411.00           | 316.15            |
| Statement of affairs                             | 0.00              | 0.10             | 0.00             | 0.25            | 0.00            | 0.35          | 70.75            | 202.14            |
| Statutory matters (Meetings & Reports & Notices) | 0.00              | 1.00             | 8.40             | 2.70            | 2.85            | 14.95         | 3,452.25         | 230.92            |
| Strategy planning & control                      | 1.30              | 2.70             | 7.70             | 0.85            | 0.00            | 12.55         | 4,115.25         | 327.91            |
| <b>Creditors</b>                                 |                   |                  |                  |                 |                 |               |                  |                   |
| Communications with Creditors/Employees          | 0.00              | 4.10             | 7.00             | 3.65            | 5.30            | 20.05         | 4,746.25         | 236.72            |
| Non Pref Creditors/Employee claims handling      | 0.00              | 0.00             | 0.40             | 0.00            | 12.60           | 13.00         | 1,583.00         | 120.23            |
| Secured Creditors                                | 0.00              | 4.90             | 0.00             | 0.00            | 0.20            | 5.10          | 2,081.00         | 408.04            |
| <b>Investigations</b>                            |                   |                  |                  |                 |                 |               |                  |                   |
| CDDA & reports & Communication                   | 0.00              | 0.40             | 0.00             | 0.00            | 2.00            | 2.40          | 384.50           | 160.21            |
| <b>Realisation of Assets</b>                     |                   |                  |                  |                 |                 |               |                  |                   |
| Book debts                                       | 0.00              | 6.60             | 9.20             | 0.00            | 25.85           | 41.65         | 8,366.75         | 200.88            |
| Freehold and Leasehold Property                  | 0.00              | 4.70             | 0.90             | 0.00            | 1.00            | 6.60          | 2,345.50         | 355.38            |
| Hire Purchase and Lease Assets                   | 0.00              | 3.30             | 1.40             | 2.30            | 0.00            | 7.00          | 2,049.50         | 292.79            |
| Other Tangible Assets                            | 1.60              | 0.60             | 0.00             | 0.00            | 0.00            | 2.20          | 1,100.00         | 500.00            |
| Plant & Machinery & Fixtures & Motor Vehicles    | 0.00              | 0.00             | 4.90             | 0.00            | 2.00            | 6.90          | 1,626.50         | 235.72            |
| Sale of business                                 | 0.00              | 12.00            | 0.00             | 0.00            | 0.00            | 12.00         | 5,040.00         | 420.00            |
| <b>Total Hours:</b>                              | <b>2.90</b>       | <b>43.50</b>     | <b>42.10</b>     | <b>13.80</b>    | <b>58.25</b>    | <b>180.55</b> |                  | <b>250.30</b>     |
| <b>Total Fees Claimed: £</b>                     | <b>1,537.00</b>   | <b>18,263.50</b> | <b>12,004.00</b> | <b>1,683.00</b> | <b>6,698.75</b> |               | <b>40,186.25</b> |                   |

**85556 CROSSHALL ENGINEERING LIMITED**
**ANALYSIS OF TIME COSTS FOR THE PERIOD 07/03/2018 to 20/04/2018**

ADM-Admin. - Post Appt.

