

2.24B**Administrator's progress report**

Name of Company BSB (211) Realisations Limited (formerly Barrett Steel Buildings Limited)	Company number 02739854
In the High Court Leeds District Registry	Court case number 1629 of 2011

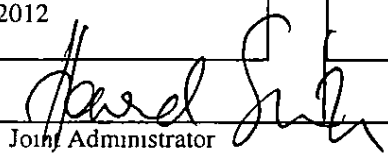
We
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Administrators of the above company attach a progress report for the period

from 2 May 2012	to 29 October 2012
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Signed


 Joint Administrator

Dated

29 October 2012

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.

Jonathan Duffy KPMG LLP 1 The Embankment Neville Street Leeds LS1 4DW DX Number DX 724440 Leeds	Tel 0113 231 3314 DX Exchange
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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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**BSB (211) Realisations Limited (formerly
Barrett Steel Buildings Limited) in
Administration**

**Final Report
for the period 2 May 2012 to 29 October
2012**

**Pursuant to Rule 2.110 of the Insolvency Rules
1986 (as amended)**

**KPMG LLP
29 October 2012**



About this report

This progress report has been prepared by Mark Granville Firmin and Howard Smith, the Joint Administrators of BSB (211) Realisations Limited, solely to comply with their statutory duty under the Insolvency Act 1986 and the Insolvency Rules 1986 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This progress report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in BSB (211) Realisations Limited.

Any estimated outcomes for creditors included in this progress report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this progress report for any purpose or in any context other than under the Insolvency Act and Rules 1986 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this progress report to any such person.

The Joint Administrators act as agents for BSB (211) Realisations Limited and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this progress report or the conduct of the administration.

Please note that unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



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Glossary

Joint Administrators	Mark Granville Firmin and Howard Smith of KPMG LLP, 1 The Embankment, Neville Street, Leeds LS1 4DW
Administration Order	The Administration Order granted by the High Court of Justice, Chancery Division, Leeds District Registry, in respect of BSB (211) Realisations Limited (formerly known as Barrett Steel Buildings Limited) on 2 November 2011 Court Administration Order number 1629 of 2011
Addleshaws	Addleshaw Goddard LLP
Barrett Steel	Barrett Steel Limited
Barrett Structures	Barrett Structures Limited
the Company	BSB (211) Realisations Limited (formerly known as Barrett Steel Buildings Limited) (Company registered number 02739854)
the Directors	S Sharples, J Brennan, P A Walker, R Beesley, D A Newbould
Buckingham	Buckingham Group Contracting Limited
the Bank	Bank of Scotland Plc
HSBC	HSBC Equipment Finance (UK) Ltd
Driver	Driver Consult Limited
FLJ	Fox Lloyd Jones Limited
Lupton Fawcett	Lupton Fawcett LLP
IA 86	The Insolvency Act 1986
IR 86	The Insolvency Rules 1986 (as amended)
KPMG	KPMG LLP

1 **Executive Summary**

- This progress report covers the period from 2 May 2012 to 29 October 2012 and has been prepared in accordance with Rules 2.110 and 2.47 of the Insolvency Rules 1986. It should be read in conjunction with my previous reports.
- The Directors resolved on 31 October 2011 to appoint Mark Granville Firmin and Howard Smith of KPMG LLP as Joint Administrators of the Company pursuant to Paragraph 2 of Schedule B1 of the Insolvency Act 1986.
- The notice of appointment, Form 2.9B, was lodged at the Leeds District Registry on 2 November 2011 and the Joint Administrators were duly appointed.
- In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the functions of the Joint Administrators may be exercised by either or both of them.
- The Joint Administrators' Statement of Proposals was approved on 5 January 2012 and has not been modified (see Appendix 6 – Joint Administrators' Statement of Proposals).
- There was no prospect of saving the Company or of achieving a sale of business. Accordingly the Joint Administrators' role has been limited to the realisation of the remaining assets (see Section 3 - Progress to date). Therefore, the purpose of the administration, in accordance with Paragraph 3(1)(b) of The Insolvency Act 1986 is achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up.
- The Joint Administrators paid a distribution of 100p in the pound to the Preferential Creditors of the Company on 17 October 2012.
- Based upon current information the Joint Administrators anticipate that there will be sufficient funds available to make a distribution to the Company's unsecured creditors in the liquidation, however the quantum and timing of a distribution is currently unknown.
- Full details of the Joint Administrators' Progress Report are attached together with all the relevant statutory information included by way of Appendices.
- In accordance with the Joint Administrators' original proposals, the Company has been placed into Creditors' Voluntary Liquidation upon the filing of the Form 2.34B at Companies House. Accordingly, Mark Granville Firmin and Howard Smith were appointed Joint Liquidators on 29 October 2012.



