

The Insolvency Act 1986

**Administrator's progress report**

Name of Company <b>THREE NATIONS (NORTHERN) LIMITED</b>	Company number <b>02505542</b>
In the <b>HIGH COURT OF JUSTICE</b> <b>CHANCERY DIVISION</b> <b>MANCHESTER DISTRICT REGISTRY</b> [full name of court]	Court case number <b>1745 / 11</b>

(a) Insert full name(s) and address(es) of administrator(s)

By (a) **LINDSEY COOPER AND RUSSELL CASH**  
**OF BAKER TILLY RESTRUCTURING AND RECOVERY LLP,**  
**3 HARDMAN STREET, MANCHESTER, M3 3HF**

administrator(s) of the above company attach a progress report for the period

(b) Insert dates

from

to

(b) **26 / 04 / 2011**(b) **25 / 03 / 2012**

Signed

Joint / Administrator(s)

Dated

**25/4/12****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.

<b>Baker Tilly</b>	
<b>3 HARDMAN ST</b>	
<b>M3 3HF</b>	Tel <b>0161 880 4400</b>
DX Number	DX Exchange

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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27/04/2012

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COMPANIES HOUSE

FRIDAY

**IN THE MATTER OF**  
**THREE NATIONS (NORTHERN) LIMITED - IN ADMINISTRATION**  
**IN THE HIGH COURT OF JUSTICE CHANCERY DIVISION MANCHESTER**  
**DISTRICT REGISTRY NO 1745 OF 2011**

**JOINT ADMINISTRATORS' PROGRESS REPORT**

**25 APRIL 2012**

**LINDSEY COOPER AND RUSSELL CASH**  
**JOINT ADMINISTRATORS**

**APPOINTED 26 SEPTEMBER 2011**

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP**  
**3 HARDMAN STREET**  
**MANCHESTER M3 3HF**

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## 1. PURPOSE OF REPORT

This report has been prepared in accordance with insolvency legislation to provide creditors with information relating to the progress of the Administration in the period from 26 September 2011 to 25 March 2012.

This report has been prepared solely to comply with the statutory requirements of Rule 2.47 of the Insolvency Rules 1986 (as amended). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the Company. Any estimated outcomes for creditors are illustrative and may be subject to significant change. Neither the Administrators nor Baker Tilly Restructuring and Recovery LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this proposal.

## 2. PROGRESS OF THE ADMINISTRATION

A brief Company background was provided in the Administrators' proposals dated 18 November 2011.

### 2.1. Realisation of Assets

#### *Debtors' ledger*

As previously advised, at the date of the Administrators' appointment the trade debtors' ledger totalled £176,176.

Recoveries made to date in respect of the outstanding ledger total £156,916.

The Administrators are continuing to pursue the remaining debtors in respect of the payment of their outstanding accounts, however, it is not anticipated that any further significant recoveries will be realised from this source.

#### *Intercompany position*

Documentation provided to the Administrators at a meeting held shortly following appointment showed an intercompany balance in the sum of c. £510k due from Three Nations Limited ("TNL") to the Company as at 26 September 2011. This compared with a figure of c. £1.02m as at 31 March 2011.

Our initial review of the intercompany account highlighted some significant recharges to the Company from TNL during the 6 month period prior to appointment.

Following a comprehensive analysis of the intercompany account, the Administrators forwarded a letter to Three Nations Limited ("TNL") on 15 November 2011 requesting substantiating evidence in respect of certain recharges applied by TNL.

Subsequent to the letter, the Administrators attended a further meeting at TNL's head office in Preston on 1 December 2011.

The Administrators arranged the meeting with TNL with the sole aim of agreeing a payment proposal plan in relation to the intercompany position. Unfortunately, however, no proposal was forthcoming from TNL.

During the meeting the directors of TNL provided the Administrators with a schedule detailing a revised intercompany position. According to the directors of TNL, the schedule highlighted additional recharges which they indicated had been overlooked when the initial information was provided to us.

