

AM23

Notice of move from administration to dissolution



Companies House

For further information, please refer to our guidance at www.gov.uk/companieshouse

1 Company details

Company number 02783859

Company name in full Preact Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies

Court number 0045412022

3 Administrator's name

Full forename(s) Marco

Surname Piacquadio

4 Administrator's address

Building name/number Ground Floor, Baird House

Street Seebeck Place

Post town Knowlhill

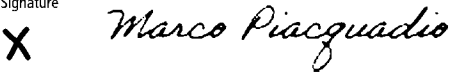
County/Region Milton Keynes

Postcode MK58FR

Country

AM23

Notice of move from administration to dissolution

5	Administrator's name ①		
Full forename(s)	Alan		① Other administrator Use this section to tell us about another administrator.
Surname	Coleman		
6	Administrator's address ②		
Building name/number	Ground Floor, Baird House		② Other administrator Use this section to tell us about another administrator.
Street	Seebeck Place		
Post town	Knowlhill		
County/Region	Milton Keynes		
Postcode	M K 5 8 F R		
Country			
7	Final progress report		
	<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
8	Sign and date		
Administrator's signature	Signature  X		X
Signature date	d 3 0 m 1 1 y 2 0 y 2 3		

**Presenter information**

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

Contact name	Rachel Ennis
Company name	FTS Recovery Limited
Address	Ground Floor, Baird House Seebeck Place
Post town	Knowlhill
County/Region	Milton Keynes
Postcode	M K 5 8 F R
Country	
DX	
Telephone	01908 754 666

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

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

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



Joint Administrators' Final Progress Report

Preact Limited –
In Administration

For the period from 23 June 2023 to 30 November 2023

PREACT LIMITED - IN ADMINISTRATION

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1 Introduction

- 1.1 I, together with my partner Alan Coleman, was appointed Joint Administrator of Preact Limited (the Company) on 23 December 2022. The appointment was made by the director Mr Selom Bulla.
- 1.2 This Administration has been handled by FTS Recovery Limited at Ground Floor, Baird House, Seebeck Place, Knowlhill, Milton Keynes, MK5 8FR. The Administrators' contact details are by phone on 01908 754 666 or via email at Rachel.ennis@ftsrecovery.co.uk. The Administration is registered in the High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies, under reference number 004541 of 2022.
- 1.3 As the Administration has now completed, I am required to provide a progress report covering the period since my last report which ended on 22 June 2023. This is now my final report in the Administration and covers the period from 23 June 2023 to 30 November 2023 (the Period) and should be read in conjunction with my earlier Proposals report and any previous progress reports which have been issued. This report covers the final steps taken in the Administration and the outcome for creditors.
- 1.4 A summary of the Administrators' Proposals as approved can be found at Appendix A. I would confirm that there were no major amendments to, or deviations from, the Proposals, as approved during the Administration.
- 1.5 Information about the way that we will use, and store personal data on insolvency appointments can be found in the can be found at www.ftsrecovery.co.uk. If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.6 The trading address of the Company was Vandervell House, Vanwall Road, Maidenhead, Berkshire, SL6 4UB.
- 1.7 The registered office of the Company was The White Cottage, Parkers Lane Maidens Green, Bracknell, Berkshire, RG42 6LE and its registered number is 02783859.
- 1.8 No threats to the five Fundamental Principles under the Insolvency Code of Ethics have been identified during the Administration.

2 Receipts and Payments

- 2.1 At Appendix B is my Receipts and Payments Account covering the Period together with a cumulative Receipts and Payments Account from the date of my appointment to the conclusion of the Administration at Appendix C.

3 Work undertaken by the Administrators

- 3.1 As noted previously, the statutory objective pursued in the Administration was realising property to make a distribution to the secured or preferential creditors. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not have provided any financial benefit to creditors. You will note that from section 5.4 distributions have now been made to the preferential creditors of the case and I have now completed my statutory purpose.
- 3.2 This section of the report provides creditors with an overview of the work undertaken in the Period, both in terms of the statutory objective, but also work which is required of the Administrators under other related legislation.

Administration (including statutory compliance & reporting)

PREACT LIMITED - IN ADMINISTRATION

- 3.3 As noted previously, the Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work undertaken in this regard has been outlined previously and I would confirm that in the final period of the Administration, the only matters that have affected the costs in this area to any particular extent are dealing with the investigation matters and making various creditors distributions.

- 3.4 Where the overall costs of statutory compliance work or reporting to creditors has exceeded the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Administrators.

- 3.5 This work has not necessarily brought any financial benefit to creditors but is work required on every case by statute.

Realisation of Assets

Sale of Business

- 3.6 The business and assets of the Company were sold to ANS Group Ltd on 23 December 2022 for the total consideration of £250,000.00. Payment was made in full on the same date.

Licence to Occupy Rent

- 3.7 The Purchaser paid the Administrator funds totalling £35,787.66 in relation to the licence to occupy agreement for the premises in Maidenhead, these funds were remitted to the Landlord in a prior period, bringing all payments due under the licence up to date and to the agreed licence termination point. The lease has since sought to have been surrendered as the Company was no longer in occupation. In the absence of landlord agreeing to surrender (as is the case to date) all parties have been put on notice that the Company's interest in the lease will pass to the Bona Vacantia department under relevant principles, upon dissolution.

