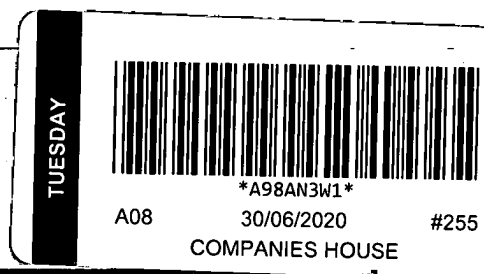


# AM03

## Notice of administrator's proposals



Companies House



### 1 Company details

Company number 0 1 7 1 1 5 0 2

Company name in full Southampton Nuffield Theatre Trust (The)

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

### 2 Administrator's name

Full forename(s) Gregory Andrew

Surname Palfrey

### 3 Administrator's address

Building name/number 4th Floor Cumberland House

Street 15-17 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 B G

Country

### 4 Administrator's name

Full forename(s) Stephen John

Surname Adshead

④ Other administrator  
Use this section to tell us about  
another administrator.

### 5 Administrator's address

Building name/number 4th Floor Cumberland House

Street 15-17 Cumberland Place

Post town Southampton

County/Region

Postcode S O 1 5 2 B G

Country

④ Other administrator  
Use this section to tell us about  
another administrator.

AM03

## Notice of Administrator's Proposals

6

### Statement of proposals



I attach a copy of the statement of proposals

7

### Sign and date

Administrator's  
Signature

E A Polrew

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Signature date

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AM03

## Notice of Administrator's Proposals

**Presenter information**

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

Contact name **Sam Tovey**Company name **Smith & Williamson LLP**Address **4th Floor Cumberland House  
15-17 Cumberland Place**Post town **Southampton**

County/Region

Postcode **S O 1 5 2 B G**

Country

DX **49667 Southampton 2**Telephone **023 8082 7600****Checklist**

We may return forms completed incorrectly or with information missing.

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.

**Important information**

All information on this form will appear on the public record.

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Crown Way, Cardiff, Wales, CF14 3UZ.  
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# The Southampton Nuffield Theatre Trust t/a NST (in administration)

Joint administrators' Report and Statement of Proposals pursuant  
to Paragraph 49 of Schedule B1 Insolvency Act 1986

26 June 2020



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# 1. Glossary

Abbreviation	Description
the Company	The Southampton Nuffield Theatre Trust
the administrators/joint administrators	Gregory Andrew Palfrey and Stephen John Adshead
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986
	If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986
	If preceded by P this denotes a paragraph number
IR16	Insolvency (England and Wales) Rules 2016
	If preceded by R this denotes a rule number
SOA	Statement of Affairs
ETR	Estimated to realise
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	HM Revenue & Customs
ACE	Arts Council England
SCC	Southampton City Council
HCC	Hampshire County Council
UOS	The University of Southampton
NST Campus	Nuffield Southampton Theatres, University Road, Southampton, SO17 1TR
NST City	Nuffield Southampton Theatres, 142-144 Above Bar Street, Southampton, SO14 7DU
BEIS	Department of Business, Energy and Industrial Strategy
LA	Lester Aldridge Solicitors
RPS	Redundancy Payments Service

## 2. Introduction

We, Gregory Andrew Palfrey and Stephen John Adshead, of Smith & Williamson LLP, 4th Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG and licensed insolvency practitioners, were appointed administrators of the Company on 6 May 2020

This report sets out our proposals in respect of the administration of the Company.

Appendix I contains information in respect of the Company and the joint administrators that is required under the IR16.

We will deliver these proposals to the creditors on 30 June 2020.

## 3. Key points

### 3.1 Appointment, objective and outcome

- We were appointed joint administrators of the Company on 6 May 2020 by the Directors of the Company
- The objective of the administration is as in P3(1)(b) Sch B1, namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).
- We anticipate there being a dividend to unsecured creditors from the Company's insolvency, the level of which we expect to be higher than would have been achieved had the Company entered liquidation. The objective set out in P3(1)(b) Sch B1 is therefore likely to be achieved.

### 3.2 Strategy – Sale of business and assets

- Our strategy has been to market and seek a sale of the Company's business and assets on an in-situ basis. Advice from our agents is that the Company's assets have a significantly higher value on an in-situ, rather than an ex-situ break up basis.
- We continue to pursue this strategy and are in discussions with a number of interested parties with a view to achieving a sale of the Company's business and assets.
- Prior to our appointment, the majority of the Company's employees had been placed on furlough under the government's Coronavirus Job Retention Scheme. With the exception of one employee whose role became redundant following our appointment, all employees have been retained while pursuing the interest received in purchasing the Company's business.

### 3.3 Other assets

- The Company's principal remaining assets are as follows:
  - Cash at bank with a book value of approximately £422k was transferred to the administration account shortly after our appointment.
  - A VAT refund of £53k was received into the Company's account shortly after appointment, which has also been transferred to the administration account.
  - Trade debts with a book value of approximately £70k at the date of our appointment. Collection of these balances remains ongoing although some £53k of the balance has been realised to date.

### 3.4 Creditors

- There are no secured creditors.
- It is anticipated that preferential creditors (for accrued holiday pay) will be paid in full.
- It is expected that realisations will be sufficient to make a distribution to unsecured creditors.



### 3.5 Decision procedure

- A decision procedure has been convened to seek approval of our proposals.
- Creditors are also invited to form a Creditors' Committee which, if formed, will need to comprise three to five members.
- If a Creditors' Committee is not formed, we will also seek approval of the following from creditors as part of that decision procedure:
  - the basis of our remuneration and disbursements as set out at section 14,
  - discharge from liability upon our ceasing to act as joint administrators.
- Creditors who meet certain thresholds prescribed by the Insolvency Act 1986, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions (incorporating the approval of our fees). However, such a request must be made in writing to the Convener within 5 business days from 30 June 2020.

## 4. Background to the administration

### Company introduction

In 1964, with support from the Nuffield Foundation, the UOS built a theatre on its campus for the people of Southampton. The theatre was built by Sir Basil Spence, OM RA. The theatre was officially opened by Dame Sybil Thorndike on 2 March.

On 1 November 1982, it became an independent producing theatre funded by ACE, SCC, UOS and HCC, known today as Nuffield Southampton Theatres (NST).

NST was incorporated in March 1983 and initially traded from the theatre at NST Campus, University Road, Southampton, SO17 1TR.

The Company was a charitable trust that encouraged the performance of the arts, the promotion and advancement of education and the cultivation and improvement of public education in drama, mime, opera, singing music, dance, painting and sculpture, cinema, literature and other arts.

### Company's historical financial performance and key changes

In 1996 the Campus theatre underwent a full refurbishment, utilising a National Lottery award in the region of £1.7m to do so. Despite this the Company had experienced tough financial conditions in that year and major changes over several years would be required to improve its financial position.

Over the next decade the Company grew its income from ticket sales and additional support from the Company's funders was increasing each year. By 2010 the Company had accumulated reserves of £59k and contingency reserves of £115k.

In 2013, the Company hired a new Artistic Director. Under the new Artistic Director, the Company developed its capacity as a producing theatre alongside continuing to host touring shows.

In 2014, the Company celebrated the Campus theatre's 50<sup>th</sup> birthday by renovating that theatre, and also in that year, the Company was appointed to operate the theatre that would form part of Southampton's new Arts Centre, part of the city's flagship Guildhall Square development. The Company was to operate this theatre as NST City. The Company had the support of both ACE and SCC for this venture.

The new theatre was originally scheduled to open in 2016, however due to delays in the development's construction the Company did not take possession of the premises until late 2017, with the first shows in that venue opening in February 2018.

The delays caused the Company to expend significantly more resources (both in management time and money) in planning for and undertaking the move than it originally anticipated.

Furthermore, after the opening of NST City, there were continued issues with the building including with the lifts and building management system, which the Company considered adversely affected initial attendances.

At 31 March 2019 (last audited accounts) the operational loss for the year was (£50k). The operating results of the Company for the years ended 31 March are set out below:

	2015 £000	2016 £000	2017 £000	2018 £000	2019 £000
Box office income	467	539	782	848	1,364
Co-production income	-	145	529	80	223
Theatre tax relief	-	-	228	127	199
Production costs	(711)	(787)	(1,514)	(1,143)	(1,965)
Operating profit/(loss)	(244)	(103)	25	(88)	(179)
Total Grant Funding	1,794	1,720	1,709	2,068	1,796
Other income	442	415	281	343	558
Total income	1,992	2,032	2,015	2,323	2,175
Total expenditure	(1,657)	(1,740)	(1,762)	(2,235)	(2,644)
Net income for the year	335	292	253	88	(469)
Less capital element of grant funding	(347)	(9)	-	(264)	(38)
Operational result for year	(12)	283	253	(176)	(507)

The year ended 31 March 2019 was the first full period when both the City and the Campus theatres were run together, and while the Company had budgeted for an operational loss over this period, the scale of the losses was much greater than anticipated.

The Company had been able to improve its financial performance during the year ended 31 March 2020 and per the management accounts it was operating at close to breakeven level prior to the shutdown of theatres in March 2020 as a result of the Covid-19 pandemic.

The Company was part of the ACE National Portfolio Organisation (NPO) grant funding programme, and had been in receipt of grants from ACE, subject to a funding agreement covering the period April 2018 to March 2022.

ACE, however, had concerns as to the Company's performance and had been in ongoing discussions with the Company in relation to its adherence to the grant funding terms and conditions.

In February 2020, the Company's board concluded that it was in the Company's best interests to withdraw from the NPO programme, to enable it to restructure operationally and financially without having to meet the strict requirements placed on it by the NPO programme. This was particularly required as the Company's lease of the Campus theatre was due to expire in April 2020, and UoS had informed the Company that this would not be renewed, meaning that the Company would be operating a single theatre model from that point onwards.

A request to withdraw from the NPO programme was submitted to ACE by the Company on 2 March 2020. As part of the NPO withdrawal, the board requested that ACE provide the remainder of the grant funding that had been allocated to the Company, to assist with the development of a new business plan.

On 19 March 2020, ACE agreed to the Company's withdrawal from the NPO programme but before committing to provide the requested further funding, ACE required the Company to engage the services of external consultants to produce a cashflow forecast to establish whether, after the provision of the remaining grant funding from ACE, the Company would remain solvent (in light of the lockdown that was now imposed on theatres and uncertainty as to when the Company may be able to trade again).