| Classification of Work Function                    | Hours             |                 |                  |                 |                 | Total Hours   | Time Cost £      | Avg Hourly Rate £ |
|--|-------------------|-----------------|------------------|-----------------|-----------------|---------------|------------------|-------------------|
|  | Managing Director | Manager         | Senior           | Assistant       | Support         |               |                  |                   |
| <b>Administration and Planning</b>                 |                   |                 |                  |                 |                 |               |                  |                   |
| Case review and Case Diary management              | 0.00              | 0.00            | 0.00             | 0.00            | 0.35            | 0.35          | 40.25            | 115.00            |
| Cashiering & accounting                            | 0.00              | 0.30            | 0.50             | 1.40            | 0.70            | 2.90          | 597.00           | 205.86            |
| Dealings with Directors and Management             | 0.00              | 0.00            | 0.60             | 0.00            | 0.00            | 0.60          | 171.00           | 285.00            |
| IPS set up & maintenance                           | 0.00              | 0.00            | 0.00             | 0.20            | 0.25            | 0.45          | 51.75            | 115.00            |
| Insurance  | 0.00              | 0.20            | 1.00             | 0.00            | 0.00            | 1.20          | 369.00           | 307.50            |
| Statement of affairs                               | 0.00              | 0.10            | 0.00             | 0.25            | 0.00            | 0.35          | 70.75            | 202.14            |
| Statutory matters (Meetings & Reports & Notices)   | 0.00              | 0.70            | 8.30             | 3.30            | 0.80            | 13.10         | 3,131.00         | 239.01            |
| Strategy planning & control                        | 1.30              | 1.20            | 5.80             | 1.65            | 0.00            | 9.95          | 3,035.75         | 305.10            |
| <b>Creditors</b>                                   |                   |                 |                  |                 |                 |               |                  |                   |
| Communications with Creditors/Employees            | 0.00              | 2.90            | 6.40             | 8.05            | 0.50            | 17.85         | 4,025.25         | 225.50            |
| Non Pref Creditors/Employee claims handling        | 0.00              | 0.00            | 0.40             | 0.00            | 3.40            | 3.80          | 505.00           | 132.89            |
| Secured Creditors                                  | 0.30              | 3.30            | 0.00             | 0.00            | 0.20            | 3.80          | 1,568.00         | 412.63            |
| <b>Investigations</b>                              |                   |                 |                  |                 |                 |               |                  |                   |
| CDDA & reports & Communication                     | 0.00              | 0.40            | 0.00             | 0.00            | 2.00            | 2.40          | 384.50           | 160.21            |
| Financial review and investigations (S238/239 etc) | 0.00              | 0.00            | 0.00             | 0.00            | 0.75            | 0.75          | 86.25            | 115.00            |
| <b>Realisation of Assets</b>                       |                   |                 |                  |                 |                 |               |                  |                   |
| Book debts   | 0.00              | 5.70            | 6.90             | 0.00            | 13.50           | 26.10         | 5,913.00         | 226.55            |
| Freehold and Leasehold Property                    | 0.00              | 0.20            | 0.90             | 0.00            | 0.00            | 1.10          | 340.50           | 309.55            |
| Hire Purchase and Lease Assets                     | 0.00              | 1.10            | 2.20             | 0.00            | 0.00            | 3.30          | 1,089.00         | 330.00            |
| Other Tangible Assets                              | 1.30              | 0.40            | 0.00             | 0.00            | 0.00            | 1.70          | 857.00           | 504.12            |
| Plant & Machinery & Fixtures & Motor Vehicles      | 0.00              | 0.00            | 4.70             | 0.00            | 0.00            | 4.70          | 1,339.50         | 285.00            |
| Sale of business                                   | 0.00              | 6.40            | 0.00             | 0.00            | 0.00            | 6.40          | 2,688.00         | 420.00            |
| <b>Total Hours:</b>                                | <b>2.90</b>       | <b>22.90</b>    | <b>37.70</b>     | <b>14.85</b>    | <b>22.45</b>    | <b>100.80</b> |                  | <b>260.54</b>     |
| <b>Total Fees Claimed: £</b>                       | <b>1,537.00</b>   | <b>9,607.50</b> | <b>10,744.50</b> | <b>1,791.75</b> | <b>2,581.75</b> |               | <b>26,262.50</b> |                   |

## **Appendix 5**

### **Fee Estimates**

# Fees Estimate

Project: (85458) Hulme and Gibson Limited  
From 7 March 2018 to 6 March 2019

| Administration - Post Appointment (New)            |                 |                  |                  |                 |                 |  |               |                  |             |
|--|-----------------|------------------|------------------|-----------------|-----------------|--|---------------|------------------|-------------|
| Classification of Work Function                    | Hours           |                  |                  |                 |                 |  | Total Hours   | Time Cost        | Avg. Hourly |
|  | Partner         | Manager          | Senior           | Assistant       | Support         |  |               |                  |             |
| Admin & Planning                                   |                 |                  |                  |                 |                 |  |               |                  |             |
| Case review and Case Diary management              | 1.50            | 1.50             | 2.50             | 0.00            | 4.00            |  | 9.50          | 2,702.50         | 284.47      |
| Cashiering & accounting                            | 0.00            | 2.00             | 2.00             | 3.20            | 2.00            |  | 9.20          | 2,008.00         | 218.26      |
| Dealings with Directors and Management             | 0.00            | 2.00             | 2.00             | 0.00            | 1.00            |  | 5.00          | 1,525.00         | 305.00      |
| Insurance  | 0.00            | 1.00             | 2.00             | 1.00            | 0.00            |  | 4.00          | 1,105.00         | 276.25      |
| IPS set up & maintenance                           | 0.00            | 0.00             | 0.50             | 1.00            | 2.00            |  | 3.50          | 487.50           | 139.29      |
| Statement of affairs                               | 0.00            | 0.50             | 0.50             | 1.00            | 1.00            |  | 3.00          | 582.50           | 194.17      |
| Statutory matters (Meetings, Reports and Notices)  | 0.00            | 6.00             | 12.00            | 8.00            | 8.00            |  | 34.00         | 7,780.00         | 228.82      |
| Strategy planning & control                        | 2.00            | 3.00             | 4.00             | 1.00            | 2.00            |  | 12.00         | 3,945.00         | 328.75      |
| Tax Compliance/Planning                            | 0.00            | 1.00             | 1.00             | 0.00            | 0.00            |  | 2.00          | 705.00           | 352.50      |
| Creditors  |                 |                  |                  |                 |                 |  |               |                  |             |
| Communications with Creditors/Employees            | 0.00            | 10.00            | 10.00            | 10.00           | 10.00           |  | 40.00         | 9,350.00         | 233.75      |
| Non Pref Creditors/Employee claims handling        | 0.00            | 2.00             | 5.00             | 6.00            | 10.00           |  | 23.00         | 4,105.00         | 178.48      |
| Secured Creditors                                  | 1.00            | 10.00            | 1.00             | 0.00            | 1.00            |  | 13.00         | 5,200.00         | 400.00      |
| Investigations                                     |                 |                  |                  |                 |                 |  |               |                  |             |
| CDDA, reports & Communication                      | 1.00            | 2.00             | 4.00             | 2.00            | 5.00            |  | 14.00         | 3,385.00         | 241.79      |
| Financial review and investigations (S238/239 etc) | 1.00            | 2.00             | 4.00             | 4.00            | 5.00            |  | 16.00         | 3,615.00         | 225.94      |
| Realisation of assets                              |                 |                  |                  |                 |                 |  |               |                  |             |
| Book debts   | 0.00            | 18.00            | 15.00            | 1.00            | 20.00           |  | 54.00         | 14,250.00        | 263.89      |
| Freehold and Leasehold Property                    | 0.00            | 5.00             | 1.50             | 0.00            | 0.00            |  | 6.50          | 2,527.50         | 388.85      |
| Hire Purchase and Lease Assets                     | 0.00            | 4.40             | 1.00             | 0.00            | 0.00            |  | 5.40          | 2,133.00         | 395.00      |
| Other Tangible Assets                              | 1.30            | 0.00             | 0.50             | 1.00            | 0.00            |  | 2.80          | 1,037.50         | 370.54      |
| Plant, Machinery, Fixtures and Motor Vehicles      | 0.00            | 0.50             | 6.00             | 0.00            | 0.00            |  | 6.50          | 1,920.00         | 295.38      |
| Sale of Business                                   | 0.00            | 9.30             | 0.00             | 0.00            | 0.00            |  | 9.30          | 3,906.00         | 420.00      |
| <b>Total Hours</b>                                 | <b>7.80</b>     | <b>80.20</b>     | <b>74.50</b>     | <b>39.20</b>    | <b>71.00</b>    |  | <b>272.70</b> |                  |             |
| <b>Total Estimated Fees</b>                        | <b>4,680.00</b> | <b>33,684.00</b> | <b>21,232.50</b> | <b>4,508.00</b> | <b>8,165.00</b> |  |               | <b>72,269.50</b> |             |