Joint Administrator - Mark Granville Firmin

Joint Administrator - Howard Smith



2 Introduction / Previous appointment

2.1 Introduction

Further to my previous report dated 18 May 2012, I write to provide my final report on the outcome of the Administration in accordance with Rules 2.47 and 2.110 of IR86.

The Joint Administrators' proposals have now been completed and are attached at Appendix 6. There have been no amendments or major deviations from the proposals.

The Company has been placed into Creditors' Voluntary Liquidation upon the filing of Form 2.34B at Companies House. In accordance with the proposals, Howard Smith and I were appointed Joint Liquidators on 29 October 2012.

For your information, the final abstract receipts and payments account for the period 2 May 2012 to 29 October 2012 is attached at Appendix 2.

All funds including VAT receivable arising in the Administration will be transferred to the Liquidation.

2.2 Previous appointment

As previously reported, on 10 October 2011 KPMG LLP were engaged by Barrett Structures, the Company's ultimate parent, to assist the Directors in attracting an investment or marketing the Company's business and assets for sale as a going concern. Interested parties were identified by circulating details of the Company throughout KPMG's Restructuring and Corporate Finance teams and approaching existing database contacts and management's contacts.

A total of 151 parties were contacted during the process, however limited interest was shown in relation to the sale of business.

Total fees of £30,000 were agreed and paid by the Company prior to the administration appointment in relation to the pre-appointment work carried out by KPMG LLP.

3 Progress to date

3.1 Strategy & trading

Immediately upon appointment, the Joint Administrators and their representatives attended the site to secure it and to take control of the business

Given the extensive marketing work which had been conducted prior to the Joint Administrators' appointment, as detailed in section 2.2, we pursued a restricted trading strategy together with the disposal of the Company's assets on a break up basis

A review of the existing order book was undertaken and it was apparent that the Company had only two ongoing contracts. Firstly, the supply and erection of steel at Wolverhampton Wanderers' stadium ("the Molineux contract") and secondly the Gatwick Airport contract ("the Gatwick contract")

At the date of appointment the physical works on site had been completed in respect of the Gatwick contract, however, the Molineux contract was not due to be completed until late November and the Company held all of the steel to complete the contract

Following a review of the Molineux contract it was clear that the head contractor, Buckingham, required this steel in order to avoid penalties if the contract was completed late. However, the Joint Administrators also identified that they would have to commit to significant sums in order to complete the contract and that significant amounts were outstanding to subcontractors

Accordingly, in view of the above issues and the associated risk of large force majeure payments being required to retain the subcontractors, the Joint Administrators embarked on lengthy discussions with Buckingham, which resulted in the following agreement

- the Company would supply the final 12 loads of steel as per the original schedule within the contract,
- Buckingham would assume responsibility for the costs of completion from the date of our appointment,
- Buckingham would settle the outstanding sums due to the Company in respect of the September certified sums (in line with the payment schedule as agreed with the Company prior to our appointment),
- Buckingham would progress their evaluation of the works undertaken by the Company to 31 October 2011, and
- the Company would ensure that three key suppliers, who were identified as being critical to the Contract, would continue to supply

The decision to complete the steel deliveries in line with the original schedule has resulted in sales of £325,352 and secured payment of £166,666 in relation to the September certified sums. If an agreement to sell the steel to Buckingham had not been reached, its scrap value would have been less than £30,000. In addition, the delays caused to the contract would have resulted in substantial late completion penalties

Therefore, it would have been unlikely that any funds would have been recovered in relation to the work in progress and debtor balance associated with the contract

As there had been no interest in the sale of the business as a going concern, the Joint Administrators made a total of 23 redundancies immediately on their appointment. The remaining 17 employees were retained primarily to assist with the Molineux contract, assessing the Company's other contractual book debts and the sale of the plant and machinery. The Joint Administrators then reviewed staffing requirements on a daily basis.

The final steel delivery was made on 29 November 2011 and the Company's last employee was made redundant on 8 December 2011.

3.2 Communication

The Joint Administrators wrote to all known creditors on 3 November 2011 advising them of their appointment.

The Joint Administrators' Statement of Proposals was circulated to all known creditors of the Company on 12 December 2011.

All known creditors of the Company were subsequently notified on 6 January 2012 that the Proposals were approved on 5 January 2012.