The cashflow forecast produced by the external consultants indicated that there was a risk that the Company may become insolvent on a cashflow basis. The Company's board did not agree with a number of the assumptions used in the cashflow forecast.

#### **Smith & Williamson engagement, insolvency advice and lead up to the administrators' appointment**

Smith & Williamson was first consulted by the directors of NST on 6 April 2020 and formally engaged on 12 April 2020 to advise on the options available to the Company in the light of the situation with ACE.

As an initial step, the Company requested that Smith & Williamson reviewed an alternative cashflow prepared by the Company's management (which showed a more positive cash position than the forecast prepared by the external consultants) and prepare a report on this forecast and the potential alternative outcome through an insolvency process. This report concluded that, with receipt of the remaining grant funding from ACE and subject to no further material downsides as a result of the Covid-19 pandemic, the Company could continue on a solvent basis, however without the further funding from ACE it would be insolvent.

The Company's board requested that this report be shared with ACE. Following review of the report, ACE was not satisfied that the assumptions used by the Company in its forecast met ACE's funding conditions, or that the forecast presented (in ACE's view) sufficient comfort as to the Company's solvency.

Consequently, on 1 May 2020, ACE advised the board that it was withdrawing all grant support from the Company.

On 4 May 2020, following the withdrawal of support, the Company's board resolved that the Company should be placed in administration and Smith & Williamson was formally engaged to assist with this process.

We, Gregory Andrew Palfrey and Stephen John Adshead of Smith & Williamson, were proposed as joint administrators and we provided consents to act on 4 May 2020. We are both qualified insolvency practitioners licensed by the Institute of Chartered Accountants in England & Wales.

We were subsequently appointed as joint administrators by the directors on 6 May 2020, the relevant filings having been made with the Court. As there was no qualifying floating charge holder, there was no requirement to serve on the Company notice of the intention to appoint an administrator.

## **5. Purpose of administration and strategy**

The joint administrators must perform their functions with the objective of:

- rescuing the Company as a going concern; or
- achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration); or
- realising property in order to make a distribution to one or more secured or preferential creditors.

#### **First objective considered not achievable**

On the basis of the interest received to date, objective (a) will not be achieved as no parties are interested in operating the theatre through the current entity, given the level of liabilities and the uncertainties as to when theatres may reopen as a result of Covid-19 lockdown.

There is also no prospect of the Company's assets realising sufficient value to pay the expenses of the administration, creditors and statutory interest in full nor does there seem to be a rationale for exiting the Administration through a CVA as a liquidation would be more efficient for handling any payments to unsecured creditors that may be required.

### Second objective considered achievable

We consider that the second objective is likely to be achieved on the basis that, while we anticipate there would be a return to unsecured creditors from both an administration and a liquidation, we believe the level of such a return will be higher in an administration for the following reasons:

- Agent's valuations of the Company's assets indicate that an in-situ sale of the Company's assets would produce significantly higher realisations than if they had to be removed from the premises. The moratorium on legal actions as a result of administration prevents any party (including landlords) from taking enforcement action over assets, which should help to facilitate an in-situ sale.
- The administrators have been able to continue the business in its mothballed state, which enables the business to be sold, potentially with a transfer of employees. Should this happen, the overall level of creditor claims will be significantly reduced.

We do not consider the third objective will apply as there are no secured creditors and we anticipate achieving a result that enhances the return to all creditors including preferential and unsecured creditors.

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### Overall strategy

The strategy for the administration was to market the business and seek interested parties with a view to selling the Company's business and assets via a formal marketing and sales process. The administration gave the Company the protection and time needed to seek a purchaser whilst being able to continue with business in its mothballed state. The remaining assets will be realised by the administrators accordingly.

Our role, prior to appointment as joint administrators, was to advise the Company, not the directors on its current financial position and advise on the next steps the Company should take.

Once appointed, administrators are obliged to perform their functions in the interests of the Company's creditors as a whole. Where the third objective (c) of the administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty to avoid harming unnecessarily the interests of the creditors as a whole. This is not the case here as we are seeking and expect to achieve a result that enhances the return to all creditors compared to the alternatives.

Section 7 provides details of the actions taken to date in pursuit of our strategy for the administration and section Error! Reference source not found. details our proposals to achieve the purpose of the administration and to bring it to a conclusion in due course.

## 6. Joint administrators' receipts and payments

A summary of our receipts and payments for the administration period from the date of our appointment to 19 June 2020 is attached at Appendix III. This shows funds in hand of £497k.

## 7. Conduct of the administration

### 7.1 Sale of business and assets

As noted above, our strategy is to seek a buyer for the Company's business and assets.

Our appointment generated significant media attention in local, national and trade publications. As a result of this a number of parties came forward to express interest in acquiring the business and/or assets. Additionally, our agents, Proudley Associates, circulated details of the business to a database of potential purchasers they had researched. A total of 30 expressions of interest were received.

A teaser document was circulated to these parties, which set a deadline of 5 June 2020 for expressions of interest, together with a non-disclosure agreement for return if the parties wished to obtain more information. A total of 18 non-disclosure agreements were returned, and additional information has been provided to these parties. Some parties have also visited the NST City premises.

A number of firm expressions of interest and some significant offers were received, and we are continuing discussions with a number of these parties.

At this point, discussions remain commercially sensitive and we therefore cannot provide further detail at this time.

The sales and marketing process has been particularly complex as a result of:

- taking account of the interests of multiple stakeholders including ACE and SCC (whose support is likely to be required by any potential purchaser).
- Various claims as to the ownership of a number of the physical assets on site.
- The unprecedented uncertainties over when theatres are likely to be able to re-open, and what restrictions on operating may still be required after re-opening.

## 7.2 Leasehold properties

### 7.2.1 NST City

The Company has occupied this property since November 2017, however due to issues with the building a formal lease agreement has not been entered into, the Company having been in occupation under an agreement for lease.

We have liaised with SCC, the landlord for this property, in relation to agreeing the Company's continued occupation of the premises during the administration.

### 7.2.2 NST Campus

As noted in Section 4, the lease of this property expired in April 2020, and the property was due to be handed back to UoS, the landlord.

Since appointment we have liaised with UoS to agree a surrender and orderly hand back of the property.

### 7.2.3 Wide Lane

The Company also leased a unit at an industrial park at Wide Lane on the outskirts of Southampton, which was mainly used for storage of props and costumes from past performances.

The lease for this unit expired on 18 June 2020, and we have arranged for the clearance of these premises and handed them back to the landlord.

## 7.3 Cash at bank

Following our appointment we contacted the Company's bankers in order to arrange for the transfer of funds held in the Company's accounts (being £422k at the date of appointment) to the administration account.

A further £53k, relating to a VAT refund, was received into the Company's account shortly after our appointment, and this has also been transferred to the administration account.

## 7.4 Trade debtors

The estimated financial position details trade debtors with a book value of £70k.

A large proportion of this balance (£41k) was due from one debtor. This debt has been pursued by the Company's retained finance staff on our behalf and payment has now been received.

A further receipt of £12k has been received into the Company's pre-administration account but has not yet been transferred to the administration account.

We understand that some of the remaining balances may be subject to set off or counterclaims.

## 7.5 Theatre tax relief claim

The estimated financial position outlines a debt due of approximately £113k in relation to a claim for Theatre Tax Relief for the year ended 31 March 2020.

We are working with the Company's finance staff to prepare the relevant information to submit this claim to HMRC.

## 7.6 Employees

Prior to our appointment, all but 8 of the Company's 87 employees had been placed on furlough until 31 May 2020 under the Government's Coronavirus Job Retention Scheme.

Since the appointment we have:

- Liaised with our legal advisers in respect of continuing to retain those employees on furlough. This has been a particularly complex matter in respect of following the appropriate rules and guidance, which have changed throughout the period of administration.
- Formally extended the period of furlough for those employees on furlough.
- Placed three further members of staff on furlough leave, two of whom are alternating.
- Made one employee, whose role was no longer required following our appointment, redundant.
- Consulted with a representative of BECTU, a union representing some of the Company's employees, regarding potential redundancies.
- Arranged for payment of wages and salaries when due.
- Arranged for the submission by Company staff of a claim to HMRC under the Coronavirus Job Retention Scheme.

Those employees not on furlough have carried out tasks for the administrators including:

- Site maintenance and clearance.
- Production of financial and other information required by the administrators, both to carry out our statutory functions and to assist with the sales process.
- Payroll administration and processing.

## 7.7 Other steps taken since appointment

- Completed the necessary statutory notifications.
- Liaised with Marsh (our insurance brokers) to ensure appropriate cover is in place.
- Returned and arranged the return of a number of items of third party equipment.
- Liaised with creditors whose claims are, potentially, subject to retention of title or arranged collection of equipment if equipment subject to simple hire contract.
- Commenced our investigation into the directors' conduct, as required by statute and best practice.

# 8. Financial position at the date of administration

## 8.1 Estimated financial position of the Company

A formal signed SOA has not yet been received from the directors. We have been provided with draft SOA figures by the directors, however these are subject to formal review and sign off by the Company's board once presented in the relevant statutory format.

Attached as Appendix IV is a summary of the estimated financial position of the Company as at 6 May 2020 (based on the draft statement of affairs figures), together with a list of creditors' names and addresses, details

of their debts and, where applicable, details of any security held by them. This information has been taken from the company records but has not been subject to any audit.

#### 8.1.1 Comments on estimated financial position

We have the following comments on the figures in the estimated financial position:

- Asset values listed are book values, and therefore their realisable value may be different to that stated.
- It may be difficult to attain value from certain assets such as accrued income and prepayments and work in progress.
- We understand that some assets, such as the rent deposit, may be subject to set off.
- Some creditor claims may be subject to change based on the exact contractual provisions under which their debt has arisen.
- The estimated financial position does not take account of the costs and expenses of any insolvency processes.

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### 8.2 Charges and secured creditors

The Company did not grant any charges over its assets and the Prescribed Part requirements do not, therefore, apply.

### 8.3 Preferential creditors

The Company's preferential creditors are estimated in the estimated financial position to be approximately of £14k, comprising arrears of all accrued but untaken holiday at that date. The exact level of claims will depend on whether any employees transfer to a purchaser of the Company's business and assets, and the terms of any sale.