Fees Estimate

Project: (85457) Wainwright and Gibson (Services) Limited  
From 7 March 2018 to 6 March 2019

| Administration - Post Appointment (New)            |                 |                  |                  |                 |                 |                  |
|--|-----------------|------------------|------------------|-----------------|-----------------|------------------|
| Classification of Work Function                    | Hours           |                  |                  |                 |                 | Total Hours      |
|  | Partner         | Manager          | Senior           | Assistant       | Support         |                  |
| Admin & Planning                                   |                 |                  |                  |                 |                 |                  |
| Case review and Case Diary management              | 1.50            | 1.50             | 2.50             | 0.00            | 4.00            | 9.50             |
| Cashiering & accounting                            | 0.00            | 2.50             | 2.50             | 1.50            | 2.50            | 9.00             |
| Dealings with Directors and Management             | 0.00            | 4.50             | 2.50             | 0.00            | 3.50            | 10.50            |
| Insurance  | 0.00            | 1.00             | 2.00             | 1.00            | 0.00            | 4.00             |
| IPS set up & maintenance                           | 0.00            | 0.00             | 0.50             | 1.00            | 2.00            | 3.50             |
| Statement of affairs                               | 0.00            | 0.50             | 0.50             | 1.00            | 1.00            | 3.00             |
| Statutory matters (Meetings, Reports and Notices)  | 1.50            | 2.50             | 12.00            | 7.50            | 5.00            | 28.50            |
| Strategy planning & control                        | 3.00            | 5.00             | 9.00             | 2.00            | 2.00            | 21.00            |
| Tax Compliance/Planning                            | 0.00            | 1.00             | 1.00             | 0.00            | 1.00            | 3.00             |
| Creditors  |                 |                  |                  |                 |                 |                  |
| Communications with Creditors/Employees            | 0.00            | 4.50             | 10.00            | 12.00           | 7.00            | 33.50            |
| Non Pref Creditors/Employee claims handling        | 0.00            | 0.00             | 1.50             | 5.00            | 12.00           | 18.50            |
| Secured Creditors                                  | 0.00            | 6.00             | 2.00             | 0.00            | 0.20            | 8.20             |
| Investigations                                     |                 |                  |                  |                 |                 |                  |
| CDDA, reports & Communication                      | 1.00            | 2.00             | 4.00             | 2.00            | 5.00            | 14.00            |
| Financial review and investigations (S238/239 etc) | 1.00            | 2.00             | 4.00             | 4.00            | 5.00            | 16.00            |
| Realisation of assets                              |                 |                  |                  |                 |                 |                  |
| Book debts   | 0.00            | 12.00            | 12.00            | 0.00            | 22.00           | 46.00            |
| Freehold & Leasehold Property                      | 0.00            | 4.00             | 1.50             | 0.00            | 1.00            | 6.50             |
| Hire Purchase and Lease Assets                     | 0.00            | 3.10             | 2.00             | 0.00            | 0.00            | 5.10             |
| Other Tangible Assets                              | 1.60            | 0.30             | 0.50             | 0.00            | 0.00            | 2.40             |
| Plant, Machinery, Fixtures and Motor Vehicles      | 0.00            | 0.50             | 5.50             | 0.00            | 2.50            | 8.50             |
| Sale of Business                                   | 0.00            | 11.70            | 0.00             | 0.00            | 0.00            | 11.70            |
| <b>Total Hours</b>                                 | <b>9.60</b>     | <b>64.60</b>     | <b>75.50</b>     | <b>37.00</b>    | <b>75.70</b>    | <b>262.40</b>    |
| <b>Total Estimated Fees</b>                        | <b>5,760.00</b> | <b>27,132.00</b> | <b>21,517.50</b> | <b>4,255.00</b> | <b>8,705.50</b> | <b>67,370.00</b> |