On 18 May 2012, The Joint Administrators circulated their six month progress report for the period 2 November 2011 to 1 May 2012.

3.3 Assets

3.3.1 Trading sales

As previously reported, the Joint Administrators have made sales of £349,224, which includes a sum of £325,352 in connection with the supply of steel to Buckingham in relation to the Molineux contract, £21,847 in connection with the sale of scrap steel and a sum of £2,025 in relation to assistance provided with technical drawings.

3.3.2 Contract work in progress/debtors

The Company's book debt ledger at the date of appointment, as per the Company's records, showed an outstanding balance of circa £2,123,110. Due to the nature of the Company's business, being the provision of construction services, its book debts are often disputed and subject to defect claims.

As previously advised, in order to ensure that the debtor realisations are maximised the Joint Administrators have entered into a debt collection agreement with Driver, a specialist construction debt collection firm. Driver's experience of collecting book debt ledgers during an insolvency process will also ensure realisations are maximised.

Total debtor realisations to 29 October 2012 are £201,374. Driver have estimated that future realisations are likely to be between £0 and £185,000. The Joint Liquidators will continue to liaise with Driver over future book debt realisations.

Debt collection costs of £17,500 have been paid to Driver in the period, in respect of these realisations.

The Joint Administrators have incurred time costs of £7,537 in the period (25 hours) in relation to the collection of book debts. Our time has mainly been incurred liaising with Buckingham in relation to the collection of their book debt monies, liaising with Driver in respect of disputes, their initial findings and the Buckingham monies and accounting for realisations and associated costs.

3.3.3 Barrett Steel Structures

As previously reported, a sum of £580,100 has been received from Barrett Structures, the Company's ultimate parent. These monies relate to funds that were generated by the Company through trading, but were transferred to a deposit account, which is held in the name of Barrett Structures.

Following a dispute raised by a creditor of Barrett Structures in respect of the ownership of these monies, the Joint Administrators sought legal advice from Addleshaws, who subsequently confirmed the Company's entitlement to these monies. In response to this, the creditor petitioned for the winding up of Barrett Structures. Barrett Structures was placed into Compulsory Liquidation on 11 June 2012. Accordingly, the Joint Liquidators are now liaising with the Official Receiver in this regard.

Legal costs of £10,515 have been paid to Addleshaws in relation to this matter in the period. In addition, the Joint Administrators have incurred time costs of £2,026 in the period (6 hours) in relation to resolving this issue.

3.3.4 Plant and machinery, stock, office equipment, business name and domain name

As referred to in the Joint Administrators' previous report, a sale of the Company's unencumbered assets was completed on 1 December 2011. The total consideration was £85,000 and was apportioned as follows:

	£
Plant & machinery	76,500
Stock	6,000
Office equipment	2,498
Business name	1
Domain name	1

A further £450 has been realised in respect of the sale of office equipment during the period.

No further realisations are anticipated in this regard.

Time costs of £43 (0.1 hours) have been incurred by the Joint Administrators in the period in liaising with FLJ in relation to this matter.

3.3.5 VAT reclaim

A sum of £60,000 is due to the Company in respect of input tax paid in the period. This will be recovered in the Liquidation.

3.3.6 Other assets

The Joint Administrators have held funds realised for the Company in an interest bearing account which has accumulated gross interest of £2,122 during the period.

An amount of £75 was received in error to the Company's pre appointment bank account. This was subsequently returned.

3.4 Liabilities

3.4.1 Secured creditors

As previously reported, at the date of appointment the Bank had been repaid in full, however, the Bank's security was still detailed as being outstanding.

Accordingly, following confirmation from the Bank that they had been repaid in full, the Joint Administrators filed a memorandum of satisfaction in respect of the Bank's security.

3.4.2 Preferential creditors

As previously reported, the Company ceased trading on 8 December 2011. As a result, all of the Company's employees have been made redundant. On 17 October 2012, the Joint Administrators made a distribution of £34,313 (100p in the pound) to the Company's preferential creditors.

3.4.3 Unsecured creditors

Based upon current information the Joint Administrators anticipate that there will be sufficient funds available to make a distribution to the Company's unsecured creditors, however, the quantum and timing of any distribution is currently unknown as this is subject to the ongoing debt collection process and resolving the position with regards to the money transferred from Barrett Structures.

The Insolvency Act 1986 (Prescribed Part) Order 2003 technically did apply in this case at the date of appointment, however, as previously noted, the Bank was repaid in full prior to the appointment and the charge has now been released. Therefore, all funds available after the payment of costs and preferential creditors are available for distribution to the unsecured creditors.