### 8.4 Unsecured creditors

Unsecured creditors are estimated to be £924k in the estimated financial position.

In addition to the amounts in the estimated financial position there may be as yet unquantified amounts due to employees (in respect of potential claims arising on termination of employment should a sale of the business and transfer of employees not be achievable) and landlords (relating to future rents, dilapidations and other costs due under the terms of any agreements).

## 9. Estimated outcome for creditors

Our current assessment of the likely outcome for creditors is as follows:

- It is expected that preferential creditors will be paid in full.
- It is expected that there will be a distribution to unsecured creditors.

## 10. Proposals for achieving the purpose of administration

Our proposals for achieving the purpose of administration for the Company are as follows:

- i. The administrators will continue to manage the affairs of the Company in order to achieve the purpose of the administration, namely with the objective of, achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in

administration) pursuant to P3(1)(b) Sch B1. Specifically, this will include continuing to seek a sale of the Company's business and assets including discussions and negotiations with interested parties and liaison with other parties such as SCC and ACE as appropriate in order to facilitate achieving a sale of the business.

- ii. As the joint administrators do not consider that the survival of the existing Company is achievable, the administrators are taking any action they consider necessary to achieve a sale of the business and assets as a going concern to maximise returns to the administration estate.
- iii. The administrators will collect in or realise other unrealised assets of the Company with the assistance of the Company's employees not on furlough and/or agents where considered appropriate.
- iv. If having realised the assets of the Company, the joint administrators think that a distribution will be made to unsecured creditors, they propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made.
- v. If the administrators consider it appropriate and cost effective to do so, they may make an application to court for permission to make a distribution to the unsecured creditors instead of moving the Company to CVL and then making a distribution. (Note: If permission is granted, subject to the need for further investigations as detailed in the next section, the Company will exit into dissolution once the distribution has been made and the administration concluded).
- vi. If the joint administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the court and the Registrar of Companies for the dissolution of the Company.
- vii. The joint administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 IA86, as they consider desirable or expedient to achieve the purpose of the administration.
- viii. The administrators propose asking creditors to consider establishing a creditors' committee. If such a committee is formed the creditors who become members of the committee will be responsible for sanctioning the basis of the joint administrators' remuneration and disbursements, any unpaid pre-administration costs and certain proposed acts on the part of the joint administrators. The committee will be able to make these decisions without the need to report back to a further meeting of creditors generally.

## 11. Exit route from administration

It is proposed that, at the appropriate time, the joint administrators will use their discretion to exit the administration by way of one of the following means:

- (i) If having realised the assets of the Company, the joint administrators think that a distribution will be made to the unsecured creditors, they may file a notice with the Registrar of Companies which will have the effect of bringing the appointment of the joint administrators to an end and will move the Company automatically into CVL in order that the distribution can be made, but only if they consider that the associated incremental costs of a CVL are justified. In these circumstances, it is proposed that the joint administrators, Gregory Andrew Palfrey and Stephen John Adshead will become the joint liquidators of the CVL. The acts of the joint liquidators may be undertaken by either or both of them.
- (ii) Creditors have the right to nominate alternative liquidators of their choice. To do this, creditors must make their nomination in writing to the joint administrators prior to these proposals being approved. Where this occurs, the joint administrators will advise creditors and provide the opportunity to vote. In the absence of a nomination, the joint administrators will automatically become the joint liquidators of the Company in the subsequent CVL.
- (iii) If the joint administrators have, with the permission of the court, made a distribution to unsecured creditors or they think that the Company otherwise has no property which might permit a distribution to its unsecured creditors, subject to there being a need for further investigations as described below,



they will file a notice, together with their final progress report, at court and with the Registrar of Companies for the dissolution of the Company. The joint administrators will deliver these documents to the Company and its creditors. The joint administrators' appointment will end following the registration of the notice by the Registrar of Companies.

- (iv) Administrators have the power to bring claims against former officers of the company in respect of transactions that may have caused or exacerbated a company's insolvency. Claims with a good prospect of success may indeed be pursued by administrators but there may be cases where it would be more appropriate if a liquidator brought the claim or where the timeframe would not be long enough, given the maximum extension period available to administrators. The proposed exit route would, in these cases, be liquidation.
- (v) If a creditors' committee is established the joint administrators will consult with the members and agree the most appropriate exit route from administration.

## 12. Other matters relating to the conduct of the administration

The matters detailed below are not considered to be part of the proposals but are intended to provide creditors with information concerning the remaining statutory and other matters that must be dealt with in the administration.

- Submitting confidential information relating to the conduct of the directors to the Department for Business, Energy & Industrial Strategy. This obligation arises under the Company Directors' Disqualification Act 1986. Creditors should note that the content of any submission is strictly confidential and under no circumstances will discussions be entered into regarding this.
- Filing corporation tax returns and obtaining tax clearance in respect of pre and post administration periods.
- Filing VAT returns and obtaining VAT clearance in respect of the administration period.
- Paying all costs and expenses of the administration once any required approval has been obtained.
- If appropriate, assisting employees with the submission of claims to the RPS.
- Payment of distributions to preferential and unsecured creditors (although some or all of this may be undertaken after a move to liquidation).
- Further statutory reporting as required by IA86 and IR16.

## 13. Pre-administration costs and expenses

### 13.1 Pre-administration costs

Pre-administration costs are defined as fees charged and expenses incurred by the joint administrators or another person qualified to act as an insolvency practitioner before the Company entered administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the Company entered administration.

The basis of our pre-administration costs was set out in our engagement letters with the Company dated ## April 2020 and 4 May 2020. Our costs were to be charged on a time cost basis.

Our engagements were to:

1. assist in assessing the Company's options in the context that the it was or might become insolvent and the options available to the Company in its then current circumstances. Further detail in relation to our activities under this engagement are set out in our Statement of Prior Professional Relationship in Appendix II.
2. assist with the formalities of placing the Company into administration and supporting a potential pre-packaged administration sale of part or all of the Company's business and assets.

Our total time costs in assisting the Company prior to our appointment as joint administrators are £26,020 a breakdown of which is given in Appendix V. £17,604 of these costs have been paid by the Company.

Pre-appointment fees charged and expenses incurred by us are detailed below:

Charged by/service(s) provided	Total amount charged	Amount paid	Who made payment	Amount unpaid
Smith & Williamson LLP / financial advice (as above)	26,019.80	17,604.00	The Company	8,415.80
Lester Aldridge / legal advice on rationale for administration and filing of appointment documentation	4,684.00		n/a	4,684.00
Total	30,703.80	17,604.00		13,099.80

We are not aware of any fees or expenses incurred by any other person qualified to act as an insolvency practitioner with a view to the Company entering administration.

The payment of the unpaid pre-administration costs set out above as an expense of the administration is subject to the approval of creditors, separately from the approval of the joint administrators' proposals. This approval will be the responsibility of the creditors' committee if one is appointed or alternatively by a creditors' decision procedure where there is no committee.

## 14. Joint administrators' remuneration

Insolvency Practitioners are required to provide stakeholders with details of the work they propose to do and the expenses that are likely to be incurred. Prior to drawing any fees, these details must be provided to creditors and approval given. Alternatively, creditors may form a committee and, if so, it is up to the majority of committee members to give consent.

Where it is proposed that fees are drawn from the insolvent estate on a time costs basis, a fees estimate will also need to be provided. Where it is unrealistic to estimate the work to be done at the outset, an estimate may be provided for a designated period or up to a particular milestone.

Creditors should be aware that the fees estimate is based on information available at present and may change due to unforeseen circumstances arising. If any approved fees estimate is exceeded, a revised estimate will need to be provided and approval given before any fees may be drawn in excess of the original approved estimate.

Some of the work required by Insolvency Practitioners is required by law and may not necessarily result in any financial benefit for creditors (or members). Examples of this work would include investigations required under the Company Directors' Disqualification Act 1986 or dealing with former employees' claims through the Redundancy Payments Service.

On some occasions, third parties may be instructed to provide expert advice on tax, legal or property matters to produce a financial benefit to creditors.

Each aspect of the work undertaken will require different levels of expertise and, therefore, cost. To make it clear, we have given the rates for each grade of staff with estimates of the total hours to be spent on each aspect in the table provided.

The basis of the joint administrators' remuneration may be fixed on one or more of the following bases and different bases may be fixed in respect of different things done by them:

- as a percentage of the value of the assets they have to deal with, or
- by reference to time properly spent by the joint administrators and their staff in attending to matters arising in the administration, or
- as a set amount

In this case, the joint administrators are seeking approval for the basis of their remuneration as follows:

- By reference to the time properly spent by the joint administrators and their staff in attending to matters arising in the administration, estimated to total £209,447.95 for the administration period and any subsequent liquidation.

As we are seeking approval to draw fees on the basis of time spent, a fees and costs estimate is attached at Appendix VII. This details the estimated fees according to the grade of staff, expected number of hours to perform specific tasks, some of which are mandatory, irrespective of the company, and some of which are specific to this case, and the average hourly rate.

Where no creditors' committee is appointed, approval of the joint administrators' remuneration shall be fixed using a decision procedure by correspondence.

Included in the total estimate given in Appendix VII are the accrued, joint administrators' time costs which cover the period from the date of the administration order to 31 May 2020 which total £96,839.15. A breakdown is given in Appendix VI. This represents 304.45 hours at an average rate of £318.18 per hour.

A copy of "A Creditor's Guide to Administrator's Fees", as produced by the ICAEW, is available free on request or can be downloaded from their website as follows:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>

Details of Smith & Williamson LLP's charge out rates and policies in relation to the use of staff are provided at Appendix VII.

On a general note, please be aware that the charge out rates are subject to an annual review.

