

**2.24B**

The Insolvency Act 1986

**Administrator's progress report**

Name of Company SS Realisations 2012	Company number 02124695
In the High Court of Justice (full name of court)	Court case number 4018 of 2012

We, Phillip Sykes  
Moore Stephens LLP  
150 Aldersgate Street  
London  
EC1A 4AB

Jeremy Willmont  
Moore Stephens LLP  
150 Aldersgate Street  
London  
EC1A 4AB

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

(b) Insert date

From

(b) 28 May 2012

To

(b) 27 November 2012

Signed

  
 Joint Administrator

Dated

19.12.12

**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form

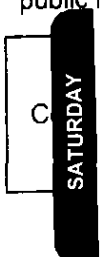
The contact information that you give will be visible to searchers of the public record

Phillip Sykes  
Moore Stephens LLP  
150 Aldersgate Street  
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DX Number

020 7334 9191  
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When you have completed and signed this form, please send it to the Registrar of Companies at -  
**Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff**



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COMPANIES HOUSE

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**SS REALISATIONS 2012 (IN ADMINISTRATION)  
(FORMERLY SPECIALIST SCHOOLS AND ACADEMIES TRUST) ("THE COMPANY")**

**IN THE HIGH COURT OF JUSTICE, CHANCERY DIVISION, COMPANIES COURT  
COURT CASE NUMBER 4018 OF 2012**

**In accordance with Rule 2.47 of the Insolvency Rules 1986**

**Joint Administrators' progress report to the creditors for the period 28 May 2012 to 27 November 2012**

**19 December 2012**

This report contains 14 pages

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This report is intended for use by those parties entitled to a copy thereof under Rule 2.47 of the Insolvency Rules 1986. It may contain information that is privileged, confidential or exempt from disclosure and any dissemination, distribution or copying of it and its attachments is strictly prohibited.

Any estimated outcomes for creditors are for illustration only and cannot be relied upon as guidance as to the actual outcome for creditors.

Phillip Sykes and Jeremy Willmont are authorised in the UK to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The affairs, business and property of the Company are being managed by the joint administrators' who act as Agents of the Company without personal liability.

**STATUTORY INFORMATION**

Company name	SS Realisations 2012
Former names	Specialist Schools and Academies Trust Specialist Schools Trust Technology Colleges Trust City Technology Colleges Trust Limited
Trading names	The Schools Network, iNet, SSAT, Leadership and Innovation Academy
Company number	02124695
Registered office	150 Aldersgate Street London EC1A 4AB
Trading address	16th Floor Millbank Tower 21-24 Millbank London SW1P 4QP
Company directors	Mr Nicholas Stuart CB Mr David Gregory Mr Jude Chin Ms Lorna Cocking Mr Martyn Coles Mr David Gregory CBE Dr Neil Hopkin Mrs Judy Moorehouse Sir Cyril Taylor GBE Mr Richard Munday
Chief Executive	Mrs Sue Williamson
Company secretary	Jonathan Vellapah
Authorised share capital	n/a
Issued share capital	n/a
Date of appointment	28 May 2012
Appointor	The directors
Appointor's address	16th Floor Millbank Tower 21-24 Millbank London SW1P 4QP
Court reference	High Court Of Justice No 4018 Of 2012
Joint administrators	Phillip Sykes Jeremy Willmont
Joint administrators' address	150 Aldersgate Street London EC1A 4AB
Paragraph 100(2) statement	The functions and powers of the joint administrators may be exercised by either or both of the joint administrators jointly and severally

Under the EC Regulation on Insolvency Proceedings 2000, this matter represents main proceedings

2       **BACKGROUND INFORMATION**

2 1       A detailed explanation of the background leading to the appointment of the joint administrators and an account of the steps taken post appointment has been reported in the joint administrators' proposals report dated 12 July 2012

2 2       On 31 July 2012, an initial meeting of creditors was held pursuant to paragraph 51 of Schedule B1 of the Insolvency Act 1986. Creditors will be aware from the minutes of that meeting that the proposals of the joint administrators were approved without modification. There have been no deviations or amendments to the original proposals since then and there has been no application to extend the term of the administration which is currently in its first year.