3.5 Expenses for the period

The receipts and payments for the period are set out in the attached Receipts and Payments Account (see Appendix 2).

The office holders' time costs for the period of this report are also attached (see Appendix 3).

The statutory provisions relating to remuneration are set out in Rule 2.106 of the Insolvency Rules 1986. A creditors guide to fees can be found at

http://www.r3.org.uk/media/documents/technical_library/SIPS/SIP_9_EW_Nov_2011.pdf

However, if you are unable to access this guide and would like a copy, please contact Jonathan Duffy on 0113 231 3314

In the period we have incurred time costs of £63,474, representing 212 hours at an average rate of £300 per hour. This includes the Tax, VAT, Health and Safety and Pensions advice from KPMG LLP in-house specialists

A detailed breakdown of the charge out rates for the duration of the administration is included in Appendix 3 to this Report

Please note that all staff who have worked on this assignment, including cashiers and secretarial staff have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to this assignment but is reflected in the general level of charge out rates

The Joint Administrators' Proposals included the following resolutions which were approved at the meeting on 5 January 2012

- that in the event that no creditors' committee is formed, the Joint Administrators will be authorised to draw fees on account from the assets of the Company from time to time during the period of the administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. In the event that Mark Firmin and Howard Smith be appointed Joint Liquidators then they will be able to draw fees on the same basis as the Joint Administrators as agreed by the Company's creditors. Also, the Joint Administrators will be authorised to draw disbursements from time to time to include category 2 disbursements, and
- that the costs of KPMG LLP in respect of HSE, Pension, Tax, Receivables Realisation Group and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company

A creditors committee was not formed

The Joint Administrators have drawn fees of £300,000 during the period covered by this report

The Joint Administrators have incurred disbursements of £4 in the period and to date no disbursements have been drawn. See Appendix 3 for further details

Expenses for this period total £66,334 including amounts not yet paid (see Appendix 4 for details)

Additional information about the expenses charged for the period is available from the office holder upon request by any secured creditor, and any other creditor or creditors owed 5% or more in value of the unsecured liabilities listed. Full details of the process to obtain more information under Rule 2.48A of the Insolvency Rules 1986 and to challenge the Joint Administrator's remuneration and expenses under Rule 2.109 of the Insolvency Rules 1986 are included in Appendix 5 should creditors wish to do so

4 Comments on the Appendices

4 1 Statutory information

4 2 Receipts & payments account for the period

4 2 1 Receipts

Please see Section 3 3 for comments on the receipts during the period

4 2 2 Payments

4 2 2 1 *Legal fees and disbursements*

Legal fees of £10,515 and disbursements of 36p have been paid to Addleshaws during the period. These fees are specifically in respect of the monies received from Barrett Structures detailed under section 3 3. A further £595 has been incurred in the period but not yet paid to Addleshaws.

In addition, £1,500 has been incurred in the period but not yet paid to Lupton Fawcett in relation to ongoing legal advice received by the Joint Administrators.

4 2 2 2 *Storage costs*

The Joint Administrators have paid a sum of £204 during the period in relation to the ongoing storage of the Company's books and records. In addition, storage costs of £100 have been incurred in the period, but not yet paid.

4 2 2 3 *Debt collection fees*

As detailed in section 3 3, debt collection costs of £17,500 have been paid to Driver in the period, in respect of the collection of book debts.

4 2 2 4 *Insurance of assets*

A sum of £3,138 has been paid to Willis Limited in the period, in relation to the insurance of the Company's assets during the trading period.

4 2 2 5 *Corporation tax*

The sum of £552 has been accrued in the period but not yet paid, in relation to a potential corporation tax liability.

4 3 Analysis of office holders' time costs

Further to my comments regarding time costs in respect of the asset realisations detailed in section 3 3 the following matters are brought to your attention.

4 3 1 Post appointment corporation tax

Within the period, time costs of £9,158 (27 hours) have been incurred in relation to the completion of Corporation Tax returns and correspondence with HMRC.