The revised intercompany schedule changed the position significantly, with the Company now purportedly owing TNL c. £38k. As detailed above, the initial documentation provided to the Administrators from the Company's sage records showed that the debt due from TNL to the Company was c. £510k.

Following the meeting, the Administrators and our solicitors sent additional letters to TNL (and to all directors of the Company) advising that substantiating documentation was required by the Administrators in order to corroborate the revised intercompany position.

Various responses have been received by the Administrators from TNL and also TNL's solicitors and accountants, however, to date the responses and documentation provided by TNL do not appear to adequately support the majority of the recharges applied by TNL or the queries raised by the Administrators.

Consequently, we are not yet satisfied that the recharges applied by TNL are genuine.

The Joint Administrators subsequently arranged a meeting with their solicitors, George Davies, to review correspondence received and also discuss any potential legal action the Joint Administrators could initiate. Following the meeting with our legal advisors, the Administrators have instructed our solicitors to seek Counsel's opinion.

As you will appreciate, whilst the position in respect of the intercompany account remains unresolved, the outcome to the floating charge creditors and the Company's general body of creditors currently remains uncertain.

### ***Third Party Stocks***

As previously advised, we understand that title to the majority of the stock items held at site in Dukinfield remains with third party breweries

Our agents advised that value was added to the third party stocks during a stripping-down process performed by the Company.

Our agents indicated that in view of the collection and storage costs involved in respect of the stock items, it would not be cost effective to lift and store the stocks at their premises. Following discussions with the owner of the stocks an offer in the sum of

£2,500 plus VAT has recently been accepted by the Administrators in respect of the value added to the third party stocks.

In relation to the Company's residual stock items our agents are currently in discussion with an interested party. No further significant recoveries are anticipated in respect of the Company's stocks.

#### ***Bank Interest***

An amount of £128.08 has been received in respect of gross bank interest.

#### ***Sundry Receipts***

Sundry receipts totalling £219.30 have been recovered by the Administrators.

### **2.2. Investigations**

In accordance with our statutory obligations, we have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

### **2.3. Administration and Planning**

In addition to specific work undertaken as outlined above, the Joint Administrators and their staff have been required to carry out certain statutory duties including filing of appointment and other documents, handling receipts and payments, reporting to creditors and other stakeholders.

## **3. ASSETS REMAINING TO BE REALISED**

As detailed above, the Administrators are continuing in their efforts to make asset realisations in respect of the Company's intercompany position, the outstanding debtors' ledger and the Company's residual stocks.

## **4. EXTENSION OF THE ADMINISTRATION**

There have been no extensions of the Administration.

The Administrators, however, intend to take the necessary steps to move the Company from Administration to Liquidation within the next 3 to 4 weeks.

## **5. CREDITORS' CLAIMS AND DIVIDEND PROSPECTS**

#### ***Secured Creditor – Handelsbanken***

We understand that Svenska Handelsbanken AB ("the Bank") hold a fixed and floating charge debenture dated 14 May 2007 over the Company's assets. We understand that the Bank's indebtedness as at the date of our appointment totalled c. £500k.

Based on current information it is anticipated that the Bank's indebtedness will not be discharged in full.

However, as detailed earlier, the Administrators have not yet finalised their investigations in relation to the intercompany position with TNL.

Please note that the overall outcome to the Bank is largely dependent on the final position agreed in respect of the intercompany position.

#### ***Personal Guarantees***

We understand that seven directors had signed personal guarantees to the Bank in the sum of c. £290k. The Bank are continuing to collect payment from the directors in respect of the personal guarantees.

#### ***Secured creditor - Bibby Financial Services Limited***

Bibby Financial Services Limited also has an outstanding fixed and floating charge dated 29 June 2011.

At the date of appointment it is understood that Bibby was owed £3,000 by the Company.

Please note that the outcome to Bibby is wholly dependent on the final position agreed in respect of the intercompany position.

#### **4.4 *Prescribed part***

The "Prescribed Part" is a statutory amount of the Company's assets subject to a floating charge to be set aside for the benefit of the Company's non-preferential creditors, and is calculated as follows;

- 50% of the first £10,000 of the total net realisations and
- 20% of any further net realisations available.