## 15. Administration expenses

### 15.1 Subcontractors

Potential future subcontractor services that are likely to be utilised are listed below:

Provider/service(s)	Basis of fee arrangement (if agreed)
ERA Solutions - Assist with inevitable redundancies and employee claims if sale of business does not prove successful.	Fixed fee
Iron Mountain - Listing and collection of books and records	Fixed fee per box
AB Services - IT support	Fixed fee

## 15.2 Professional advisors

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

Professional adviser/service	Basis of fee arrangement	Costs	Costs
		incurred	paid
		£	£
Lester Aldridge / legal advice in respect of employment, property, charity and insolvency matters)	Hourly rate and disbursements	17,049	-
Proudley Associates / valuation of company's business and assets	Hourly rate and disbursements	2,500	-
Total		19,549	-

## 15.3 Administrators' disbursements

We have paid and/or incurred the following disbursements in the current period:

Description	Incurred in	Paid in	Total costs
	current period	current period	outstanding at
	£	£	period end
			£
Statutory advertising	91.00	-	91.00
Joint Administrators' bonds	140.00	-	140.00
Royal Mail postal redirection	216.00	-	216.00
Total	447.00	-	447.00

Note: Total costs outstanding may include costs incurred in prior periods, but not yet paid.

## 15.4 Policies regarding use of third parties and disbursement recovery

Details of Smith & Williamson's policies regarding the use of subcontractors and professional advisors and the recovery of disbursements are set out at Appendix VII.

# 16. Creditors' decisions

We propose to seek approval of these proposals by using a decision procedure by means of voting by correspondence. Creditors will be invited to form a Committee, failing which, we wish to seek approval of the following by using a decision procedure by means of voting by correspondence:

- All unpaid pre appointment costs and expenses as detailed in section 13 of this report.
- Administrators' remuneration and disbursements.
- Administrators' discharge from liability under P98 SchB1 as soon as their appointment ceases to have effect.

Creditors who meet certain thresholds prescribed by the Insolvency Act 1986, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions (incorporating the approval of our fees). However, such a request must be made in writing to the

Convener within 5 business days from 30 June 2020 (the date these proposals have been delivered to creditors).

## 17. Privacy and data protection

As part of our role as joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at <https://smithandwilliamson.com/rsgdpr>

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

## 18. Next report and creditors' rights

The joint administrators are required to provide a progress report within one month of the end of the first six months of the administration or earlier if the administration has been finalised.

From receipt of the first progress report, creditors have rights under IR16 to request further information and to challenge the joint administrators' remuneration and/or expenses incurred. In summary:

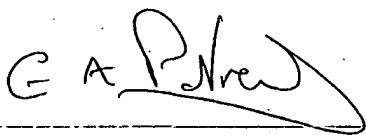
- Within 21 days of the receipt of a progress report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors or otherwise with the court's permission) may request in writing that the joint administrators provide further information about their remuneration or expenses which have been itemised in the report.
- Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of a progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the joint administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred (including any paid) by the joint administrators, as set out in the report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

On a general note, if you have any comments or concerns in connection with our conduct, please contact Gregory Andrew Palfrey or Stephen John Adshead in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 25 Moorgate, London EC2R 6AY or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

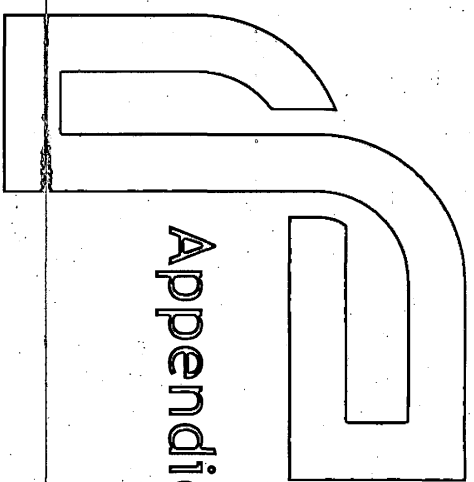
- i) Email: [insolvency.enquiryline@insolvency.gsi.gov.uk](mailto:insolvency.enquiryline@insolvency.gsi.gov.uk)
- ii) Telephone number: +44 300 678 0015
- iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.



Gregory Andrew Palfrey and Stephen John Adshead

Joint Administrators

Date: 26 June 2020



# Appendices

# I Statutory information

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Relevant Court	High Court of Justice
Court Reference	CR-2020-002386
Trading Name	NST
Trading Addresses	Nuffield Southampton Theatres, 142-144 Above Bar Street, Southampton, SO14 7DU; and Nuffield Theatre, University Road, Southampton, SO17 1TR
Former Name(s)	N/A
Registered Office	4 <sup>th</sup> Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG (Formerly 142-144 Above Bar Street, Southampton, SO14 7DU)
Registered Number	01711502
Joint Administrators	Gregory Andrew Palfrey and Stephen John Adshead both of 4 <sup>th</sup> Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG (IP No(s) 9060 and 8574)  In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally.
Date of Appointment	6 May 2020
Appointor	Directors
Directors	Sally Jolleys, Nicholas Humby, William McGowan, Jeremy Meadow, Jonathan Ward and Marina Wickens
Shareholders	N/A
EU Regulations	The EU Regulation on Insolvency Proceedings 2015 applies to the administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

## II Prior professional relationship

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### Statement of prior professional relationship of Gregory Andrew Palfrey and Stephen John Adshead in respect of the appointment of joint administrators

We have a prior professional relationship with The Southampton Nuffield Theatre Trust to the extent set out below:

Smith & Williamson LLP was first consulted by the directors of NST on 6 April 2020.

Prior to that, our firm had not had any professional relationship with NST or its directors.

Our involvement since that date has comprised providing advice to NST and assisting in connection with the following matters:

- Advising on NST's financial position, viability prospects and available options for NST.
- Preparing a report on NST's solvency status, that NST agreed should be provided to ACE (NST's main grant provider) which was delivered on 21 April 2020.
- Liaising directly with the NST's solicitors (LA), ACE and providing guidance on certain operational matters to NST's executive team.
- Facilitating the valuation of NST's business and assets by agents appointed by NST (Proudley Associates) and liaising with them in respect of the options for a potential sale and planned removal of assets from NST's premises at the UOS campus site prior to the appointment.
- Advising on the insolvency procedures available to NST and the merits of placing NST into administration.
- Advising and assisting with the procedure to place NST into administration and appoint administrators.
- For the benefit of NST's creditors, advising the directors as to their responsibilities in connection with the running and management of a potentially insolvent company.

Our firm has received payment of £17,604 in respect of the costs for providing this advice to NST to 4 May 2020.

On our appointment, we will report to NST's creditors pursuant to rules 3.35 and 3.36 of the IR16 in respect of any unpaid costs and expenses incurred for any further work carried out in connection with the formal appointment, prior to our appointment as administrators.

We confirm that we have fully considered the relevant guide to professional conduct and ethics issued by our professional body and are satisfied that the existence of this prior relationship does not create any conflict of interest or threat to independence for us as office holders.



# III Receipts and payments account

Receipts and payments account to 19 June 2020

	From 06/05/2020 to 19/06/2020 £
<b>ASSET REALISATIONS</b>	
Book debts	41,040.00
Cash at bank	422,215.37
Bank interest	41.21
VAT refund - pre appointment	52,898.11
Sundry receipts	25.00
	<u>516,219.69</u>
<b>COST OF REALISATIONS</b>	
Bank charges	64.65
Wages & Salaries	
Paid	80,043.18
Reclaimed through CJRS	<u>(66,490.99)</u>
Net wages & salaries	13,552.19
Consultant's fees	500.00
Rent	2,038.44
Transport costs	1,100.00
Telephone and IT costs	1,804.96
Postage	36.85
	<u>19,097.09</u>
<b>NET RECEIPTS/PAYMENTS</b>	<u><u>497,122.60</u></u>
<b>REPRESENTED BY</b>	
Clients Deposit (Int Bearing)	496,533.24
VAT Receivable Flt Chg	589.36
	<u><u>497,122.60</u></u>

Notes and further information required by SIP 7

- Statement of affairs comparatives are not yet included as a signed statement of affairs has not been received.
- The joint administrators' remuneration has not yet been approved.
- We have not yet sought approval of or drawn any other costs that would require the same approval as our remuneration.
- As detailed in Appendix II of this report, we have received £17,604 from NST in respect of the pre appointment costs.

- Details of significant expenses paid or incurred are provided in the body of our report.
  - Details of payments made to sub-contractors are shown in the body of our report.
  - Information concerning our remuneration and disbursements incurred is provided in the body of the report.
  - Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
  - All bank accounts are interest bearing.
  - There are no foreign currency holdings.
  - All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.
-

# IV Estimated financial position as at 6 May 2020

The Southampton Nuffield Theatre Trust - in administration  
Estimated financial position at 6 May 2020

	Book value £
<b>Uncharged assets</b>	
Fixed assets	335,961
Trade Debtors	70,346
Cash	422,273
Stock	14,819
I/Co Debtors (TTR)	113,645
Rent Deposit	5,000
Other Debtors	38,288
Accrued Income	38,222
Work in Progress productions	27,168
Prepayments	42,758
VAT (refund)	61,060
<b>Estimated total assets available for preferential creditors</b>	<b>1,169,548</b>
<b>Preferential Liabilities</b>	
Holiday Pay	(13,860)
Estimated surplus/(deficiency) as regards preferential creditors	1,155,688
Estimated prescribed part of net property where applicable (to carry forward)	-
<b>Estimated total assets available for floating charge holders</b>	<b>1,155,688</b>
<b>Debts secured by floating charges</b>	
No secured creditors	-
Estimated (deficiency)/surplus of assets after floating charges	1,155,688
Estimated prescribed part of net property where applicable	-
<b>Total assets available to unsecured creditors</b>	<b>1,155,688</b>
<b>Unsecured non-preferential creditors</b>	
Estimated deficiency after floating charge where applicable b/down	-
PAYE & NIC	Schedule A (65,769)
Pension	Schedule A (408)
Trade Creditors	Schedule A (419,251)
Restricted unspent reserve - Linbury Trust	Schedule A (12,000)
Creditors- Vouchers	Schedule B (17,395)
Deferred Income	Schedule C (1,505)
Hirers - Deposits	Schedule D (8,888)
Accruals	Schedule E (144,880)
Advanced Ticket Sales	Schedule F (254,290)
	(924,386)
<b>Estimated (deficiency)/surplus of assets after unsecured creditors</b>	<b>231,302</b>
Issued and called up capital	
N/A - Company limited by guarantee	-
Estimated surplus/(deficiency) as regards members	231,302

The Southampton Nuffield Theatre Trust  
Estimated financial position at 6 May 2020  
Main creditor listing

Schedule A

Creditor list (Main creditors and accrual creditors only)