# Fees Estimate

Project: (85556) Crosshall Engineering Limited  
From 7 March 2018 to 6 March 2019

| Administration - Post Appointment (New)            |          |           |           |           |          |             |           |             |  |
|--|----------|-----------|-----------|-----------|----------|-------------|-----------|-------------|--|
| Classification of Work Function                    | Hours    |           |           |           |          | Total Hours | Time Cost | Avg. Hourly |  |
|  | Partner  | Manager   | Senior    | Assistant | Support  |             |           |             |  |
| Admin & Planning                                   |          |           |           |           |          |             |           |             |  |
| Case review and Case Diary management              | 1.50     | 1.50      | 2.50      | 0.00      | 4.00     | 9.50        | 2,702.50  | 284.47      |  |
| Cashiering & accounting                            | 0.00     | 2.00      | 2.00      | 1.00      | 2.00     | 7.00        | 1,755.00  | 250.71      |  |
| Dealings with Directors and Management             | 0.00     | 2.00      | 2.00      | 0.00      | 1.00     | 5.00        | 1,525.00  | 305.00      |  |
| Insurance  | 0.00     | 1.00      | 2.00      | 1.00      | 0.00     | 4.00        | 1,105.00  | 276.25      |  |
| IPS set up & maintenance                           | 0.00     | 0.00      | 0.50      | 1.00      | 2.00     | 3.50        | 487.50    | 139.29      |  |
| Statement of affairs                               | 0.00     | 0.50      | 0.50      | 1.00      | 1.00     | 3.00        | 582.50    | 194.17      |  |
| Statutory matters (Meetings, Reports and Notices)  | 1.50     | 2.50      | 12.00     | 7.50      | 5.00     | 28.50       | 6,807.50  | 238.86      |  |
| Strategy planning & control                        | 2.50     | 3.00      | 6.00      | 0.60      | 0.00     | 12.10       | 4,539.00  | 375.12      |  |
| Tax Compliance/Planning                            | 0.00     | 1.00      | 1.00      | 0.00      | 1.00     | 3.00        | 820.00    | 273.33      |  |
| Creditors  |          |           |           |           |          |             |           |             |  |
| Communications with Creditors/Employees            | 0.00     | 3.20      | 10.00     | 10.00     | 6.00     | 29.20       | 6,034.00  | 206.64      |  |
| Non Pref Creditors/Employee claims handling        | 0.00     | 0.00      | 1.50      | 2.00      | 5.00     | 8.50        | 1,232.50  | 145.00      |  |
| Secured Creditors                                  | 1.00     | 4.00      | 2.00      | 0.00      | 0.20     | 7.20        | 2,873.00  | 399.03      |  |
| Investigations                                     |          |           |           |           |          |             |           |             |  |
| CDDA, reports & Communication                      | 1.00     | 2.00      | 4.00      | 2.00      | 5.00     | 14.00       | 3,385.00  | 241.79      |  |
| Financial review and investigations (S238/239 etc) | 1.00     | 2.00      | 4.00      | 4.00      | 5.00     | 16.00       | 3,615.00  | 225.94      |  |
| Realisation of assets                              |          |           |           |           |          |             |           |             |  |
| Book debts   | 0.00     | 5.00      | 7.00      | 0.00      | 10.00    | 22.00       | 5,245.00  | 238.41      |  |
| Freehold & Leasehold Property                      | 0.00     | 0.50      | 1.50      | 0.00      | 0.00     | 2.00        | 637.50    | 318.75      |  |
| Hire Purchase and Lease Assets                     | 0.00     | 1.00      | 2.00      | 0.00      | 0.00     | 3.00        | 990.00    | 330.00      |  |
| Other Tangible Assets                              | 1.30     | 0.00      | 0.50      | 0.00      | 0.00     | 1.80        | 922.50    | 512.50      |  |
| Plant, Machinery, Fixtures and Motor Vehicles      | 0.00     | 0.50      | 5.50      | 0.00      | 1.00     | 7.00        | 1,892.50  | 270.36      |  |
| Sale of Business                                   | 0.00     | 6.30      | 0.00      | 0.00      | 0.00     | 6.30        | 2,646.00  | 420.00      |  |
| Total Hours  | 9.80     | 38.00     | 66.50     | 30.10     | 48.20    | 192.60      |           |             |  |
| Total Estimated Fees                               | 5,880.00 | 15,960.00 | 18,952.50 | 3,461.50  | 5,543.00 |             | 49,797.00 |             |  |