Whilst the position in respect of the intercompany debtor remains uncertain, the amount of the Prescribed Part of the assets under Section 176A of the Insolvency Act 1986 (as amended) cannot yet be determined.

#### **4.5 *Preferential creditors***

With effect from 15 September 2003, preferential status has been abolished for debts owing to the HM Revenue and Customs. Such debts rank alongside other unsecured creditors' claims. The only claims which remain preferential are those of employees in respect of wages (up to £800 per employee) and holiday pay. Given that all employees were transferred to TNL on 1 April 2011 no preferential claims are expected.

#### **4.6 *Unsecured Creditors***

Based on current information, it is uncertain whether there will be sufficient asset

realisations made in this matter to enable a distribution to the unsecured creditors other than by virtue of the prescribed part.

The prospects of any return to the unsecured creditors other than by virtue of the prescribed part is dependant on the final outcome agreed in respect of the intercompany position.

## **6. RECEIPTS AND PAYMENTS SUMMARY**

We attach as Appendix B a summary of our receipts and payments for the period from 26 September 2011 to 25 March 2012.

### **VAT Basis**

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue & Customs shown separately.

## **7. COSTS AND JOINT ADMINISTRATORS' REMUNERATION**

### **7.1. Pre-administration costs**

The Joint Administrators were given instructions by the Bank on the same day that the Company was placed into Administration.

I can confirm that there are no pre-Administration costs outstanding in relation to this matter.

### **7.2. Joint Administrators' Remuneration and Disbursements**

The Joint Administrators' remuneration was approved on a time cost basis by the Company's floating charges creditors Handelsbanken and Bibby Financial Services Limited on 28 March 2012 and 23 March 2012 respectively.

During the period 26 September 2011 to 25 March 2012 we have incurred time costs of £54,088.20 plus VAT. No fees have been drawn during this period.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix D.

### **7.3. Remuneration and Disbursements incurred in the period from 26 September 2011 to 25 March 2012**

No remuneration was drawn in this period. An analysis of the time incurred in the period is attached at Appendix G.

Category 2 disbursements incurred in the period are detailed in Appendix E.



**8. JOINT ADMINISTRATORS' STATEMENT OF EXPENSES**

A statement of the expenses incurred during the period, is attached at Appendix F. This includes all expenses incurred by the Administrators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period.

**9. CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE EXPENSES**

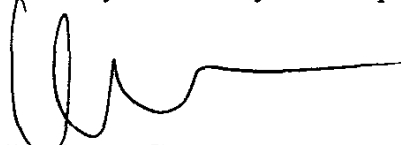
In accordance with the provisions of Rules 2.48A and 2.109 of the Insolvency Rules 1986 creditors have a right to request further information about remuneration or expenses (other than pre-Administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that the remuneration charged, the basis fixed or expenses incurred by the Administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question

Should you have any further queries please do not hesitate to contact me.



**Lindsey J Cooper**  
**Baker Tilly Restructuring and Recovery LLP**  
**Joint Administrator**

Lindsey Cooper is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales  
Russell Cash 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  
and without personal liability**



**Appendix A**

**STATUTORY INFORMATION**

Company Name:	Three Nations (Northern) Limited
Functions:	<p>The Joint Administrators' appointment specified that they would have power to act jointly and severally.</p> <p>The Joint Administrators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment.</p>
Previous Company Names:	<p>Total Cellar Systems Limited</p> <p>Scotsman Response Limited</p>
Company Number:	02505542
Date of Incorporation:	24 May 1990
Trading Name:	Three Nations (Northern) Limited
Trading Address	148 Brierley Road, Walton Summit Centre, Preston, Lancashire, PR5 8AH
Principal Activity:	Installation, servicing, manufacture and repair of beer, cellar and ancillary equipment.
Registered Office:	<p>Baker Tilly Restructuring and Recovery LLP, 3 Hardman Street, Manchester, M3 3HF</p> <p>Previous registered office – 120 to 124 Towngate, Leyland, Preston, PR25 2LQ.</p>
Appointor.	Svenska Handelsbanken AB