NAME	Address 1	Address 2	Address 3	Address 4	Address 5	Balance (£)
Atelier	Uncommon Knowledge Global Marketing Ltd	Suite B, Epsilon House	Enterprise Road	Southampton Science Park, Southampton	SO16 7NS	10,307.26
Artifax Software Ltd	17A West Street		Epsom	Surry		6,236.64
Amazon Business	1 Principal Place	Worship Street	London	EC2A 2FA		472.05
Aquid South Coast	Unit 6 Brookwood Industrial Estate	Brookwood Avenue	Eastleigh	Hampshire	SO50 9EY	419.37
Artfulscribe	27 Pointout Road	Bassett	Southampton	Hampshire	SO6 7DL	300.00
A & A Business Supplies Ltd	Unit 21 City Industrial Park	Southern Road	Southampton	Hampshire	SO5 1HA	70.40
Abbey Office Solutions (Hampshire) Ltd	The Old School House	77 Rumbidge Street	Totton	Hampshire	SO40 9DT	45.01
Bright Marketing	Unit 38	Landsdown Industrial Estate	Gloucester Road	Cheltenham	GL5 8PL	6,000.00
Bidfood	Unit 5A Crowland Business Park	Foul Lane	Wroughton	Southport	PR9 7RS	2,097.72
The Bespoke Coffee Company Ltd	36 Devizes Road			Swindon	SNB4 0RZ	1,079.95
Bellord & Brown Ltd	7 Cooks Lane			Emsworth	PO10 8LG	51.37
Children's Theatre Partnership Ltd	National House	60-66 Wardour Street		London	W1F 0TA	11,443.93
Corrigenda Ltd	Unit 3 Mitchell Close		Segensworth	Fareham	PO15 5SE	7,934.39
Caroline Felton Consulting Ltd	71 Church Way		Iffley Village	Oxford	OX4 4EF	4,500.00
The Coffee Bean Company	Mortimers House	Units 1-2 Mortimers Industrial Estate	Ower	Romsey	SO51 6AF	440.06
City Eye Ltd	142-144 Above Bar Street		Southampton	Hampshire	SO14 7DU	344.39
Committedgiving At Phrasis Kbdm Limited	1090 Galley Drive	Kent Science Park	Sittingbourne	Kent	ME9 8GA	176.40
Coca Cola European Partners Gb Ltd	PO Box 4021	Unit 2 Interface Business Park	Binkoll Lane	Swindon	SN4 4LB	36.00
Far From The Norm	118 Portland Road			Kingston upon Thames	KT1 2SW	1,085.57
First Data Merchant Services	Po Box 280	Lowton Way	Hellaby	Sheffield	S98 1RU	252.35
Flack Manor Brewery	8 Romsey Industrial Estate	Greatbridge Road		Romsey	SO15 0HR	240.11
Glynis Henderson Productions	16-17 Little Portland Street			London	W1W 8BP	10,055.00
Geze UK Ltd	Blenheim Way	Fradley Park	Lichfield	Staffordshire	WS13 8SY	282.00
Haven Power	Drax Power Station		Seby	West Yorkshire	YO8 8PH	3,885.22
Hop Till You Drop	The Old Manse	14 Bath Road		Beckington	BA11 6SW	450.00
HM Revenue & Customs	Enforcement & Insolvency Service (EIS)	Durrington Bridge House	Barrington Road	Worthing	BN12 4SE	65,768.93
Individual Artist Management	Unit 10	Canonbury Business Centre	190A New North Road	London	N1 7BJ	1,913.75
Integral Service Limited T/A HCE	School Lane	Chandlers Ford Industrial Estate	Eastleigh	Hampshire	SO53 4DG	729.84
John Good Ltd	Progress House	Butlers Leap		Lugby	CV21 3RQ	785.00
Kestrel Guards Ltd	RBS Invoice Finance	Po Box 598	Rotherham		S63 3CP	36.00
The Lyceum	Royal Lyceum Theatre Edinburgh	308 Grindley Street		Edinburgh	EH3 9AX	48,261.40
Live Nation (Music) UK Ltd	2nd Floor	Regent Argyl Street		London	W1F 7TS	6,641.88
Le Mark Self Adhesives Limited	Houghton Hill Industries	Sawtry Way	Houghton	Huntingdon Cambs	PE28 2DH	403.52
LAET Limited	39A St Thomas Street	Lymington	Hampshire		SO41 9ND	168.00
The Linbury Trust	The Peak	5 Wilton Road	London		SW1V 1AP	12,000.00
Mediaology	4 Taylor Drive	Throop	Bournemouth	Dorset	BH8 0PZ	10,140.00
The New Wolsey Theatre Co Ltd	New Wolsey Theatre	Civic Drive	Ipswich		IP1 2AS	72,315.53
Nick Brooke Ltd	1st Floor	62 Shaftesbury Avenue		London	W1D 6LT	17,169.10
National Theatre	Accounts Department	Upper Ground Floor	South Bank	London	SE1 9PX	8,194.00

The Southampton Nuffield Theatre Trust  
Estimated financial position at 6 May 2020  
Main creditor listing

Schedule A

NAME	Address 1	Address 2	Address 3	Address 4	Address 5	Balance (£)
Norwell Lapey Productions Ltd	Tenbury House	36 Teme Street	Tenbury Wells	Worcestershire	WR15 8AA	2,303.51
National Westminster Bank Plc	Parklands	De Haviland Way	Horwich	Bolton	BL6 4YU	782.49
Next Communications	Unit 3, Old Farm Court	Nursling Street	Southampton	Hampshire	SO16 0AJ	653.75
Nisbets Plc	Fourth Way	Avonmouth		Bristol	BS11 8TB	180.80
Olleco	Northampton Road		Blisworth	Northamptonshire	NN7 3DR	81.96
Primmer Olds UK Limited	61 Cromwell Road		Southampton	Hampshire	SO18 2JE	9,490.06
Pear UK East Limited	Unit 3	Vale Business Park	Llandow	Cardiff	CF71 7PF	1,833.60
Peter Winckles Limited	2/2 69 Leslie Street	Pollakshields	Glasgow	G41 2JX		1,750.00
Platinum Recruitment Consultancy Ltd	Suite 4, First Floor	Richmond House	Yelverton Road	Bournemouth	BH1 1DA	1,009.48
Pitney Bowes Ltd	Customer Payments	Building 5, Trident Place	Mosquito Way	Hatfield	AL10 9UJ	272.53
Paytek	Westbourne Studios	242 Acklam Road		London	W10 5JJ	235.20
Payment Sense	Warehouse 6	Princes Dock Street	Kingston Upon Hill		HU1 1LP	23.94
Royal Mail	Remittance Office	Southampton M10	West Bay Road	Southampton	SO15 1AA	944.40
Radio Taxis (Southampton) Ltd	158 Millbrook Road East	Freemantle	Southampton	Hampshire	SO15 1JR	385.11
Rokill Limited	Rosland House	Headlands Business Park	Salisbury Road	Ringwood	BH24 3PB	342.00
Rapid Despatch	Unit 2	424 Portwood Road	Southampton	Hampshire	SO17 3SD	107.58
Southampton City Council	The Cash Office	Civic Centre	Southampton	Hampshire	SO14 7LF	81,117.32
Spektrix Limited	Lower Ground Floor	3 Dorset Rise		London	EC4Y 8EN	9,315.66
Stratford Fine Foods Limited	Goldicote Business Park	Banbury Road	Southampton	Stratford Upon Avon	CV35 7NB	409.54
Solent Sky Ltd	Albert Road South		Southampton	Hampshire	SO14 3FR	234.00
South West Hygiene	Bte Services Ltd	9 Miller Business Park	Station Road	Liskeard, Cornwall	PL14 4DA	117.28
Steve Davis Graphic Design	31 Epworth Road	Copnor	Portsmouth	Hampshire	PO2 0HD	90.00
Sage (UK) Limited	Po Box 498			Worthing	BN11 9BU	10.58
Screwfix Direct	Trade UK	Selectapost 28		Sheffield	S97 3GE	4.19
Shell (UK) Oil Products Ltd	Rowlands Way House	Rowlands Way		Manchester	M22 5SB	2.40
Scottish Power	320 St Vincent Street	Glasgow			G2 5AD	13.71
Tek Guys	Building 9G	Swanwick Marina	Swanwick	Hampshire	SO31 1ZL	1,480.00
Touched Theatre	7 Cliff Road			Brighton	BN2 5RD	1,200.00
Trinity Fire & Security Systems	Little Bridge Business Park	Oil Mill Lane	Clyst St Mary		EX5 1AU	295.20
University Of Southampton	Highfield		Southampton	Hampshire	SO17 1BJ	34,426.44
University of Southampton - PASNAS pension	Southampton	Hampshire	SO17 1BJ			407.87
Voip	6 Albany Business Park	Cabot Lane	Poole	Dorset	BH17 7BX	1,657.80
White Light (Electrics) Ltd	20 Merton Industrial Park	Jubilee Way		London	SW19 3WL	143.40
Wrightsure Services Ltd	Wrightsure House	799 London Road	West Thurrock	Essex	RM20 3LH	11,906.40
Worldpay	Gateshead Card Centre	Victory House	5Th Avenue	Gateshead	NE11 0EL	74.94
Pure Dance	Building 42	University Road	Southampton		SO17 1BJ	4,006.58
The Loddon School	Wildmoor Lane	Sherfield on Loddon	Hook	Hampshire	RG27 0JD	1,450.00
Kendal Mountain Festival Limited	Tanners Yard	Yard 39 Highgate	Kendal		LA9 4ED	1,678.08
Jon Gray (Dreamflight)	15 Chiltern Court	Ashridge Road	Chesham		HP5 2PX	355.45
English Touring Theatre	25 Short Street	London			SE1 8LJ	6,758.50
Individuals' claims						7,143.58
					<b>TOTAL</b>	<b>497,427.47</b>

The Southampton Nuffield Theatre Trust  
Estimated financial position at 6 May 2020  
Accrual Creditors