3       **PROGRESS TO DATE**

3 1       A receipts and payments account is attached at Appendix I which details the asset realisations to date.

4       **SALE OF BUSINESS AND ASSETS**

4 1       The strategy of the joint administrators was to continue as far as possible the business and services offered by the Company whilst a sale of all or part of the business and assets was concluded. This minimised the risks of claims from employees and breach of contract claims whilst maximising realisations for creditors. The joint administrators made no redundancies.

4 2       The continuation of services required the support of staff, consultants, landlords, utility providers, IT and telecoms providers and other key suppliers. Sales of the businesses were achieved as follows -

- a) On 29 May 2012, completion of the sale of the UK business occurred to SSAT (The Schools Network) Limited ("UK"), a special purpose company formed by the senior management team. The sale excluded certain assets and the Confucius Institute business,
- b) On 29 May 2012, contracts were exchanged for the sale of the shares of SSAT Middle East Consultancy LLP ("ME") to David Allison. The sale completed on 30 August 2012, and
- c) On 29 June 2012, completion occurred on the sale of the Confucius Institute business ("CI") to the Institute of Education, University of London ("IoE").

4 3       The notification to creditors on 11 June 2012 provided the details of the transactions with connected parties and the justifications and reasons for these sales.

**UK business**

4 4       The sale of the UK business and assets (excluding the CI business and certain excluded assets) was agreed on a deferred consideration basis. Security by way of a registered fixed and floating charge debenture granted by UK has been obtained to cover all amounts due from UK.

4 5       The consideration for the office equipment and furniture sold of £22,000 plus VAT together with interest of £957 was received on 5 November 2012.

4 6       The balance of the deferred consideration of £150,000 excluding VAT, for the business and assets, is due in three instalments of £50,000 each on 3 January 2013, 3 February 2013 and 3 March 2013. Additional consideration of 50 per cent of the monies received in excess of £150,000 may be due if UK sell the business and assets within twelve months of the completion date.

4 7       The sale prevented 75 redundancies in the administration and consequential employee claims of circa £900,000. The sale also mitigated potential contingent claims, estimated by the joint administrators to be in excess of £3,000,000, arising from breach of contract claims from a failure to perform future conferences and events and damages claims from schools and other affiliates for services and membership benefits not rendered.

**CI business sale**

4 8       The sale to IoE for a consideration of £5,000 comprised the sale of two laptops, the rights under various contracts including future royalties, the transfer of the 5 staff including the assumption of the June payroll cost, and an undertaking to settle specific third party liabilities relating to the business of £62,423.

4 9       The sale enabled a continuity of services, improved the prospects of a recovery of debtors of £25,775, avoided breach of contract claims for future events booked of £21,350 and avoided the joint administrators making 5 redundancies with consequential employee claims of circa £28,000.

#### **The sale of ME**

- 4 10 The sale of the 49% shareholding in ME for £130,001 completed on 30 August 2012 after all the local regulatory formalities and approvals had been obtained. The sale avoided the costs of winding up the business, including the employee claims from making 20 redundancies, potential breach of contract claims from several private schools contracts and claims from ADEC under a professional development contract ("PD contract") which commenced in February 2012 (ADEC owed ME circa £925,000 for work done that was at risk in the event that ME did not continue in business)
- 4 11 Concluding the share sale agreement will enable a recovery of an intercompany loan balance due to the Company of circa £1 million. Repayments have been agreed every six months in March and September of AED800,00 (circa £130,000) are due over the next 2 years to September 2014 together with a balancing payment once the performance bond (AED1,600,000) held by ADEC is returned. The first repayment was received on 5 September and £136,059 realised
- 4 12 In addition, subject to the receipt of funds due from ADEC, we have agreed that ME will repay to the Abu Dhabi branch the working capital account balance due in excess of AED5m in full between December 2012 and February 2013