## **Appendix 6**

### **Fees Narrative**

**Hulme and Gibson Limited, Wainwright and Gibson (Services) Limited and Crosshall Engineering Limited (together the Companies) (All in Administration)**  
**Fee Estimates for the whole period of the Administrations**

*Matthew Ingram and Allan Graham were appointed as Joint Administrators to the Companies on 6 March 2018.*

**Introduction**

The following information is provided to creditors to enable them to consider and approve the Joint Administrators' remuneration. It is a summary of key issues, to assist creditors in understanding the strategy of the Joint Administrators, the associated costs and expenses of the related activities and the financial benefit to creditors.

This document should be read in conjunction with the Joint Administrators' Proposals Report which provides further details of the assets, liabilities and estimated return to creditors, if any. Particular reference is made to the Appendices entitled 'Analysis of Time Charged and Expenses Incurred', 'Fee Estimate' and 'Estimated Expenses of the Administrations'.

**Estimated Fees and Expenses**

The Joint Administrators propose that their fees will be based on time costs.

The amounts expected to be incurred in time costs over the life of the Administrations are shown in Appendix 5 - Fee Estimates.

The Joint Administrators estimate the expenses of the Administrations to total £9,049 for HG, £8,455 for WG and £6,545 for Crosshall (as shown in Appendix 7 - Estimated Expenses of the Administrations). This Appendix illustrates the estimated expenses of the Administrations and is for information purposes (not for approval by any class of creditor). These estimates may change over the course of the Administrations but creditors will be informed of any variations with associated reasons in subsequent reports to creditors.

As detailed in the main report, the Secured Creditors will be asked to approve the fee basis (time costs) and also the Fee Estimates.

**Estimated Return to Creditors**

At this early stage in the Administrations of the Companies, it is anticipated that Shawbrook, one of the Secured Creditors, should receive a recovery against its CID facility in each of the Companies. Shawbrook will, however, be facing a shortfall against its total debt.

Based on current information there will be insufficient funds to enable a dividend to any other creditor of the Companies.

**Strategy**

**Book Debts**

The Companies' book debts are subject to CID facilities provided by Shawbrook. The Joint Administrators are assisting Shawbrook in the collection of the outstanding book debts.

As shown on Appendix 4, time costs of £10,466, £8,367 and £5,913 have been incurred to date in respect of HG, WG and Crosshall respectively in dealing with book debts. Unfortunately, the Companies' IT system was switched off shortly prior to the Appointment Date and the Companies' records are incomplete and unreliable, therefore a significant element of time has been spent collating the relevant documents to ensure successful collection of the debtor book.

The Joint Administrators also located a number of third party assets at the Companies' trading premises that belong to debtors. Therefore, further time has been spent liaising with debtors to ensure that all outstanding balances have been received in full prior to authorising collection of equipment from site.

Total time costs for dealing with book debts are estimated to be £14,250 for HG, £10,990 for WG and £5,545 for Crosshall.

#### **Plant, Machinery, Fixtures and Motor Vehicles**

Time costs of £1,653 for HG, £1,627 for WG and £1,340 for Crosshall have been incurred in dealing with the sale of the Companies' tangible assets. This time has been incurred in liaising with the instructed agents, interested parties and the purchasers of the tangible assets at each site to ensure that maximum realisable value was achieved. The sales have now completed and a breakdown of the consideration is provided below:

|           |                  |
|-----------|------------------|
| HG        | £60,000 plus VAT |
| WG        | £24,150 plus VAT |
| Crosshall | £10,850 plus VAT |

A nominal amount of additional time is anticipated to be incurred under this heading in respect of discussions with the purchasers regarding third party assets held on site.

The total time expected to be incurred under this heading for each company is £1,920 for HG, £2,065 for WG and £1,923 for Crosshall.

#### **Investigations**

It is a statutory requirement that the Administrators provide a report to the Secretary of State on the conduct of the Directors in their management of the Companies to determine their unfitness to act in such a role. This will entail a broad level of investigation to ensure that best practice standards are met and the Fee Estimate reflects this standard. If the Secretary of State then instigates Directors Disqualification proceedings, further time may be expended in providing supporting documents, witness statements etc. Such investigation may or may not lead to further asset recovery so creditors should not assume that this activity will provide a monetary benefit to the Administration estates.

The Fee Estimate assumes a diligent but basic investigation into the Companies' affairs, financial accounts and reasons for failure. Should circumstances prove more difficult it is likely that the Fee Estimate may need to increase and solicitors instructed; creditors will be consulted as appropriate. Initial fact gathering will be undertaken by lower level staff but the nature of the investigation requires more experienced (and hence high cost) staff to review the information.