Schedule E

NAME	Address 1	Address 2	Address 3	Address 4	Address 5	Balance (£)
Performing Right Society	29/33 Berners Street	London	WIT 3AB			5,434.06
Naomi House & Jackspace	Stockbridge Road	Sutton Scotney	Winchester	Hampshire	SO21 3JE	3,679.26
Belgrade Theatre Trust (Coventry) Ltd	Belgrade Square	Coventry	CV1 1GS			9,176.11
Theatr Clwyd (Flintshire County Council)	Raikes Lane	Mold	CH7 1YA			1,716.00
English Touring Theatre	25 Short Street	London	SE1 8LJ			8,919.97
Apples And Snakes Ltd	BAC	Lavender Hill	Battersea	London	SW11 5TN	296.46
Trafalgar Releasing Ltd	32A-37 Cowper Street	London	EC2A 4AW			191.00
Phil McIntyre Entertainments Ltd	3rd Floor	85 Newmarket Street	London	W1T 3EU		616.85
Little Wander Ltd	2 Dan Yr Orsaf, Station Road	Talybont On Usk	Brecon	Powys	LD3 7JH	916.07
Eclipse Theatre Company Ltd	55 Norfolk Street	Sheffield	S1 1DA			8,595.60
Penguin Live	20 Vauxhall Bridge Rd	London	SW1V 2SA			5,504.51
Operupclose	Suite 221 The Pill Box	115 Coventry Road	Bethnal Green	London	E2 6GG	2,500.00
Mick Perrin Worldwide Ltd	73 High Street	Brighton	BN2 1RP			4,517.24
The Comedy Bar	Chris Mayo	1A Hambly Mansions	London	SW16 6EU		3,593.59
Birks Nest						
The Wardrobe Ensemble	10 Banner Road	Bristol	BS6 5LZ			
HJ Promotions	Glen Innes	Ramsden Park Road	Billericay	Essex	CM11 1NS	
Birdsong Productions	1 Palmer Road	Angmering	West Sussex	BN16 4LJ		
A Pocket Full Of Tales	15 St George Close	Bursledon	Southampton	SO31 8GH		
Sam Bradshaw Production	Mr Stink Tour Ltd	47 Robbins Court	Chinbrook Road	London	SE12 9QN	2,729.17
Angel Heart Theatre	Pine Lodge	Buckfastleigh	Devon	TQ11 0JQ		380.00
Families Hampshire West	19 Sunnyside Rise	Lowford	Bursledon	Southampton	SO31 8FA	499.00
Primary Times In Hampshire	Chindale	Churchinford	Taunton	Somerset	TA3 7PW	592.00
University Of Southampton	Highfield		Southampton	Hampshire	SO17 1BJ	13,000.00
Nyman Libson Paul	Regina House	124 Finchley Road	London		NW3 5JS	15,166.67
Spektrix Limited	Lower Ground Floor	3 Dorset Rise	London		EC4Y 8EN	2,400.00
National Westminster Bank Plc	Parklands	De Havilland Way	Horwich	Bolton	BL6 4YU	100.00
Next Communications	Unit 3, Old Farm Court	Nursling Street	Southampton	Hampshire	SO16 0AJ	488.75
Southampton City Council	The Cash Office	Civic Centre	Southampton	Hampshire	SO14 7LF	36,029.67
National Theatre	Accounts Department	Upper Ground Floor	South Bank	London	SE1 9PX	1,329.89
The Lyceum	Royal Lyceum Theatre Edinburgh	308 Grindley Street	Edinburgh		EH3 9AX	2,400.00
Live Nation (Music) UK Ltd	2nd Floor	Rigant Argyll Street	London		W1F 7TS	5,594.73
UK Theatre Shows Ltd	1 Jones Close	Yutton	Bristol		BS49 4RA	4,411.81
Touched Theatre	7 Cliff Road			Brighton	BN2 5RD	456.00
Miscellaneous accruals						3,645.31
					<b>TOTAL</b>	<b>144,879.72</b>

# V Time analysis for the pre-appointment period

From 7 April 2020 to 6 May 2020

Activity	Partner	Associate Director	Managers	Other Senior Professionals	Assistants & Support Staff	Total		Avg Rate
	Hours		Hours			Hours	£	£/hr
<b>Pre appointment</b>								
AML, Conflict & ethics checks, Engagement Letters	0.45	0.25	3.55	-	-	4.25	1,141.40	268.56
General advisory wrt insolvent	1.45	-	0.35	-	-	1.80	710.40	394.67
Appointment formalities	8.10	-	0.65	-	-	8.75	3,658.40	418.10
Preparation of pre-appointment documents	-	-	1.65	-	-	1.65	396.00	240.00
Job planning	0.40	-	4.55	0.15	-	5.10	1,300.00	254.90
Pre-appointment other	0.20	-	-	-	-	0.20	86.40	432.00
	10.60	0.25	10.75	0.15	-	21.75	7,292.60	335.29
<b>Corporate Recovery</b>								
Meetings/Telephone/Email with client and advisers	31.75	-	5.35	-	-	37.10	15,000.00	404.31
Review work and preparation of working papers	-	-	5.15	-	-	5.15	1,236.00	240.00
Preparation of reports to client and 3rd parties	-	-	9.30	-	-	9.30	2,232.00	240.00
Corporate Recovery Director/Manager review, approval and signing	0.60	-	-	-	-	0.60	259.20	432.00
	32.35	-	19.80	-	-	52.15	18,727.20	359.10
<b>Total Hours</b>	42.95	0.25	30.55	0.15	-	73.90		
<b>Total £</b>	18,554.40	95.00	7,341.60	28.80	-		26,019.80	352.09

## Explanation of major work activities undertaken

Major work activities in the pre-appointment period include:

- Dealing with the client's identification and internal Smith & Williamson LLP compliance requirements.
- Review of the Company's financial position and options and preparation of reports on these to the Company.
- Liaising with LA in respect of rationale for potential administration.
- Advising the Company on its financial position in the lead up to administration.
- Discussions with certain major creditors including ACE and SCC in respect of the process.

Further detail in relation to these activities is also included at Appendix II.

# VI Time analysis for the reporting period

From 6 May 2020 to 31 May 2020

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total		Avg Rate
	Hours	Hours	Hours	Hours	£	£/hr	
<b>Administration &amp; Planning</b>							
Statutory Returns, Reports & Meetings	0.15	0.15	9.60	-	9.90	1,953.60	197.33
Initial post-appointment notification letters, including creditors	3.95	6.55	2.15	1.85	14.50	3,813.55	263.00
Cashiering general, including bonding	-	0.60	12.95	-	13.55	2,565.00	189.30
Job planning, reviews and progression	15.25	11.40	8.65	-	35.30	11,436.00	323.97
<b>Post-appointment taxation (VAT, PAYE/NIC, Corp Tax - non trading)</b>							
Protection of company records (incl electronic)	-	0.70	1.15	-	1.85	388.80	210.16
Insurance & General Asset Protection	-	0.40	2.95	-	3.35	662.40	197.73
Filing, file and information management	-	0.30	-	-	0.30	72.00	240.00
Agents and Advisers, General	0.15	-	0.05	-	0.20	74.40	372.00
Admin & Planning Partner/ Manager review, approval and signing	0.70	-	1.10	-	1.80	742.00	412.22
Admin & Planning Other	0.75	0.85	-	-	1.60	528.00	330.00
	20.95	21.85	39.65	1.85	84.30	22,672.55	268.95
<b>Investigations</b>							
Directors' correspondence & conduct questionnaires	1.05	2.15	3.75	-	6.95	1,702.40	244.95
SIP2 and SIP4 obligations (inc CDDA86 forms)	-	0.05	-	-	0.05	15.20	304.00
	1.05	2.20	3.75	-	7.00	1,717.60	245.37
<b>Realisation of Assets</b>							
Debtors NOT FINANCED (includes reassigned debtors)	-	0.35	-	-	0.35	84.00	240.00
Stock	-	0.20	-	-	0.20	51.20	256.00
Other Chattel Assets	0.85	0.90	-	-	1.75	605.60	346.06
Sale of business as a whole, including liaison with legal advisers agents etc	30.95	57.20	0.30	-	88.45	30,599.20	345.95
Cash at Bank	0.30	2.15	-	-	2.45	645.60	263.51
Liasing with agents (general)	0.25	-	-	-	0.25	108.00	432.00
Realisation of Assets Other	0.50	0.10	-	-	0.60	240.00	400.00
	32.85	60.90	0.30	-	94.05	32,333.60	343.79
<b>Trading</b>							
Trading on decision and day 1-3 operations	-	0.55	-	-	0.55	132.00	240.00
Purchasing / Suppliers (not Landlord)	-	2.15	-	-	2.15	516.00	240.00
Staff and Payroll (inc PAYE/NIC for trading period)	37.30	15.30	-	-	52.60	19,785.60	376.15
Premises issues (incl Landlord and site clearance)	12.65	2.70	-	-	15.35	6,112.80	398.23
Security	0.75	-	-	-	0.75	324.00	432.00
Trading Director/ Manager review, approval and signing	1.00	-	-	-	1.00	432.00	432.00
Trading other	5.50	-	-	-	5.50	2,376.00	432.00
	57.20	20.70	-	-	77.90	29,678.40	380.98
<b>Creditors</b>							
HP & Lease creditors	-	0.70	-	-	0.70	168.00	240.00
RPO and ERA Claims & Tribunals	-	0.70	-	-	0.70	168.00	240.00
Employees & pensions (other) (incl. JobCentre / CSA etc)	0.85	1.85	5.25	-	7.95	1,716.60	215.92
Crown (not RPO etc)	-	-	0.05	-	0.05	9.60	192.00
Unsecured creditors	0.95	3.80	12.55	0.20	17.50	3,774.00	215.66
Consumer queries (ticket refunds)	-	1.40	5.45	-	6.85	1,382.40	201.81
Creditors Other	0.15	-	-	-	0.15	64.80	432.00
	1.95	8.45	23.30	0.20	33.90	7,283.40	214.85
<b>Case specific</b>							
Other stakeholders - ACE / Charity Commission	7.30	-	-	-	7.30	3,153.60	432.00
	7.30	-	-	-	7.30	3,153.60	432.00
<b>TOTALS</b>							
Total Hours	121.30	114.10	67.00	2.05	304.45		
Total £	52,311.00	31,416.00	13,005.40	106.75		96,839.15	318.08



## Explanation of major work activities undertaken

### Administration and Planning

This section of the analysis encompasses the cost of the office holders and their staff in complying with their statutory obligations, internal compliance requirements, and all tax matters.