#### **Abu Dhabi Branch**

- 4 13 The Company had net assets held in Abu Dhabi branch of circa £5.2 million at the date of administration. The possibility of breach of contract claims, claims on performance bonds and retention monies, including the receivables and future receivables from ADEC for the reimbursement of the operating costs in June, July and August 2012, could have put in jeopardy any significant recovery of the net assets
- 4 14 On 29 May 2012, the joint administrators entered into a formal management agreement with ME to manage the branch wind down and the proper performance of the contract with ADEC ("the PPP contract") and to be the main point of contact when dealing with ADEC. ADEC have completed their audit of the final contract expenses and are progressing towards issuing a certificate of final completion of the contract and making payment of the balance of the monies due to the Company once the final management fee/KPI bonus amount for 2012 is agreed
- 4 15 The repatriation to the UK administrators' bank account of the Abu Dhabi branch net assets realised commenced in July 2012 when AED1.5m was remitted (£262,022 was realised). In September 2012 AED10m was remitted and this is held in the Company's currency account with Barclays Bank in London under our control. These funds (circa £1.6m) are being retained in Dirhams until conclusion of matters in Abu Dhabi, so the sum is not included within the figures at appendix 1
- 4 16 Subject to ADEC making the final contract payment, ME believes that before March 2013 circa AED15 million may be available to transfer to the joint administrators and a further circa AED5 million before September 2013 when the performance bond held by ADEC is cancelled

#### **Book debts**

- 4 17 At the date of administration the Company's debtors ledger was £1,876,282 gross for collection. The debtors ledger comprised over 3400 invoices at an average value of £551. The invoices related to affiliation fees for past and future periods, fees for conference attendance, fees for course and training workshops and sundry "eshop" products. The debtors were individuals, schools, universities, local government and councils, the Department for Education and external companies
- 4 18 A significant proportion in value of the debtors ledger (67%) related to invoices for future services being provided by UK and this revenue formed part of the assets included in the UK sale consideration. UK has indicated that approximately 30% in value of the smaller debtors (ie a debtors of less than £5,000) have decided to not take up renewals or cancelled affiliations for the future services and are not collectable
- 4 19 The directors' statement of affairs included a net realisation of £529,523 for the administration, relating to the recoverable amount for past services rendered. In the period £356,012 has been collected from the debtors ledger for the administration
- 4 20 UK has been appointed an agent of the Company to collect the debtors ledger for a fee of 10% of the administration debts realised. The joint administrators agreed that up to 31 December 2012 a proportion of the debtor receipts collected by UK would be available as a loan. Any loan and the consideration due for the chattel assets from the date of completion attract interest at the rate of 5% above the base rate of Royal Bank of Scotland plc and secured by the registered fixed and floating charge debenture. £300,000 was repaid to us on 5 November 2012 by UK on account of the debtors loan
- 4 21 Several of the larger debts (greater than £5,000) have been found to be disputed or subject to set off. For example the debt due of circa £54,000 due from the Department for Education is subject to Crown set off against pre appointment claims. The debt due from Learning Schools Network Limited (in liquidation) ("LSN") debt of circa £27,000 is doubtful

and was found to exclude the claim filed in excess of £3,000,000 due to the Company in respect of VAT output tax over paid by Company as the services provided by LSN were considered to be exempt supplies for VAT. The joint administrators are monitoring a recovery in the LSN liquidation, having been appointed to the liquidation creditors' committee.

#### **Other debtors**

- 4 22 The closure of the Company's subsidiary iNet Chile realised £1,868. In addition, a pre-appointment insurance claim of £38,779 was realised in full.