**Receipts and Payments Abstract: RTHREEN - Three Nations (Northern) Limited In Administration** **Appendix B**  
**Bank, Cash and Cash Investment Accounts: To. 26/09/2011 to 25/03/2012**

SOA Value £	£	£
<b>ASSET REALISATIONS</b>		
0 00	Bank Interest Gross	128 08
uncertain	Intercompany debtor	0 00
20000 00	Stock	0 00
132132 00	Debtors (Pre-Appointment)	156,916 38
0 00	Sundry Debt	219 30
		<b>157,263 76</b>
<b>COST OF REALISATIONS</b>		
0 00	Legal Expenses	(44.00)
0 00	Legal Fees	(2,442 00)
0 00	Search Fees	(27 20)
0 00	Statutory Advertising	(69 75)
		<b>(2,582 95)</b>
152132 00		<b>154,680.81</b>
<b>REPRESENTED BY</b>		
	Allied Irish Bank - Current Account	74,680.81
	Allied Irish Bank - Fixed Term Deposit	80,000 00
		<b>154,680 81</b>
		<b>154,680.81</b>
	Page	1

## Appendix C

### **BAKER TILLY RESTRUCTURING AND RECOVERY LLP CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

#### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done
- The current charge rates for Baker Tilly Restructuring and Recovery LLP Manchester are attached
- Time billed is subject to Value Added Tax at the applicable rate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically.

#### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest in, require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements.
- A resolution to consider approving "Category 2" disbursements at the rates prevailing at the time the cost is incurred to Baker Tilly Restructuring and Recovery LLP Manchester will be proposed to creditors in general meeting
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors.
- Where applicable, expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate.

## BAKER TILLY "CATEGORY 2" DISBURSEMENTS RATES

*In respect of cases where the appointment is on or after 1 April 2011*

### MANCHESTER OFFICE

<b>Travel &amp; Subsistence:</b>	
Motor travel	42.5p per mile (from 1 April 2011)
Subsistence	£23
<b>Circulars to Members / Creditors:</b>	
Labels	£0.022 each
Headed paper	£0.079 per sheet
Plain paper	£0.079 per sheet
Large envelopes	£0.672 each
Small envelopes	£0.081 each
Photocopying charge	£0.005 per sheet
<b>Stationery:</b>	
Lever arch files	£2.55 per file
Cashiering files	£1.06 per file
Chequebook boxes	N/a
A-Z dividers	£0.79 per set
1-31 dividers	£0.92 per set
Coloured dividers (5 part)	£0.18 per set
Coloured dividers (10 part)	£0.31 per set
Multi-punch pockets	£0.01 per pocket
Storage boxes	£2.50 per box
<b>Sundry:</b>	
Faxes	N/a
Internal room hire (for meetings)	£165 per room

**Appendix E**

**BAKER TILLY RESTRUCTURING AND RECOVERY LLP  
JOINT ADMINISTRATORS' CATEGORY 2 DISBURSEMENTS TABLE**

<b>Amounts paid or payable to the Office Holder's firm or to any party in which the office holder or his firm or any associate has an interest</b>		
<b>Recipient, Type and Purpose</b>	<b>Paid</b>	<b>Unpaid</b>
	<b>£</b>	<b>£</b>
Use of own vehicle		180.20
<b>Total</b>		<b>£180.20</b>

## Appendix F

**STATEMENT OF EXPENSES INCURRED BY THE JOINT ADMINISTRATORS' IN  
THE PERIOD FROM 26 SEPTEMBER 2011 TO 25 MARCH 2012**

Type and Purpose	Incurring Period
	£
Baker Tilly Restructuring & Recovery LLP – Administrators’ fees	48,000 00
Baker Tilly Restructuring & Recovery LLP – Administrators’ disbursements	531.81
George Davies LLP - Legal fees (not yet agreed)	12,442 00
George Davies LLP - Legal disbursements	44 00
Counsels’ fees (not yet agreed)	5,000.00
Charles Taylor - Agents fees (not yet agreed)	2,000 00
Total	£68,017.81