The undertaken in this area to date includes:

- Preparing the documentation and dealing with the formalities of appointment.
- Statutory notifications and advertising.
- Protection of company's assets and records (including electronic).
- Liaising with our insurance brokers, Marsh, to arrange open cover at the outset of the administration and arrange completion of the insurance questionnaire.
- Dealing with routine correspondence.
- Dealing with agents on general appointment matters, not relating to the sale of assets or correspondence with advisers on investigation matters.
- Maintaining electronic case files (whilst working from home as a result of the Covid-19 lockdown) and details on IPS (case management software).
- Case reviews (including 1 month review).
- Case bordereau and reviews.
- Case planning; administration; and general case progression, adjustments in appointment strategy including team meetings to discuss these matters.
- Planning collection and storage of books and records.
- Preparing reports to stakeholders including initial appointment notifications and this report.
- Maintaining and managing the appointment's cash book and bank accounts.

### Investigations

Investigations include work carried out as a consequence of the obligations placed upon us to investigate the Company's affairs. The work undertaken is that described in SIP2 and SIP4 which govern both the investigations of the Company's failure and also examine the conduct of the directors.

The work undertaken in this area includes:

- Issue director conduct and creditor questionnaires and review the responses.

### Realisation of assets

This section is in relation to the realisation of the Company's assets, which is explained in detail through the contents of our report.

The work undertaken in this area includes:

- Liaising with the interested parties and prospective purchasers.
- Discussions with our legal advisors in respect of sales documentation and subsequently in relation to tax matters.
- Sourcing information necessary for the sale.
- Liaising with employees of the Company in respect of the collection of the Company's book debt ledger.
- Miscellaneous asset realisation, including cash at bank, outlined in the contents of the report.

### Trading

The work undertaken in this area includes:

- Dealing with press queries and organising appropriate press releases.
- Corresponding with our lawyers, LA, and the Landlord of the Company's leasehold premises.

- Liaising with employees of the Company to arrange payment of wages and salaries.
- Dealing with staff issues including notifications to all employees, liaising with the relevant trade union re consultation for potential redundancies, holiday and pension queries, agreements for extension of furlough periods, and obtaining legal advice where appropriate.
- Discussions with staff and management on employment matters
- Dealing with ad hoc matters including licensing matters (e.g. entertainment, regulatory licences)
- Payment of expenses in relation to supplies to those sites for which we have retained responsibility for during the administration.
- Ensuring that business adheres / conforms to legislation (e.g. Health & Safety legislation, and Employment law)

#### Creditors

Work under this section includes correspondence and other contact with the creditors of the Company.

~~The work undertaken in this area includes:~~

- Dealing with trade creditor correspondence via email and telephone.
- Dealing with consumer creditors in respect of ticket refunds via email, telephone and correspondence.
- Maintaining creditors' information on our insolvency database.
- Submitting S120 notice to the Pension Protection Fund

# VII Fees and costs estimate

## Estimated future costs

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total		Avg Rate
	Rate (£/hr)	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; Planning</b>	432.00	240.00	192.00	80.00			
Statutory Returns, Reports & Meetings	6.50	17.50	35.00	-	59.00	13,728.00	232.68
Cashiering general, including bonding	-	-	42.00	-	42.00	8,064.00	192.00
Job planning, reviews and progression	5.00	6.50	12.50	-	24.00	6,120.00	255.00
Post-appointment-taxation (VAT, PAYE/NIC, Corp Tax - non trading)	3.00	5.00	15.00	-	23.00	5,376.00	233.74
Protection of company records (incl electronic)	-	2.00	3.00	-	5.00	1,056.00	211.20
Insurance & General Asset Protection	-	2.00	5.00	-	7.00	1,440.00	205.71
Filing, file and information management	-	-	1.00	15.00	16.00	1,392.00	87.00
Agents and Advisers, General	0.15	2.00	-	-	2.15	544.80	253.40
	14.65	35.00	113.50	15.00	178.15	37,720.80	211.74
<b>Investigations</b>							
Directors' correspondence & conduct questionnaires	1.00	2.00	5.00	-	8.00	1,872.00	234.00
Statutory book and accounting records review	-	3.00	5.00	-	8.00	1,680.00	210.00
SIP2 and SIP4 obligations (inc CDDA86 forms)	2.00	3.00	6.00	-	11.00	2,736.00	248.73
	3.00	8.00	16.00	-	27.00	6,288.00	232.89
<b>Realisation of Assets</b>							
Debtors NOT FINANCED (includes reassigned debtors)	-	1.00	3.00	-	4.00	816.00	204.00
Other Chattel Assets	-	3.00	-	-	3.00	720.00	240.00
Sale of business as a whole, including liaison with legal advisers agents etc	35.00	40.00	-	-	75.00	24,720.00	329.60
Cash at Bank	-	2.00	1.00	-	3.00	672.00	224.00
Liasing with agents (general)	-	2.00	-	-	2.00	480.00	240.00
	35.00	48.00	4.00	-	87.00	27,408.00	315.03
<b>Trading</b>							
Purchasing / Suppliers (not Landlord)	-	6.00	3.00	-	9.00	2,016.00	224.00
Staff and Payroll (inc PAYE/NIC for trading period)	12.50	20.00	-	-	32.50	10,200.00	313.85
Premises Issues (incl Landlord and site clearance)	5.00	12.00	2.00	-	19.00	5,424.00	285.47
	17.50	38.00	5.00	-	60.50	17,640.00	291.57
<b>Creditors</b>							
HP & Lease creditors	-	2.00	-	-	2.00	480.00	240.00
RPO and ERA Claims & Tribunals	0.75	1.50	3.00	-	5.25	1,260.00	240.00
Employees & pensions (other) (incl. JobCentre / CSA etc)	2.00	3.00	2.00	-	7.00	1,968.00	281.14
Crown (not RPO etc)	-	0.05	-	-	0.05	12.00	240.00
Unsecured creditors	2.00	4.00	8.00	10.00	24.00	4,160.00	173.33
Distributions for prefs and unsecured	3.50	10.00	25.00	-	38.50	8,712.00	226.29
Consumer queries (ticket refunds)	-	5.00	10.00	15.00	30.00	4,320.00	144.00
	8.25	25.55	48.00	25.00	106.80	20,912.00	195.81
<b>Other - Case specific</b>							
Other stakeholders - ACE / Charity Commission	5.00	2.00	-	-	7.00	2,640.00	377.14
	5.00	2.00	-	-	7.00	2,640.00	377.14
<b>Total Hours</b>		83.40	156.55	186.50	40.00	466.45	
<b>Total £</b>		36,028.80	37,572.00	35,808.00	3,200.00	112,608.80	241.42

## Explanation of work to be undertaken

We have outlined below the anticipated further work to be undertaken.

### Administration & Planning

This section of the analysis encompasses the cost of the office holders and their staff in complying with their statutory obligations (including tax compliance) and best practice guidelines. Anticipated further work in this area includes:

- Statutory reporting in both the administration and any subsequent liquidation.

- Moving the Company from administration to liquidation if appropriate.
- Case planning.
- Maintaining and managing the case bank accounts and associated cashing.
- Dealing with post appointment tax obligations.
- Reviewing the Company's pre-appointment tax affairs to establish whether any amounts may be recoverable for the estate.
- Maintaining physical and electronic case files and information.
- Protection of the Company's records.

### Investigations

Investigations include work carried out as a consequence of the obligations placed upon us to investigate the Company's affairs. The work undertaken is that described in SIP2 and SIP4 which govern both the investigations of the Company's failure and also examine the conduct of the directors. Anticipated further work on this area includes:

- Preparing a submission to The Insolvency Service pursuant to the Company Directors' Disqualification Act.
- Investigation into the reasons for the Company's failure, which will include a review of response to our requests to creditors and other stakeholders for information and reviewing the Company's accounting records.

### Realisation of assets

This section is in relation to continuing the realisation of the Company's assets, which is explained in detail through the contents of our report. Further work to be undertaken in this area includes:

- Continuing efforts to achieve a sale of the Company's business and assets in situ if possible.
- Overseeing the collection of the Company's remaining book debt ledger assisted by retained staff.
- Arranging for the transfer of further funds received into the Company's pre-appointment bank account, and analysis of any such receipts.
- Arranging the sale of any remaining assets that the potential buyer of the business and assets does not purchase.

### Trading

This section relates to dealing with aspects relating to the wind down of the Company's trade following the completion of the pre-pack sales. Anticipated further work in this area includes:

- Payment of expenses in relation to supplies to those sites for which we have retained responsibility for during the administration.
- Overseeing NST's vacation of the NST Campus premises.

### Creditors

Work in this area consists of correspondence with creditors of the Company and making distributions, as appropriate, to the different classes of creditors. Anticipated future work in this area includes:

- Liaising with our agents, ERA Solutions, in relation to claims by former employees to the RPS for outstanding monies if necessary.
- Issuing notice of intended dividend to preferential creditors.
- Review, agreement and payment of preferential creditor claims.
- Issuing notice of intended dividend to unsecured creditors.
- Review, agreement and payment of unsecured creditor claims.
- Dealing with trade and consumer creditor queries that are received.