#### **Sundry refunds**

- 4 23 Sundry refunds and prepayments realised include insurance premium refunds on the cancellation of pre appointment policies of £13,666. Other sundry refunds are from rates rebates, utility refunds and sundry debit balances on the purchase ledger.
- 4 24 Sundry refunds in the directors statement of affairs included a recovery of £5,876 in respect of staff loans and advances. The joint administrators have agreed that the purchaser of the UK business will collect this sum and remittance of this is expected before the final sale of business receipt in March 2013.

### **5 KEY OUTSTANDING REALISATIONS AND OTHER MATTERS**

- 5 1 The following outstanding assets realisations will be realised by the administration or the subsequent creditors voluntary liquidation:
- Proceeds from the sale of the UK business
  - Book debt realisations
  - Remittance of surplus Abu Dhabi branch cash balances
  - Collection of the SSAT ME LLC intercompany balance
  - Remaining sundry chattel asset disposals
- 5 2 The following matters are likely to take place during the subsequent creditors' voluntary liquidation:
- Disclaim or surrender remaining property leases and adjudicate landlords' claims
  - Adjudication of the LBKC pension claim
  - Adjudication of unsecured creditor claims
  - Distributions to unsecured creditors

### **6 INVESTIGATIONS**

- 6 1 The joint administrators have conducted investigations into the activities and key transactions of the Company and into the directors' conduct prior to the administration including those matters raised by creditors and responses thereto.
- 6 2 An appropriate submission on the directors has been forwarded to the Disqualification Unit of the Department for Business Innovation & Skills in accordance with the joint administrators' statutory duties. Please note that the content of this submission is privileged and confidential and so cannot be disclosed to third parties.
- 6 3 In addition the joint administrators have liaised with the Charities Commission and provided information and responses to enquiries into the conduct of the trustees/directors leading up to insolvency.

### **7 PRE APPOINTMENT COSTS AND EXPENSES**

- 7 1 The directors provided Moore Stephens LLP with a letter of engagement on 29 March 2012. The following costs were incurred prior to 28 May 2012 with a view to the Company entering into administration.

PRE ADMINISTRATION COSTS	SERVICES PROVIDED	BASIS OF FEES	TOTAL	PAID BY	PAID BY
			£	ADMINISTRATION	COMPANY
				£	£
Fees incurred by Moore Stephens LLP	Financial advice	Time costs	183 685	53 685	130 000
Expenses incurred by Moore Stephens LLP			763	763	-
Pre appointment legal fees of Taylor Wessing LLP	Legal advice	Time costs	129 861	79 861	50 000
Expenses incurred by Taylor Wessing LLP			77	65	12
<i>Source Moore Stephens LLP</i>					

- 7.2 Pre appointment time costs arose as a result of a review of the Company's financial position, meetings, calls and correspondence with the directors, dealing with interested parties and due diligence requests, negotiation of sale of businesses, advising the directors, preparing the documents to place the Company into administration, planning the administration strategy and assistance with the formalities of placing the Company into administration
- 7.3 Solicitor's fees arose primarily as a result of preparing the documents to place the Company into administration, drafting and dealing with the complex business sales agreements and providing legal advice
- 7.4 Prior to the date of administration the Company has paid Moore Stephens LLP £130,000 on account of pre appointment time costs and £50,000 on account of disbursements (mainly legal fees of Taylor Wessing LLP) incurred
- 7.5 At the paragraph 51 meeting of creditors held on 31 July 2012 it was resolved that
- The time costs incurred prior to appointment with a view to placing the company into administration by Moore Stephens LLP in the sum of £183,685 and pre administration expenses of £763 be approved
  - The time costs incurred prior to appointment with a view to placing the company into administration by Taylor Wessing LLP in the sum of £129,861 and pre administration expenses of £77 be approved
- 7.6 In accordance with Insolvency Rule 2.67A(2), the unpaid time costs and expenses were paid as an expense of the administration