**Three Nations (Northern) Limited**  
**Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9**

**Summary of Time Costs and Charge-out Rates to 25 March 2012**

	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average hourly rate
Hours (pre 31/12/2002)	0 00	0 00	0 00	0 00	0 00	£0 00	£0 00
Hours (post 31/12/2002)							
Administration and Planning	14,248 80	22,871 00	16,250 00	256 90	53,626 70	£58,048 50	£1 27
Investigation	6 80	5 80	11 20	0 00	23 80	£5,545 00	£232 98
Realisation of Assets	4 70	42 30	29 40	0 70	77 10	£15,107 00	£195 94
Trading	9 70	35 10	41 10	1 60	87 50	£16,985 50	£194 12
Creditors	1 50	1 40	4 10	0 00	7 00	£1,426 00	£203 71
Case Specific Matters	36 50	102 60	123 80	3 20	266 10	£53,556 00	£201 28
<b>Total Hours</b>	<b>14,308 00</b>	<b>23,058 20</b>	<b>16,459 60</b>	<b>262 40</b>	<b>54,088 20</b>		
<b>Total Time Costs</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>	<b>0 00</b>		<b>£0 00</b>	

**Charge-out Rates:**

As at 31 March 2012	£330-390	£140-275	£115-175	£80
As at 31 March 2011	£375	£140-300	£100-175	£75
As at 30 October 2010	£375	£140-300	£120-165	£75
As at 1 April 2010	£370	£155-240	£100-130	£70
As at 1 April 2009	£350	£140-225	£105-125	£65

**Three Nations (Northern) Limited**  
**Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average rates
<b>Administration and Planning</b>							
Appointment	0.0	1.0	14.1	0.0	15.1	£2,093.00	£138.61
Background information	7.5	4.0	5.6	0.8	17.9	£4,597.00	£256.82
Case Management	6.3	3.1	3.9	0.0	13.3	£3,708.00	£278.80
Pension Scheme	0.0	0.0	0.6	0.0	0.6	£78.00	£130.00
Post-appointment - general	0.0	1.2	0.5	0.1	1.8	£337.00	£187.22
Post-appointment taxation	0.0	0.0	1.5	0.0	1.5	£191.50	£127.67
Pre-appointment matters	0.0	0.0	1.8	0.0	1.8	£243.00	£135.00
Receipts and Payments	0.0	0.3	8.4	0.0	8.7	£1,121.00	£128.85
Shareholders/Director/Debtor/ Bkpt	0.0	7.7	0.4	0.0	8.1	£1,814.00	£223.95
Statement of Affairs	0.0	0.0	1.2	0.0	1.2	£156.00	£130.00
Stock and WIP	0.0	0.7	0.0	0.0	0.7	£154.00	£220.00
<b>Totals</b>	<b>13.8</b>	<b>18.0</b>	<b>38.0</b>	<b>0.9</b>	<b>70.7</b>	<b>£14,492.50</b>	<b>£204.99</b>
<b>Investigations</b>							
Investigations/CDDA	6.8	5.8	11.2	0.0	23.8	£5,545.00	£232.98
<b>Totals</b>	<b>6.8</b>	<b>5.8</b>	<b>11.2</b>	<b>0.0</b>	<b>23.8</b>	<b>£5,545.00</b>	<b>£232.98</b>
<b>Realisation of Assets</b>							
Assets - general/other	0.0	23.4	10.0	0.7	34.1	£6,504.00	£190.73
Chattels	0.0	2.4	0.9	0.0	3.3	£645.00	£195.45
Debtors & sales finance	3.2	7.6	6.4	0.0	17.2	£3,822.00	£222.21
HP/Leasing creditors	0.3	0.5	1.4	0.0	2.2	£429.00	£195.00
Land and Property	0.3	2.6	5.1	0.0	8.0	£1,352.00	£169.00
Legal Matters	0.0	0.3	0.0	0.0	0.3	£66.00	£220.00
Stock and WIP	0.9	5.5	5.6	0.0	12.0	£2,289.00	£190.75