Time incurred to date totals £385 for HG, £385 for WG and £471 for Crosshall. Total time, including future costs, are anticipated to be £7,000 for each of the Companies, which includes the following tasks:

- Reviewing historic bank statements;
- Reviewing the questionnaires received from the Directors;
- Investigation of any potential claims in respect of antecedent transactions;
- Land Registry and Company House searches;
- Logging and reviewing creditor complaints and concerns regarding Directors' conduct; and
- Statutory investigations and reporting requirements to the Secretary of State in respect of director's conduct and any resulting correspondence with the DBEIS.

## Creditors

The Joint Administrators have incurred, and will continue to incur, time costs in dealing with correspondence and other contact with creditors. Work undertaken has included explaining the background to the Joint Administrators' appointment and the Companies financial difficulties, dealing with potential retention of title claims, assisting with creditors gaining access to sites and handling claims. This work also includes reporting requirements to the Secured Creditors.

This work is necessary as the creditors are stakeholders in the Administrations and such work will help creditors to minimise their losses and maximise their dividend prospects. Much of this work has been, and will continue to be dealt with, by more junior members of staff with senior members of the team becoming involved in more problematic situations and in dealing with the Secured Creditors.

Time incurred to date totals £10,251 for HG, £8,390 for WG and £6,098 for Crosshall. Total time, including future costs, are anticipated to be £18,655 for HG, £12,424 for WG and £10,140 for Crosshall. This will include dealing with the following tasks:

- Creditor correspondence, emails and telephone conversations regarding claims in the Administrations;
- Writing to employees of the companies at key intervals;
- Dealing with and concluding any claims brought in respect of retention of title;
- Maintaining up to date creditors information and claims status on the case management system;
- Maintaining the creditors' Portal Website;
- Making the relevant arrangements with the Companies' pension scheme provider and submitting the relevant forms;
- Adjudicating and agreeing preferential creditor claims of the Companies and liaising with the Redundancy Payments Service, where appropriate; and
- Corresponding with creditors subject to hire purchase and/or lease agreements.

## Statutory Compliance, Planning, Formal Reporting and Case Administration

An Administrator is highly regulated, being required to conform to insolvency legislation, industry Best Practice policies (Statements of Insolvency Practice) and relevant case law. Consequently, Administrators are obliged to undertake many activities that do not provide a financial benefit to creditors. Such matters will include, but are not restricted to: Anti Money Laundering, Bribery Act and Ethical considerations and checks, statutory advertising, regular reporting to creditors including fee agreement procedures, obtaining and securing company books and records, pension review and liaison with the Pension Protection Fund, Companies House filing, completion and release of insolvency bond and various Treasury functions.

Time incurred to date totals £6,864 for HG, £10,883 for WG and £7,467 for Crosshall. This has included dealing with the following tasks:

- Complying with anti-money laundering checks, bribery act and ethical checks;
- Advertising the Administration appointments and notifying all relevant stakeholders;
- Setting up the Administrations on our internal systems and on the creditors' portal website;
- Companies House and Court filings;
- Calculating and obtaining the Insolvency Practitioners Bond;
- Undertaking treasury functions in respect of receipts and payments of the Administration to date;
- Arranging insurance of the Companies' assets as appropriate;
- Internal strategic discussions and meetings and completing a 1 week case review;
- Meeting with the Companies' management team and key staff from a strategic perspective;
- Instructing the Solicitor to prepare a report on the validity of the Joint Administrators' appointments;
- Liaising with the Secured Creditors in relation to the Administrations;

- General case oversight by senior team members over key issues, to include: winding-down the business, potential novation of contracts and statutory matters; and
- Preparing the Joint Administrators' Statement of Proposals to Creditors and ancillary documentation.

Total time, including future costs, are anticipated to be £20,841 for HG, £24,658 for WG and £20,324 for Crosshall, including the costs incurred to date. Future time costs are estimated to include the following future tasks:

- Performing periodic and strategic case reviews at the intervals discussed above;
- Handling the process following despatch of the Proposals;
- Filing notices with Companies House at relevant intervals;
- *Dealing with tax compliance and returns;*
- Preparing progress reports to all creditors of the Companies every 6 months;
- Preparing a final report to all creditors of the Companies on completion of the Administrations;
- Internal strategic discussions and meetings; and
- Corresponding with the Companies' pre-appointment accountants in respect of tax compliance.