## 8 JOINT ADMINISTRATORS' REMUNERATION AND CATEGORY 2 DISBURSEMENTS

- 8.1 At the paragraph 51 meeting of creditors held on 31 July 2012 the following resolutions were passed
- That the remuneration of the joint administrators be fixed by reference to the time properly given by the joint administrators and their staff in attending to matters arising in the administration in accordance with Rule 2.106(2)(b)
  - The joint administrators shall be authorised to draw their firm's internal costs and expenses in dealing with the estate, including photocopying, printing, facsimile, storage, mileage and room hire, as and when funds permit
- 8.2 Set out below is a summary of the joint administrators' time costs incurred in attending to matters arising in the administration

Summary of Moore Stephens' time-costs from 28/05/2012 to 27/11/2012							
	Partner / Associate	Director / Manager	Admin	Support staff	Total hours	Time cost (£)	Average rate £/h
Pre appointment	5.90	7.45		0.10	13.45	5,875.75	436.86
Statutory compliance administration and planning	30.05	165.35	32.20	111.20	338.80	95,084.50	280.65
Investigations	2.80	34.15			36.95	14,894.50	403.10
Realisation of assets	43.00	133.10		0.15	176.25	72,523.25	411.48
Trading		12.55			12.55	4,831.75	385.00
Creditors	53.45	409.65	7.50	13.90	484.50	185,474.75	382.82
Tax		8.40	4.30		12.70	3,484.75	274.39
Case specific matters	37.95	183.30	2.00		223.25	90,018.25	403.22
<b>Total hours</b>	<b>173.15</b>	<b>953.95</b>	<b>46.00</b>	<b>125.35</b>	<b>1,298.45</b>		
<b>Total time costs £</b>	<b>88,156.00</b>	<b>361,994.50</b>	<b>8,498.75</b>	<b>13,538.25</b>		<b>472,187.50</b>	<b>363.65</b>



- 8 3 The time costs incurred to 27 November 2012 relate to dealing with the statutory functions required under the Insolvency Act and Rules, liaising with the Charities Commission, liaising with the Financial Services Authority, finalising the sale of the UK business and monitoring debtor collections, negotiating and finalising the sale of the CI business, finalising the sale of ME, monitoring the Abu Dhabi branch wind down activities, post sale liaison and cooperation with all the purchasers, sundry asset realisation, and dealing with enquiries and claims from creditors
- 8 4 Further information on the joint administrators' time costs and category 2 disbursements together with current charge out rates are attached at Appendix II £430,030 has been drawn on account of the time costs in the period
- 8 5 Should you wish to receive a copy of "A Creditors' Guide to Administrators' Fees" this is available on the Moore Stephens LLP website <http://www.moorestephens.co.uk/corporaterecovery.aspx> or by requesting a copy from this office in writing or by telephone

## 9 JOINT ADMINISTRATORS' EXPENSES

- 9 1 A schedule of all expenses incurred in the period is detailed at Appendix III
- 9 2 The pre appointment expenses are commented upon in section 6 above Key Appraisal Limited were instructed to value the chattel assets located at the Company's office locations and to dispose the same Agent's fees were incurred and paid in relation to the valuation of the chattel assets of £18,394 plus VAT Fees payable to Key Appraisal were £12,649 together with payments to Docklands Recycled Furniture Ltd of £3,750 plus VAT for clearance of the surplus office furniture and £1,995 plus VAT for clean up costs and paper shredding post relocation from Millbank Tower
- 9 3 Legal work carried out by Taylor Wessing LLP since the date of appointment relates to post administration matters, the completion of the sale of the businesses and post completion formalities which amounted to time costs of £25,256 plus VAT Legal fees of approximately £14,040 were incurred with Taylor Wessing LLP in Abu Dhabi relating to the completion formalities of the share sale agreement and the branch management agreement
- 9 4 Legal fees of £27,108 (including fees of instructed counsel) were incurred by instructing Miller Rosenfalck LLP in defending a sizeable unfair dismissal claim in the Employment Tribunal from a former employee made redundant in March 2012
- 9 5 We instructed Druces LLP to assist us with a recovery of funds from a significant debtor in connection with the 2011 Annual Conference Fees of £5,000 were incurred and paid after the period end
- 9 6 Mazars LLP were engaged to provide payroll bureau services, at a cost of £1,954, to complete the outstanding statutory end of year payroll filings with HM Revenue & Customs including completion of all employee P45's
- 9 7 Notary fees of £933 were payable to Messrs Cheeswrights was for attesting documents needed in Abu Dhabi in connection with the sale of shares and branch management agreement
- 9 8 The cost of hiring Ironmongers' Hall for hosting the first meeting of creditors held on 31 July 2012 was £1,954 Other third party costs and expenses have been incurred for insurance of the assets, bonding as shown