4.3.2 Statutory reporting

Time costs of £10,139 (37 hours) were incurred in relation to the preparation and circulation of reports to creditors

4.3.3 Checklists and reviews

Time costs of £14,918 (40 hours) have been incurred in reviewing files and ensuring all statutory obligations are being complied with

4.4 Expenses for the period

Expenses for the period are summarised in Appendix 4 which include the time costs as analysed in Appendix 3



5 Outstanding matters

The following matters remain outstanding and will be concluded in the creditors' voluntary liquidation

- Collection of outstanding book debts,
- Resolution of the monies transferred by Barrett Structures,
- Agreement of claims and distribution to the Company's unsecured creditors,
- Settlement of outstanding costs of the administration, and
- Tax clearance

6 Appendix 1

6.1 Statutory Information

Appointment	
For period	2 May 2012 to 29 October 2012
Company name	BSB (211) Realisations Limited formerly Barrett Steel Buildings Limited
Nature of business	Construction of steel buildings
Court details	The Administration Order was made on 2 November 2011 in High Court Leeds District Registry number 1629 of 2011 application by Directors
Date of appointment	2 November 2011
Office holder details	<p>Mark Granville Firmin was appointed on 2 November 2011 and is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England & Wales</p> <p>Howard Smuth was appointed on 2 November 2011 and is authorised to act as an insolvency practitioner by the Insolvency Practitioners Association</p>
Registered number	02739854
Previous registered office	Barrett Court 310 Cutler Heights Lane Bradford Yorkshire BD4 9HZ
Present registered office	KPMG LLP, 1 The Embankment Neville Street Leeds LS1 4DW
Basis of remuneration	Time costs
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations



7 Appendix 2

7.1 Office holders' receipts and payments account

**BSB (211) Realisations Limited formerly Barrett Steel Buildings Limited
(In Administration)
Administrators' Trading Account**

Statement of Affairs	From 02/05/2012 To 29/10/2012	From 02/11/2011 To 29/10/2012
POST-APPOINTMENT SALES		
Steel sales	NIL	325,352.00
Consultancy sales	NIL	2,025.00
Scrap metal	NIL	21,846.88
	NIL	349,223.88
OTHER DIRECT COSTS		
Direct labour	NIL	46,329.65
	NIL	(46,329.65)
TRADING EXPENSES		
Consultancy	NIL	5,720.00
Rates	NIL	8,977.17
Water rates	NIL	46.38
Heat & light	NIL	3,869.96
Telephone/Telex/Fax	NIL	542.90
Transport	NIL	8,400.00
Security	NIL	2,129.40
Hire of equipment	NIL	139.00
Sundry expenses	NIL	149.08
Staff expenses	NIL	958.50
Force majeure	NIL	23,400.00
Stationery & postage	NIL	5.00
	NIL	(54,337.39)
TRADING SURPLUS(DEFICIT)	NIL	248,556.84



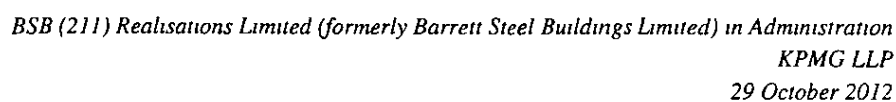
BSB (211) Realisations Limited (formerly Barrett Steel Buildings Limited) in Administration

KPMG LLP

29 October 2012

BSB (211) Realisations Limited formerly Barrett Steel Buildings Limited
(In Administration)
Administrators' Abstract of Receipts & Payments

Statement of Affairs	From 02/05/2012 To 29/10/2012	From 02/11/2011 To 29/10/2012
	HP/LEASING	
403,000.00	Plant & machinery	NIL
(139,500.00)	HSBC Asset Finance	NIL
		NIL
	ASSET REALISATIONS	
35,000.00	Plant & machinery	49,227.00
2,750.00	Furniture & equipment	2,948.00
	Business name	2.00
20,000.00	Stock	6,000.00
606,358.00	Contract work in progress/debtors	201,374.24
20,000.00	Craneage	27,273.00
10,000.00	Prepayments	937.12
9,950.00	Directors loan	NIL
575,924.00	Cash at bank	NIL
	Barrett Steel Structures	580,099.85
		867,861.21
	OTHER REALISATIONS	
	Bank interest, gross	3,588.46
	Sundry refunds	1,008.60
	Trading Surplus/(Deficit)	248,556.84
256.00	Petty cash	256.00
	Third party funds received in error	74.52
		253,484.42
	COST OF REALISATIONS	
	Third party funds returned	74.52
	Administrators' fees	300,000.00
	Transfer to liquidator	627,642.98
	Agents'/Valuers' fees	32,771.56
	Debt Collection Fees	17,500.00
	Legal fees	42,545.00
	Legal disbursements	79.66
	Pre appointment legal fees	2,300.00
	Storage costs	491.88
	Re-direction of mail	54.45
	Statutory advertising	389.20
	Insurance of assets	3,137.90
	Bank charges	45.08
		(1,027,032.23)
	PREFERENTIAL CREDITORS	
(32,636.00)	Employees' wage arrears & holiday pay	34,313.40
		(34,313.40)
	UNSECURED CREDITORS	
(2,805,420.00)	Trade & expense	NIL
(572,387.00)	DTI & employee pay in lieu & redundancy	NIL
(65,000.00)	Landlord	NIL
(118,807.00)	Corporation tax	NIL
(57,452.00)	PAYE and NIC	NIL
(856,889.00)	VAT	NIL