## Overall fee estimate

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total		Avg Rate
	Hours	Hours	Hours	Hours	Hours	£	£/hr
<b>Administration &amp; Planning</b>							
Statutory Returns, Reports & Meetings	6.65	17.65	44.60	-	68.90	15,681.60	227.60
Initial post-appointment notification letters, including creditors	3.95	6.55	2.15	1.85	14.50	3,813.55	263.00
Cashiering general, including bonding	-	0.60	54.95	-	55.55	10,629.00	191.34
Job planning, reviews and progression	20.25	17.90	21.15	-	59.30	17,556.00	296.05
Post-appointment taxation (VAT, PAYE/NIC, Corp Tax - non trading)	3.00	5.90	16.05	-	24.95	5,812.80	232.98
Protection of company records (incl electronic)	-	2.70	4.15	-	6.85	1,444.80	210.92
Insurance & General Asset Protection	-	2.40	7.95	-	10.35	2,102.40	203.13
Filing, file and information management	-	0.30	1.00	15.00	16.30	1,464.00	89.82
Agents and Advisers, General	0.30	2.00	0.05	-	2.35	619.20	263.49
Admin & Planning Partner/ Manager review, approval and signing	0.70	-	1.10	-	1.80	742.00	412.22
Admin & Planning Other	0.75	0.85	-	-	1.60	528.00	330.00
	35.60	56.85	153.15	16.85	262.45	60,393.35	230.11
<b>Investigations</b>							
Directors' correspondence & conduct questionnaires	2.05	4.15	8.75	-	14.95	3,574.40	239.09
Statutory book and accounting records review	-	3.00	5.00	-	8.00	1,680.00	210.00
SIP2 and SIP4 obligations (inc CPD&PA forms)	2.00	3.05	6.00	-	11.05	2,751.20	248.98
	4.05	10.20	19.75	-	34.00	8,005.60	235.46
<b>Realisation of Assets</b>							
Debtors NOT FINANCED (includes reassigned debtors)	-	1.35	3.00	-	4.35	900.00	206.90
Stock	-	0.20	-	-	0.20	51.20	256.00
Other Chattel Assets	0.85	3.90	-	-	4.75	1,325.60	279.07
Sale of business as a whole, including liaison with legal advisers agents etc	65.95	97.20	0.30	-	163.45	55,319.20	338.45
Cash at Bank	0.30	4.15	1.00	-	5.45	1,317.60	241.76
Liasing with agents (general)	0.25	2.00	-	-	2.25	588.00	261.33
Realisation of Assets Other	0.50	0.10	-	-	0.60	240.00	400.00
	67.85	108.90	4.30	-	181.05	59,741.60	329.97
<b>Trading</b>							
Trading on decision and day 1-3 operations	-	0.55	-	-	0.55	132.00	240.00
Purchasing / Suppliers (not Landlord)	-	8.15	3.00	-	11.15	2,532.00	227.09
Staff and Payroll (inc PAYE&NIC for trading period)	49.80	35.30	-	-	85.10	29,985.60	352.36
Premises issues (incl Landlord and site clearance)	17.65	14.70	2.00	-	34.35	11,536.80	335.86
Security	0.75	-	-	-	0.75	324.00	432.00
Trading Director/ Manager review, approval and signing	1.00	-	-	-	1.00	432.00	432.00
Trading other	5.50	-	-	-	5.50	2,376.00	432.00
	74.70	58.70	5.00	-	138.40	47,318.40	341.90
<b>Creditors</b>							
HP & Lease creditors	-	2.70	-	-	2.70	648.00	240.00
RPO and ERA Claims & Tribunals	0.75	2.20	3.00	-	5.95	1,428.00	240.00
Employees & pensions (other) (incl. JobCentre / CSA etc)	2.85	4.85	7.25	-	14.95	3,684.60	246.46
Crown (not RPO etc)	-	0.05	0.05	-	0.10	21.60	216.00
Unsecured creditors	2.95	7.80	20.55	10.20	41.50	7,934.00	191.18
Distributions for prefs and unsecured	3.50	10.00	25.00	-	38.50	8,712.00	226.29
Consumer queries (ticket refunds)	-	6.40	15.45	15.00	36.85	5,702.40	154.75
Creditors Other	0.15	-	-	-	0.15	64.80	432.00
	10.20	34.00	71.30	25.20	140.70	28,195.40	200.39
<b>Other - Case specific</b>							
General communication with ACE	12.30	2.00	-	-	14.30	5,793.60	405.15
	12.30	2.00	-	-	14.30	5,793.60	405.15
<b>Total Hours</b>	<b>204.70</b>	<b>270.65</b>	<b>253.50</b>	<b>42.05</b>	<b>770.90</b>		
<b>Total £</b>	<b>88,339.80</b>	<b>68,988.00</b>	<b>48,813.40</b>	<b>3,306.75</b>		<b>209,447.95</b>	<b>271.69</b>

## Expenses estimate

<b>The Southampton Nuffield Theatre Trust In Administration</b> <b>Estimated expenses in accordance with Categories 1 &amp; 2 (SIP 9) and payable to third parties *</b>	
<b>Estimated expenses applicable to all cases</b>	<b>Total</b>
Specific bond	140.00
Statutory advertising costs	182.00
<b>Case specific costs - where applicable</b>	
Security & other property costs including rent, telephone and IT costs	22,500.00
Insurance	4,000.00
Agents' fees	3,000.00
Legal fees	37,500.00
Storage and archiving costs	5,000.00
Wages & salaries	52,562.00
Consultant fees	2,000.00
Bank charges	50.00
Business mileage (category 2)	100.00
<b>Total</b>	<b>126,972.00</b>
Category 1 expenses, in accordance with Statement of Insolvency Practice 9 are specific costs payable to an independent third party and relate directly to the case in question. Category 2 expenses are payable to the office holder's firm and are shared or allocated costs, most notably business mileage.	

# VIII Staffing, charging, subcontractor and adviser policies and charge out rates

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## Introduction

Detailed below are:

- Smith & Williamson LLP's policies in relation to:
  - Staff allocation and the use of subcontractors
  - Professional advisers
  - Disbursement recovery
- Smith & Williamson LLP's current charge out rates

## Staff allocation and the use of subcontractors

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

The constitution of the case team will usually consist of a partner and a partner or director or associate director as joint office holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

## Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add value to the assignment.

## Disbursements

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

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may

include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

Since 7 July 2012 Smith & Williamson LLP's policy is to recover only one type of Category 2 disbursement, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 disbursements.

Details of any Category 2 disbursements incurred and/or recovered in the period covered by this report are set out in the body of this report.

### Charge out rates

The rates applicable to this appointment are set out below. There have been no changes to the charge out rates during the period of this report.

<b>Smith &amp; Williamson LLP</b>	<b>London office</b>	<b>Regional offices</b>
<del>Restructuring &amp; Recovery Services</del>	<del>£/hr</del>	<del>£/hr</del>
<b>Charge out rates as at 1 July 2019</b>		
Partner / Director	470-540	376-432
Associate Director	440	352
Managers	270-380	216-304
Other professional staff	180-380	144-192
Support & secretarial staff	100	80

### Notes

1. Time is recorded in units representing 3 minutes or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised and London rates apply. The cashiering function time is incorporated within "Other professional staff" rates.



[www.smithandwilliamson.com](http://www.smithandwilliamson.com)

Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

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# Notice of a Decision being sought by a Decision Procedure

**The Southampton Nuffield Theatre Trust- In Administration (the 'Company')**

Registered Number - 01711502

This notice is given pursuant to Rule 15.8 of the Insolvency (England and Wales) Rules 2016 (the Rules).

Court details	
Court Name	High Court of Justice
Court Number	002386 of 2020

Office Holders' details	
Joint Administrators	Gregory Andrew Palfrey and Stephen John Adshead
Administrators' Firm Name	Smith & Williamson LLP
Date of Appointment of Joint Administrators	6 May 2020

## THE PROPOSED DECISIONS

The joint administrators (the Convener) are seeking that the following decisions be made under Rule 15.8 by the Company's creditors by correspondence:

- 1 That a creditors' committee NOT be established unless a sufficient number of creditors are willing to act.
- 2 That the Joint Administrators' proposals for achieving the purpose of the Administration, as set out in the Joint Administrators' Report and Statement of Proposals, be approved.
- 3 Under Rule 3.52 of the Insolvency (England and Wales) Rules 2016 and in the absence of a Creditors' Committee, the unpaid pre-administration costs as detailed in the Joint Administrators' Report and Statement of Proposals be approved.
- 4 Under Rule 18.16 of the Insolvency (England and Wales) Rules 2016 and in the absence of a Creditors' Committee, the remuneration of the Joint Administrators be fixed by reference to time properly given by them and their staff in attending to matters arising in the Administration and estimated to total £209,447.95 as detailed in the Joint Administrators' Report and Statement of Proposals. It was noted that further approval would be required in the event that the time costs exceed the estimate.
- 5 In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Joint Administrators' be authorised to draw Category 2 disbursements in accordance with their firm's published tariff.
- 6 The Joint Administrators will be discharged from liability under Paragraph 98(2) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

## ENSURING YOUR VOTES ON THE PROPOSED DECISIONS ARE COUNTED

In order for votes on the Proposed Decisions to be counted, a creditor must have delivered the Voting Form accompanying this notice, together with a proof of debt in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, on or before **13 July 2020 (the Decision Date)**, failing which their votes will be disregarded.

### Appeal of Convener's decision

Pursuant to Rule 15.35 of the Rules, any creditor may apply to the court to appeal a decision of the Convener. However, an appeal must be made within 21 days of the Decision Date.

### Creditors' committee - nominations

In relation to the proposed decision set out above concerning the formation of a committee, in the event that creditors do wish to establish a committee, any nominations for membership of the committee must be received by the Convener by no later than the Decision Date and will only be accepted if the joint administrators are satisfied as to the nominee's eligibility to be a member of such committee under Rule 17.4 of the Rules. Please note that nominations for membership can be made on the Voting Form accompanying this notice.

### Creditors with a small debt

Any creditor whose debt is treated as a small debt (less than £1,000 inclusive of VAT) must still deliver a proof of debt in respect of their claim by no later than the Decision Date if they wish to vote on the Proposed Decisions.

### Creditors who have opted out of receiving notices

Any creditor who has opted out of receiving notices but still wishes to vote on the Proposed Decisions is entitled to do so. However, they must have delivered a completed Voting Form, together with a proof of debt in respect of their claim (unless a proof has already been submitted) to the Convener, whose contact details are below, by no later than the Decision Date, failing which their votes will be disregarded.

### Request for a physical meeting

Creditors who meet certain thresholds prescribed by the Insolvency (England & Wales) Rules 2016, namely 10% in value of creditors, 10% in number of creditors or 10 creditors, may request a physical meeting to be held to consider the Proposed Decisions. However, such a request must be made in writing to the Convener within 5 business days from 30 June 2020 and be accompanied by a proof in respect of their claim (unless one has already been submitted).

In the event that a physical meeting is convened and our fees are approved on a time cost basis (in line with any fees estimate(s)) and there are funds available in the estate, the associated costs will be charged to the estate and drawn accordingly.

### Contact details

The Convener's postal address is at Smith & Williamson LLP, 4th Floor Cumberland House, 15-17 Cumberland Place, Southampton, SO15 2BG. Any person who requires further information may contact the Convener by telephone on 023 8082 7600 or alternatively by e-mail [atsam.tovey@smithandwilliamson.com](mailto:atsam.tovey@smithandwilliamson.com).

Dated: 26 June 2020



Signed:

Greg Palfrey - Joint Administrator

Convener