## 10 CREDITORS' RIGHTS

- 10 1 Creditors may request further information and challenge the joint administrators remuneration and expenses
- 10 2 In accordance with Insolvency Rule 2 48A, within 21 days of receipt of this report a secured creditor, or an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors or any unsecured creditor with the permission of the court, may request in writing that the joint administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in the progress report
- 10 3 Within 14 days of receipt of the request we must provide all of the information asked for, except so far as we consider that
- the time or cost of preparation of the information would be excessive, or
  - disclosure of the information would be prejudicial to the conduct of the administration if or might reasonably be expected to lead to violence against any person, or
  - we are subject to an obligation of confidentiality in respect of the information

We are also required to give reasons for not providing all of the requested information

- 10 4 In accordance with Insolvency Rule 2 109(1B) any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors), within 8 weeks of receipt of this progress report, may make an application to court on the grounds that the basis fixed for the joint administrators' remuneration, the remuneration charged or the expenses incurred by the joint administrators, as set out in the progress report are excessive

11 **LIABILITIES**

- 11 1 There are no secured creditors' claims received or anticipated
- 11 2 There are no preferential creditors' claims received or anticipated
- 11 3 Section 176A of the Insolvency Act 1986 relating to the prescribed part is not applicable in this case There are no outstanding floating charges registered or created on or after 15 September 2003 All creditors will rank equally for dividends as unsecured creditors
- 11 4 It is anticipated that there will be a distribution to the unsecured creditors, however at this stage we are unable to be certain as to the total final amount and timing Based on information currently available it is anticipated that an interim dividend to unsecured creditors will be in the region of 20p in the £ around March/April 2013
- 11 5 For those creditors who have yet to submit their claim, a further proof of debt form is enclosed with this report A dividend will only be paid to those creditors who have submitted a claim form that has been admitted for dividend purposes Such a dividend will be paid once the administration has converted to a creditors' voluntary liquidation which we anticipate should be within the next 3 months

This concludes the joint administrators' first progress report A further report will be available once the administration has converted to a creditors' voluntary liquidation



Philip Sykes  
Joint Administrator

**Appendix I Receipts and payments account for the period 28 May 2012 to 23 November 2012**

**SS Realisations 2012 (in administration)  
Formerly Specialist Schools and Academies Trust**

**Joint administrators' receipts and payments account**

	Note	Statement of affairs £	From 28/05/2012 To 27/11/2012 £
<b>RECEIPTS</b>			
Sale of C/Hanban		-	5,000
Sale of UK Business		150,000	-
Investment in SSAT ME LLC		130,000	130,001
Intercompany account SSAT ME LLC		-	136,060
Abu Dhabi branch		3,891,000	262,022
Furniture & equipment		70,000	51,813
Trade debtors		529,523	303,017
Other debtors		139,129	40,647
Sundry refunds		5,876	19,154
Cash at bank		590,058	590,657
Interest		-	1,882
VAT payable		-	5,963
		<u>5,505,586</u>	<u>1,546,215</u>
<b>PAYMENTS</b>			
Telephone, fax & telex			8,531
Pre appointment fees			53,685
Pre appointment disbursements			764
Pre appointment legal fees			79,861
Pre appointment legal disbursements			76
Joint administrators' fees			430,030
Joint administrators' expenses			3,969
Agents' fees and expenses			18,394
Legal fees			66,405
Legal disbursements			214
Notary fees			934
Payroll services			1,954
Room hire			1,404
Employee expenses for return of IT kit			17
Counter charges			25
Bank charges			90
Telephone fax & telex			749
Specific penalty bond			1,280
Travel expenses			1,333
Company search fees			10
VAT receivable	1		133,814
			<u>803,537</u>
Net receipts/(payments)			<u>742,678</u>
<b>MADE UP AS FOLLOWS</b>			
VAT Receivable			
Bank 2 - current (F)			742,678
VAT Payable			-
			<u>742,678</u>