Statement of Affairs	From 02/05/2012 To 29/10/2012	From 02/11/2011 To 29/10/2012
	NIL	NIL
DISTRIBUTIONS		
(600,000 00) Preferred redeemable shares	NIL	NIL
(1,112,997 00) Ordinary shares	NIL	NIL
	NIL	NIL
(4,677,850 00)	(993,039 74)	60,000 00
REPRESENTED BY		
Floating ch. VAT rec'able		87,068 43
Floating ch. VAT payable		(120,368 02)
Floating ch. VAT control		93,199 59
		60,000 00

8 Appendix 3

8.1 Analysis of office holders' time costs for the period 2 May 2012 to 29 October 2012

02/05/2012 to 29/10/2012							
	Partner / Director	Manager	Administrator	Support	Total hours	Time cost	Average hourly rate
Cashiering							
General (Cashiering)	1.1		3.3		4.4	£1,138.00	£258.86
Reconciliations (& IPB accounting reviews)		1.3	1.2		2.5	£603.50	£241.40
General							
Books and records		-	1.5		1.5	£282.50	£175.00
Fees and WIP		1.0	0.5		1.5	£327.50	£218.33
Other office holders		0.1			0.1	£42.50	£425.00
Statutory and compliance							
Checklist & reviews	2.3	28.8	9.0		40.1	£14,817.50	£372.01
Closures and related formalities		3.9	10.0		13.9	£3,805.00	£273.35
Statutory receipts and payments accounts	-	0.4	0.8		1.0	£314.00	£314.00
Strategy documents	2.1	0.6			2.7	£1,441.50	£533.89
Tax							
Post appointment corporation tax	4.6	15.3	6.4		26.3	£9,158.00	£348.59
Post appointment VAT	0.6	1.7	11.0		13.3	£2,890.50	£217.33
Creditors and claims							
Agreement of preferential claims		1.7			1.7	£737.50	£433.82
General correspondence		3.3	14.3		17.6	£4,912.00	£278.52
Legal claims			6.0		6.0	£1,090.00	£181.67
Payment of dividends		1.3			1.3	£585.00	£450.00
Pre-appointment VAT / PAYE / CT			1.0		1.0	£175.00	£175.00
Statutory reports	2.1	11.5	23.5		37.1	£10,138.50	£273.27
Employees							
Agreeing employee claims			1.1		1.1	£312.00	£283.64
Correspondence		-		3.6	3.6	£403.25	£112.01
Pensions reviews	-		0.1		0.1	£17.50	£175.00
Directors							
Correspondence with directors	-	0.6			0.6	£238.00	£396.67
Asset Realisation							
Cash and investments	-	5.8	0.4		6.0	£2,026.00	£337.67
Debtors	0.5	8.3	18.8		25.4	£7,530.00	£296.46
Leasehold property		0.4			0.4	£138.00	£345.00
Office equipment, fixtures & fittings		0.1			0.1	£42.50	£425.00
Total in period	13.3	69.1	108.6	3.6	211.9	£53,474.25	£252.62
					1,193.8	£314,348.75	£263.33
					211.9	£53,474.25	£252.62
					1,405.7	£377,823.00	£268.88

8.2 Joint Administrators' charge out rates for the period 2 May 2012 to 29 October 2012

Grade	From 1 October 2010 £/hr	From 1 October 2012 £/hr
Partner	535	565
Associate Partner	460	485
Director	460	485
Senior Manager	425	450
Manager	345	365
Senior Administrator	240	250
Administrator	175	185
Support	110	115

	KPMG LLP Corporation Tax Team	KPMG LLP VAT Team	KPMG LLP Pensions Team
Grade	From 1 October 2008 £/hr	From 1 October 2008 £/hr	From 1 October 2008 £/hr
Partner	595	900	465
Associate Partner	535	900	465
Director	535	805	400
Senior Manager (> 2 years)	470	705	365
Senior Manager (< 2 years)	375	565	365
Manager (> 2 years)	305	455	290
Manager (< 2 years)	255	385	290
Senior Administrator (Yr 3)	220	330	205
Senior Administrator (Yr 2)	205	310	205
Senior Administrator (Yr 1)	185	280	205
Administrator (Yr 4)	185	280	150
Administrator (Yr 3)	165	245	150
Administrator (Yr 2)	125	185	150
Administrator (Yr 1)	85	125	150