**Three Nations (Northern) Limited**  
**Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9**

<b>Totals</b>	<b>4.7</b>	<b>42.3</b>	<b>29.4</b>	<b>0.7</b>	<b>77.1</b>	<b>£15,107.00</b>	<b>£195.94</b>
<b>Creditors</b>							
1st creditors/shareholders meetings and rep	0.0	9.5	17.9	0.7	28.1	£4,447.50	£158.27
Other Creditor Meetings and Reports	2.2	0.0	0.0	0.0	2.2	£858.00	£390.00
Secured Creditors	7.5	25.3	15.7	0.0	48.5	£10,567.00	£217.88
Unsecured Creditors	0.0	0.3	7.5	0.9	8.7	£1,113.00	£127.93
<b>Totals</b>	<b>9.7</b>	<b>35.1</b>	<b>41.1</b>	<b>1.6</b>	<b>87.5</b>	<b>£16,985.50</b>	<b>£194.12</b>
<b>Case Specific Matters - Legal Matters</b>							
Legal Matters	1.5	1.4	4.1	0.0	7.0	£1,426.00	£203.71
<b>Totals</b>	<b>1.5</b>	<b>1.4</b>	<b>4.1</b>	<b>0.0</b>	<b>7.0</b>	<b>£1,426.00</b>	<b>£203.71</b>
<b>TOTAL HOURS</b>	<b>36.5</b>	<b>102.6</b>	<b>123.8</b>	<b>3.2</b>	<b>266.1</b>	<b>£53,556.00</b>	<b>£201.26</b>
<b>TOTAL TIME COST</b>	<b>£14,235.00</b>	<b>£22,853.00</b>	<b>£16,212.00</b>	<b>£256.00</b>		<b>£53,556.00</b>	

## NOTES TO APPENDIX G

### JOINT ADMINISTRATORS' TIME COST ANALYSIS

**a) Administration and Planning**

This includes dealing with the commencement of the case administration, together with day-to-day case administration duties, maintenance of records and ongoing statutory obligations. These include but are not limited to: handling receipts and payments; VAT and Income tax issues, pension queries and general correspondence. Other matters which are required to be dealt with as part of the appointment and which will fall under this heading include case planning and strategy, case reviews, bonding, maintenance and obtaining books and records, general meetings / correspondence, statutory and other advertising, insurance, re-directed mail, and statutory reports.

**b) Investigations**

Where appropriate this will include such matters as investigation of pre-appointment transactions in accordance with the relevant Statement of Insolvency Practice (SIP 2), and the investigation of any potential antecedent transactions such as transactions at under value and preferences which may result in legal action resulting in a recoverable asset.

**c) Realisation of Assets**

This includes dealing with all aspects of the realisation of assets including identifying, securing and insuring assets, and (where applicable), property, business and asset sales, retention of title claims and debt collection. Other matters dealt with during the case administration which will relate to asset realisation may commonly include effecting disclaimers, dealing with landlords, liaising with agents, undertaking inventories, meetings with purchasers / directors, arranging collection of leased assets, obtaining insurance, pursuing antecedent claims identified as part of the investigation work set out above. Details of the specific asset realisation work undertaken on this case are set out in the main body of the report. Asset realisation is considered to be a key aspect of the case administration.

**d) Trading**

Where the business of the debtor has been traded (by the trustee) following the appointment our staff will have had to set up accounts with suppliers in order to trade on an ongoing basis. Payments to suppliers and general correspondence with these have been undertaken. Where trading has ceased, accounts will have been closed and final bills paid. Other matters will also have been dealt with in accordance with the usual trading obligations such as dealing with employees and payroll.

**e) Creditors**

Queries from and correspondence with creditors and employees have been necessary aspects of the case administration process. Reports to creditors are also an important part of ongoing matters relating to this aspect of the case.

**f) Case Specific Matters**

Any case specific matters will generally be set out in the body of the report but will commonly include meetings, correspondence and telephone calls relating to specific issues in the case which do not fall into any the categories set out above and are specific to the case in question. This may include work done in relation to litigation, general advice or other major issues.