Note 1 The rate at which VAT input may be reclaimed is subject to the agreement by HMRC to a change in the special partial exemption formula to be used by the Company post administration. The amount which is less than 100% will be an expense of the administration.

## Appendix II Further information on time costs and category 2 disbursements

### SS Realisations 2012 (in administration) (formerly the Specialist Schools and Academies Trust)

#### Summary of Moore Stephens' time-costs from 28/05/2012 to 27/11/2012

	Partner / Associate	Director / Manager	Admin	Support staff	Total hours	Time cost (£)	Av rate £/h
Pre appointment	5 90	7 45		0 10	13 45	5 875 75	436 86
Statutory compliance administration and planning	30 05	165 35	32 20	111 20	338 80	95 084 50	280 65
Investigations	2 80	34 15			36 95	14 894 50	403 10
Realisation of assets	43 00	133 10		0 15	176 25	72 523 25	411 48
Trading		12 55			12 55	4 831 75	385 00
Creditors	53 45	409 65	7 50	13 90	484 50	185 474 75	382 82
Tax		8 40	4 30		12 70	3 484 75	274 39
Case specific matters	37 95	183 30	2 00		223 25	90 018 25	403 22
<b>Total hours</b>	<b>173 15</b>	<b>953 95</b>	<b>46 00</b>	<b>125 35</b>	<b>1 298 45</b>		
<b>Total time costs £</b>	<b>88 156 00</b>	<b>361 994 50</b>	<b>8 498 75</b>	<b>13 538 25</b>		<b>472 187 50</b>	<b>363 65</b>

Total remuneration drawn on account per receipts and payments

430 030 25

#### Charge out rates:-

Rates effective from	1st Nov 2012	1st Nov 2010
Partner / Associate	£370-£530	£355-£510
Manager	£170-£400	£165-£385
Administrator	£55-£210	£53-£200
Support	£30-£115	£30-£110

Time charged in 3 minute units or multiples thereof

#### Examples of work generally undertaken but not limited to

##### Statutory compliance, administration and planning

- Compliance with other regulatory requirements
- Statutory reporting and compliance
- Case planning team meetings and strategy formulation
- Administrative set up
- Appointment notification
- Maintenance of records
- Liaison and deregistration of Financial Services Authority registration
- Liaison and dealing with queries of the Charities Commission
- Liaison with insurers to obtain refunds and pursue claims collections

##### Sale of UK Business

- Negotiation and finalisation of the agreement
- Post sale formalities name change
- Facilitating continuity of key suppliers
- Post sale formalities name change
- Liaison with 3rd party owners of assets
- Employee formalities P45s
- Vacation of head office site and landlord liaison
- Monitoring of financial performance and cashflow purchaser
- Collection of fixed asset disposal proceeds
- Monitoring and review of debtor collections and strategies
- Liaison over deferred consideration

##### Sale of ME Business

- Negotiating contract terms
- Notorisation and legalisation of documents
- Progressing conditions precedent
- Completion formalities and realisation

##### Wind down of Abu Dhabi Branch

- Reviewing and approving payments
- Monitoring cashbooks and bank reconciliations
- Reviewing cashflow forecasts and employee termination position
- Reviewing branch windown plans and strategy
- Liaison with Abu Dhabi staff
- Management of operations and ADEC position/finalisation