## **Appendix 7**

### **Estimated Expenses of the Administration**

**Hulme and Gibson Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

| <b>Company</b>                          | <b>Activity</b>                                  | <b>Date of Instruction</b> | <b>Fee Basis</b>             | <b>Anticipated Total Cost</b> |
|---|--|----------------------------|------------------------------|-------------------------------|
| <b>Professional Advisors</b>            |  |                            |                              | <b>£</b>                      |
| Squire Patton Boggs (UK) LLP            | Legal fees                                       | 07-Mar-18                  | Time costs                   | 1,117.20                      |
| Hilco Global Valuation Services         | Assistance with the valuation and sale of assets | 07-Mar-18                  | Fixed fee plus disbursements | 4,242.00                      |
| ERA Solutions Limited                   | Employment Rights Consultants                    | 07-Mar-18                  | Fixed fee                    | 1,070.00                      |
| SIA Group                               | Assistance with property related matters         | 07-Mar-18                  | Fixed fee plus disbursements | 400.00                        |
| <i>Total professional advisor costs</i> |  |                            |                              | <b>6,429.20</b>               |
| <b>Disbursements</b>                    |  |                            |                              |                               |
| <b>Category 1</b>                       |  |                            |                              |                               |
| Statutory advertising                   |  |                            |                              | 555.00                        |
| Bond premium                            |  |                            |                              | 225.00                        |
| Insurance                               |  |                            |                              | 840.00                        |
| Storage                                 |  |                            |                              | 1,000.00                      |
| <i>Total Category 1 disbursements</i>   |  |                            |                              | <b>2,620.00</b>               |
| <b>Category 2</b>                       |  |                            |                              |                               |
| None                                    |  |                            |                              | -                             |
| <i>Total Category 2 disbursements</i>   |  |                            |                              | -                             |
| <b>Total Estimated Expenses</b>         |  |                            |                              | <b><u>£9,049.20</u></b>       |

**Wainwright and Gibson (Services) Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

| <b>Company</b>                          | <b>Activity</b>                                  | <b>Date of Instruction</b> | <b>Fee Basis</b>             | <b>Anticipated Total Cost</b> |
|---|--|----------------------------|------------------------------|-------------------------------|
| <b>Professional Advisors</b>            |  |                            |                              | <b>£</b>                      |
| Squire Patton Boggs (UK) LLP            | Legal fees                                       | 07-Mar-18                  | Time costs                   | 2,610.00                      |
| Hilco Global Valuation Services         | Assistance with the valuation and sale of assets | 07-Mar-18                  | Fixed fee plus disbursements | 1,177.50                      |
| ERA Solutions Limited                   | Employment Rights Consultants                    | 07-Mar-18                  | Fixed fee                    | 970.00                        |
| SIA Group                               | Assistance with property related matters         | 07-Mar-18                  | Fixed fee plus disbursements | 1,002.65                      |
| <i>Total professional advisor costs</i> |  |                            |                              | <b>5,760.15</b>               |
| <b>Disbursements</b>                    |  |                            |                              |                               |
| <b>Category 1</b>                       |  |                            |                              |                               |
| Statutory advertising                   |  |                            |                              | 555.00                        |
| Bond premium                            |  |                            |                              | 225.00                        |
| Insurance                               |  |                            |                              | 414.40                        |
| Storage                                 |  |                            |                              | 1,500.00                      |
| <i>Total Category 1 disbursements</i>   |  |                            |                              | <b>2,694.40</b>               |
| <b>Category 2</b>                       |  |                            |                              |                               |
| None                                    |  |                            |                              | -                             |
| <i>Total Category 2 disbursements</i>   |  |                            |                              | -                             |
| <b>Total Estimated Expenses</b>         |  |                            |                              | <b><u>£8,454.55</u></b>       |

**Crosshall Engineering Limited (In Administration)**  
**Joint Administrators' estimated expenses for the period of Administration**

| <b>Company</b>                          | <b>Activity</b>                                  | <b>Date of Instruction</b> | <b>Fee Basis</b>             | <b>Anticipated Total Cost</b> |
|---|--|----------------------------|------------------------------|-------------------------------|
| <b>Professional Advisors</b>            |  |                            |                              | <b>£</b>                      |
| Squire Patton Boggs (UK) LLP            | Legal fees                                       | 07-Mar-18                  | Time costs                   | 875.30                        |
| Hilco Global Valuation Services         | Assistance with the valuation and sale of assets | 07-Mar-18                  | Fixed fee plus disbursements | 1,177.50                      |
| ERA Solutions Limited                   | Employment Rights Consultants                    | 07-Mar-18                  | Fixed fee                    | 890.00                        |
| <i>Total professional advisor costs</i> |  |                            |                              | <b>2,942.80</b>               |
| <b>Disbursements</b>                    |  |                            |                              |                               |
| <b>Category 1</b>                       |  |                            |                              |                               |
| Statutory advertising                   |  |                            |                              | 555.00                        |
| Bond premium                            |  |                            |                              | 225.00                        |
| Insurance                               |  |                            |                              | 1,232.00                      |
| Storage                                 |  |                            |                              | 1,500.00                      |
| <i>Total Category 1 disbursements</i>   |  |                            |                              | <b>3,512.00</b>               |
| <b>Category 2</b>                       |  |                            |                              |                               |
| None                                    |  |                            |                              | -                             |
| <i>Total Category 2 disbursements</i>   |  |                            |                              | -                             |
| <b>Total Estimated Expenses</b>         |  |                            |                              | <b><u>£6,454.80</u></b>       |

## **Appendix 8**

### **Statement of Creditors' Rights**

## STATEMENT OF CREDITORS RIGHTS

*Rule numbers refer to Insolvency (England & Wales) Rules 2016 (as amended)*  
*Section or paragraph numbers refer to Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Jamie Maddox on 0161 827 9016.