8.3 Joint Administrators' disbursements

Expense name	Expense amount (£)
Companies House Fee	4
Total	4

Where funds permit the officeholder will look to recover both category 1 and category 2 disbursements from the estate. For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

Category 1 disbursements These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

Category 2 disbursements These are costs that are directly referable to the

appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Any disbursements to be paid from the estate are disclosed within the summary of disbursements above.

The only Category 2 disbursements that KPMG Restructuring currently charges is mileage, this is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 40p per mile
- Use of company car – 60p per mile
- Use of partner's car – 60p per mile

For all of the above car types, when carrying passengers an additional 5p per mile per passenger will also be charged where appropriate.

9 Appendix 4

9.1 Schedule of expenses for the period 2 May 2012 to 29 October 2012

Section	Account	Accrued	Paid	Undisclosed in prior	Total
Cost of realisations	Third party funds returned		74 52		74 52
	Administrators' fees	63,474 25			63,474 25
	Administrators' expenses	4 00			4 00
	Legal fees	2,095 00			2,095 00
	Corporation Tax	551 63			551 63
	Storage costs	100 00	34 39		134 39
TOTAL		66,224.88	108.91		66,333.79

Creditors are reminded that the basis on which fees have been reported has been agreed by the creditors at the meeting

However, to determine if the quantum of the fees to be taken is reasonable the analysis included at Appendix 3 should be reviewed and any additional information can be requested by any secured creditor or any unsecured creditor(s) with at least 5% in value of the unsecured debt in accordance with Rule 2 48A of the Insolvency Rules 1986. This request must be made within 21 days receipt of the report. The full text of that rule can be provided on request.

In addition creditors are reminded that the quantum can be challenged by unsecured creditor(s) with at least 10% in value, including that creditors claim, by making an application to court in accordance with rule 2 109 of the Insolvency Rules 1986. The full text of this rule can also be provided on request.

10 Appendix 5

10 1 Extract from the Insolvency Rules 1986

Insolvency Rules 1986

2 48A Creditors' request for further information

(1) If- (a) within 21 days of receipt of a progress report under Rule 2 47-

(i) a secured creditor, or

(ii) an unsecured creditor with the concurrence of **at least 5% in value** of the unsecured creditors (including the creditor in question), or

with the permission of the court upon an application made within that period of 21 days, any unsecured creditor, the administrator for further information about remuneration or expenses (other than pre-administration costs) set out in a statement required by Rule 2 47(1)(db) or (dc), the administrator must, within 14 days of receipt of the request, comply with paragraph (2)

The administrator complies with this paragraph by either—

(a) providing all of the information asked for, or

(b) so far as the administrator considers that—

(i) the time or cost of preparation of the information would be excessive, or

(ii) disclosure of the information would be prejudicial to the conduct of the administration or might reasonably be expected to lead to violence against any person, or

(iii) the administrator is subject to an obligation of confidentiality in respect of the information,

giving reasons for not providing all of the information

(3) Any creditor, who need not be the same as the creditor who requested further information under paragraph (1), may apply to the court within 21 days of—

(a) the giving by the administrator of reasons for not providing all of the information asked for, or

(b) the expiry of the 14 days provided for in paragraph (1),

and the court may make such order as it thinks just

(4) Without prejudice to the generality of paragraph (3), the order of the court under that paragraph may extend the period of 8 weeks provided for in Rule 2 109(1B) by such further period as the court thinks just

2 109 Creditors' claim that remuneration is or other expenses are excessive

(1) 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 the court for one or more of the orders in paragraph (4)

(1A) An application may be made on the grounds that—

(a) the remuneration charged by the administrator,

(b) the basis fixed for the administrator's remuneration under Rule 2 106,

(c) expenses incurred by the administrator,

is or are in all the circumstances, excessive, or in the case of an application under subparagraph (b), inappropriate

(1B) The application must, subject to any order of the court under Rule 2 48A(4), be made no later than 8 weeks after receipt by the applicant of the progress report which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report")