## **Appendix II Further information on time costs and category 2 disbursements continued**

### **Realisation of assets**

- Identifying, securing, insuring assets
- Dealing with 3rd party assets / Retention of title
- Property business and asset sales
- Debt collection of certain key and complex debtors re LSN and Lewis Live

### **Tax/VAT**

- Notification to HMRC of appointment
- Reviewing VAT and tax position as a charity
- Submission of pre-appointment return
- Request change in partial exemption method scheme
- Preparation and submission of post appointment VAT return

### **Accounting and treasury**

- Liaison with pre appointment bankers
- Arranging transfer of pre appointment funds
- Reviewing receipts and payments
- Monitoring debtor receipts
- Transfer of loan of funds to UK
- Periodic bank reconciliations

### **Trading**

- Management of operations
- Review and evaluation of contracts
- Key supplier negotiations and undertakings
- Accounting for trading including supplier payments
- Arranging company records to be stored
- Arranging for recharges to purchaser

### **Creditors**

- Initial and subsequent communication with creditors
- Recording of creditor details on insolvency system
- Publishing statutory correspondence and reports on web site
- Responding to queries and requests for copies of documents
- Managing expectations on dividend rate and timing
- Reviewing proxy forms submitted for creditors meeting
- Preparation of initial meeting of creditors and minutes
- Preparing frequently asked questions
- Notification of the outcome of the creditor meeting

### **Employees and pension matters**

- Notifications to trustees, pension providers and PPF
- Notification to Teachers Pension Scheme
- Liaison with RBKC on local government pension scheme
- Consideration of the legal position and basis for claims
- Management of Employment Tribunal claim
- Responding to employee issues and queries

### **Investigations**

- Issuing directors' questionnaires
- Reviewing completed directors' questionnaires
- Reviewing creditor questionnaires returned
- Completion of obligations under the Company Directors Disqualification Act 1986
- Submission to DBIS

**Appendix II Further information on time costs and category 2 disbursements continued**

**SS Realisations 2012 (in administration) (formerly the Specialist Schools and Academies Trust)**

**Summary of Moore Stephens' category 2 disbursements from 28/05/2012 to 27/11/2012**

	Costs incurred £	Costs drawn £
Photocopying / printing	1 831 35	1 831 35
Room hire	457 50	457 50
Total	2 288 85	2 288 85
Total undrawn costs to carry forward		Nil

**Category 2 disbursement rates -**

Type	Rate
Photocopying / printing	£0 15 per sheet
Room hire	£30-£50 per hour

## Appendix III

## Schedule of expenses incurred during the period

## SS Realisations 2012 (formerly The Specialist Schools and Academies Trust) (In Administration)

## Summary of expenses incurred in the period

PAYMENTS	Note	Paid £	Outstanding £	Total £
Telephone, Fax & Telex	1	8,531 -	8,531	0
Pre appointment fees		53,685		53,685
Pre appointment disbursements		764		764
Pre appointment legal fees		79,861		79,861
Pre appointment legal disbursements		76		76
Joint administrators' fees		430,030	38,393	468,423
Joint administrators' expenses		3,969		3,969
Agents' fees and expenses		18,394		18,394
Legal fees		66,405	8,000	74,405
Legal disbursements		214	250	464
Notary fees		934		934
Payroll services		1,954		1,954
Room hire		1,404		1,404
Employee expenses for return of IT kit		17		17
Courier charges		25		25
Bank Charges		90	25	115
Telephone fax & telex		749		749
Specific penalty bond		1,280		1,280
Travel expenses		1,333		1,333
Company search fees		10		10
VAT receivable	2	133,814		133,814
		<u>803,537</u>	<u>38,137</u>	<u>841,674</u>

1 Recoverable from the UK Business purchaser

2 The rate at which VAT input tax may be reclaimed is being agreed with HMRC, some input tax paid may be irrecoverable and will be an expense of the administration