This notice is accompanied by the Joint Administrators' Statement of Proposals

### Information for creditors on remuneration and disbursements of the Joint Administrators

Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/creditor-guides-and-employee-fact-sheets>

(click on the document 'Administration (appointment from 1 October 2015)'). Should you require a copy, please contact this office.

### Creditors may requisition a decision to be made by all of the creditors for approval of the Joint Administrator' Proposals under para 52(2) Schedule B1 Insolvency Act 1986

The Joint Administrators shall seek a decision from the Company's creditors as to whether they approve the proposals if requested by creditors of the Company, whose debts amount to at least 10% of the total debts of the Company. Such a request must be received by the Joint Administrators within 8 business days of the date on which the Joint Administrator's statement of proposals is delivered.

The request for a requisitioned decision must include a statement of the purpose of the proposed decision and either—

(a) a statement of the requesting creditor's claim together with—

- a list of the creditors or contributories concurring with the request and of the amounts of their respective claims or values, and
- confirmation of concurrence from each creditor; or

(b) a statement of the requesting creditor's debt and that that alone is sufficient without the concurrence of other creditors

Creditor/s may be requested to meet the costs of a requisitioned decision and a deposit will be required for this purpose. These costs may be ordered to be paid as an expense of the Administration if the creditors so resolve.

A requisitioned decision must be made within 28 days of receiving the deposit or the expiry of 14 days without the Administrator informing the requesting creditor of the deposit sum.

## **Appendix 9**

### **Proof of Debt Forms**

PROOF OF DEBT - GENERAL FORM

**Hulme and Gibson Limited (in Administration)**

Date of Administration: 7 March 2018

| DETAILS OF CLAIM  |  |   |
|---|--|---|
| 1.  | Name of Creditor (if a company, its registered name)   |   |
| 2.  | Address of Creditor (i.e. principal place of business)   |   |
| 3.  | If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul> |   |
| 4.  | Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25   | £   |
| 5.  | If the total amount above includes outstanding uncapitalised interest, please state  | YES (£ ) / NO                                       |
| 6.  | Particulars of how and when debt incurred  |   |
| 7.  | Particulars of any security held, the value of the security, and the date it was given   |   |
| 8.  | Details of any reservation of title in relation to goods to which the debt relates   |   |
| 9.  | Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]  |   |
| 10.   | Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986  | Category<br><br>Amount(s) claimed as preferential £ |
| AUTHENTICATION  |  |   |
| Signature of Creditor or person authorised to act on his behalf   |  |   |
| Name in BLOCK LETTERS   |  |   |
| Date  |  |   |
| If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor |  |   |
| Are you the sole member of the Creditor?  |  | YES / NO  |

PROOF OF DEBT - GENERAL FORM

**Wainwright and Gibson (Services) Limited (in Administration)**

Date of Administration: 7 March 2018

| DETAILS OF CLAIM  |  |   |
|---|--|---|
| 1.  | Name of Creditor (if a company, its registered name)   |   |
| 2.  | Address of Creditor (i.e. principal place of business)   |   |
| 3.  | If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul> |   |
| 4.  | Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25   | £   |
| 5.  | If the total amount above includes outstanding uncapitalised interest, please state  | YES (£ ) / NO                                       |
| 6.  | Particulars of how and when debt incurred  |   |
| 7.  | Particulars of any security held, the value of the security, and the date it was given   |   |
| 8.  | Details of any reservation of title in relation to goods to which the debt relates   |   |
| 9.  | Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]  |   |
| 10.   | Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986  | Category<br><br>Amount(s) claimed as preferential £ |
| AUTHENTICATION  |  |   |
| Signature of Creditor or person authorised to act on his behalf   |  |   |
| Name in BLOCK LETTERS   |  |   |
| Date  |  |   |
| If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor |  |   |
| Are you the sole member of the Creditor?  |  | YES / NO  |

**PROOF OF DEBT - GENERAL FORM**

**Crosshall Engineering Limited (in Administration)**

Date of Administration: 7 March 2018

| <b>DETAILS OF CLAIM</b>   |  |   |
|---|--|---|
| 1.  | Name of Creditor (if a company, its registered name)   |   |
| 2.  | Address of Creditor (i.e. principal place of business)   |   |
| 3.  | If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul> |   |
| 4.  | Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25   | £   |
| 5.  | If the total amount above includes outstanding uncapitalised interest, please state  | YES (£ ) / NO                                       |
| 6.  | Particulars of how and when debt incurred  |   |
| 7.  | Particulars of any security held, the value of the security, and the date it was given   |   |
| 8.  | Details of any reservation of title in relation to goods to which the debt relates   |   |
| 9.  | Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]  |   |
| 10.   | Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986  | Category<br><br>Amount(s) claimed as preferential £ |
| <b>AUTHENTICATION</b>   |  |   |
| Signature of Creditor or person authorised to act on his behalf   |  |   |
| Name in BLOCK LETTERS   |  |   |
| Date  |  |   |
| If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor |  |   |
| Are you the sole member of the Creditor?  |  | YES / NO  |