(2) The court may, if it thinks that no sufficient cause is shown for a reduction, dismiss it without a hearing but it shall not do so without giving the applicant at least 5 business days' notice, upon receipt of which the applicant may require the court to list the application for a without notice hearing. If the application is not dismissed, the court shall fix a venue for it to be heard, and give notice to the applicant accordingly

(3) The applicant shall, at least 14 days before the hearing, send to the administrator a notice stating the venue and accompanied by a copy of the application, and of any evidence which the applicant intends to adduce in support of it

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

(a) an order reducing the amount of remuneration which the administrator was entitled to charge,

(b) an order fixing the basis of remuneration at a reduced rate or amount,

(c) an order changing the basis of remuneration,

(d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration,

(e) an order that the administrator or the administrator's personal representative pay to the company the amount of the excess of remuneration or expenses or such part of the excess as the court may specify,

and may make any other order that it thinks just, but an order under sub-paragraph (b) or (c) may be made only in respect of periods after the period covered by the relevant report

(5) Unless the court orders otherwise, the costs of the application shall be paid by the applicant, and are not payable as an expense of the administration

11 Appendix 6

11.1 Joint Administrators' Statement of Proposals

The Joint Administrators have concluded to pursue the second prescribed objective (b) under Paragraph 3(1) of Schedule B1 to IA 86, achieving a better result for the company's creditors as a whole than would be likely if the company were wound up

The Joint Administrators propose the following two resolutions

Resolution 1:

- to continue to do all such things reasonably expedient and generally exercise all their powers as contained in Schedule B1 to the Insolvency Act 1986 as Joint Administrators as they, in their absolute discretion, consider desirable in order to maximise realisations from the assets of the Company,
- to investigate and, if appropriate, pursue any claims the Company may have,
- to seek an extension to the administration period if deemed necessary by the Joint Administrators pursuant to Paragraph 76 of Schedule B1 to the Insolvency Act 1986,
- to allow the Administration to cease to have effect following its 12 month period or any extension thereof,
- to seek if appropriate, permission of the Court to make a distribution to unsecured creditors of the Company pursuant to Paragraph 65 of Schedule B1 to the Insolvency Act 1986 and to seek, if appropriate, any other directions from the Court,
- when it is considered that no further distributions to creditors will be made and that the Joint Administrators have concluded their duties, to take the necessary steps to move the Company from administration to dissolution, pursuant to Paragraph 84 of Schedule B1 to the Insolvency Act 1986,
- if the Joint Administrators consider that a distribution will be made to unsecured creditors of the Company, and if deemed appropriate by the Joint Administrators, to take the necessary steps to move the Company into creditors' voluntary liquidation pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986,
- if creditors' voluntary liquidation is deemed appropriate, the Joint Administrators will seek the appointment of Mark Firmin and Howard Smith of KPMG LLP as Joint Liquidators of BSB (211) Realisations Limited, without any further recourse to creditors. In accordance with Paragraph 83(7) of Schedule B1 to the Insolvency Act 1986 and Rule 2.117(3) of the Insolvency Rules 1986 (as amended), creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of the proposals and before the proposals are approved,
- if one of the criteria set out in Paragraph 79(2) of Schedule B1 to the Insolvency Act 1986 apply to the Company, the Joint Administrators can make an application to Court to end the Administration and, if deemed appropriate, to petition the Court for the



winding up of the Company. If appropriate, the Joint Administrators will, at the same time, apply to be appointed as Joint Liquidators under Section 140(1) of the Insolvency Act 1986, and the Joint Administrators will seek a resolution from creditors to be discharged from liability 14 days after the cessation of their appointment as Joint Administrators, in respect of any action of The Joint Administrators pursuant to Paragraph 98(1) of Schedule B1 to the Insolvency Act 1986,

- in the event that Mark Firmin and Howard Smith are appointed Joint Liquidators then they will be allowed to act jointly and severally, and
- the Joint Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect

Resolution 2:

- that in the event that no creditors' committee is formed, the Joint Administrators will be authorised to draw fees on account from the assets of the Company from time to time during the period of the Administration based on time properly spent at KPMG LLP charge out rates that reflect the complexity of the assignment. In the event that Mark Firmin and Howard Smith be appointed Joint Liquidators then they will be able to draw fees on the same basis as the Joint Administrators as agreed by the Company's creditors. Also, the Joint Administrators will be authorised to draw disbursements from time to time to include category 2 disbursements, and
- that the costs of KPMG LLP in respect of HSE, Pension, Tax, Receivables Realisation Group and VAT advice provided to the Joint Administrators be based upon time costs and shall be paid out of the assets of the Company