Debtor Ledger

- 3.8 The Ledger receipts are split over two lines, the first line as per the Asset Sale Agreement (ASA) and is covered under section 3.6 and totals £118,681.00. The second sum 'Purchaser book debt' totals £289,934.31 is in relation to the debtor receipts into the Company account post completion of sale, all of these funds were then remitted to the purchaser once reconciliation was complete as required under the terms of the sale agreement.

Storage Refund

- 3.9 A small refund of the storage of records was received totalling £110.23.

Cash at Bank

- 3.10 The sum of £47,737.96 was received by the Joint Administrators from the Company bank account.

Rates Refund

- 3.11 The Company rented a property in Maidenhead, on appointment an agent instructed by the Joint Administrators completed a rates revaluation. The review revealed that the Company was due a refund for rates charged during the periods November 2009 to October 2018 and November 2018 to December 2022. A refund in the sum of £3,76.50 was duly received into the estate following payment of the agent for services rendered.

Directors Loan Account

- 3.12 The Director made a full and final settlement payment of £200,000 against the outstanding loan account on 10 November 2023, this transaction allowed payment to the secondary preferential creditor and for the Administration to be concluded within a year of appointment. The relevant preferential creditor was approached and provided an extended period of time to consider the settlement offer and an outcome statement setting out the alternative outcome in the event of non-settlement.

Bank interest

- 3.13 The Administrators estate bank account was interest bearing and received the total interest of £725.83 as the Administration is concluding the account has now been switched to non-interest bearing whilst matters are finalised and any final CT liabilities paid down, with tax clearance sought from HMRC.
- 3.14 There are no further assets to be realised, the work the Administrators and their staff have undertaken has brought a financial benefit to creditors because a distribution has been made the both the ordinary and secondary preferential creditors of the case.

Creditors (claims and distributions)

- 3.15 Further information on the outcome for creditors in this case can be found at section 5 of this report. Administrators are not only required to deal with correspondence and claims from unsecured creditors, but also those of any secured and preferential creditors of the Company.
- 3.16 The work done by the Administrators may not necessarily have brought any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be however the Administrators are required by statute to undertake this work. In this case the work done has led to a positive outcome for the preferential creditors and I have been able to make two distributions back to this class of creditor, the first being the ordinary preferential distribution and the final being the secondary preferential distribution.

Investigations

- 3.17 You may recall from my earlier progress reports to creditors that some of the work the Administrators were required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 3.18 My report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 3.19 Since my last progress report, I would advise that the overdrawn directors loan account matter has been successfully resolved with a final offer settlement having been paid to the estate in early November 2023. This concludes all my investigations and has led to the distribution to secondary preferential creditors at 14.24 pence in the pound.

4 Unrealised Assets

- 4.1 I would confirm that all assets have now been realised and the cumulative Receipts and Payments Account at Appendix B reflects the final position on both realisations achieved and payments made during the course of the Administration. This includes details of all expenses incurred and paid by the Administrators.
- 4.2 Appendix A reflects the receipts and payments made during the Period only.

5 Outcome for Creditors

5.1 A Final Outcome Statement on the Administration of the Company as at 30 November 2023 is attached at Appendix F.

5.2 Further information on the outcome for each class of creditor in the Administration can be found below:

Secured Creditors

5.3 NatWest Bank held a fixed and floating charge over the Company's assets. At the date of the Administration the indebtedness to the secured creditor was estimated at £1 and was subsequently agreed that the bank had no claim in the Administration.

Preferential Creditors

5.4 A summary of the preferential claims and details of any distributions paid to date can be found below:

Ordinary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
Employee claims (Total number of claims = 1)	0.21	0.21	100	14 November 2023
Redundancy Payments Office	2,127.14	1,600.00	100	19 October 2023
Secondary preferential claims	Agreed Claim £	Statement of Affairs Claim £	Dividend paid p in the £1	Date dividend paid
VAT (HMRC)	£1,604,507.22	1,458,438.75	14.24	21 November 2023
PAYE, Employee NIC & CIS deductions (HMRC)	£170,549.20			

5.5 No further dividend to any class of preferential creditor is anticipated.

Unsecured Creditors

5.6 At the date of this report, I have received claims totalling £716,752.85 from 24 creditors.

5.7 The Company granted a floating charge to NatWest Bank on 7 July 2016, accordingly I would normally be required to create a fund out of the Company's net floating charge property however the bank have no claim in the process and there is no net floating charge property therefore the provisions of the prescribe part do not apply here.

6 Administrators' Remuneration

6.1 The basis of the Administrators' fees was fixed in the Administration as a set amount.

6.2 Creditors agreed that the Administrators' remuneration for dealing with the matter be agreed as a set amount of £120,000.00 plus VAT. Against this, £120,000.00 + VAT has been drawn.

6.3 Attached at Appendix E is additional information in relation to the Administrators' fees and the expenses and the use of subcontractors and other professional advisers.

6.4 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.r3.org.uk/technical-library/england-wales/technical->

[guidance/fees/more/29113/page/1/administration-a-guide-for-creditors-on-insolvency-practitioner-fees/](#).

7 Creditors' rights

- 7.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about his remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 7.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

8 Ending the Administration

- 8.1 I would confirm that I have sent a notice to the Registrar of Companies to be filed, moving the Company to dissolution as there is no property which might permit a distribution to the unsecured creditors.
- 8.2 The Administrators' appointment will end following the registration of the notice by the Registrar of Companies. A copy of this notice is enclosed.
- 8.3 The Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

For and on behalf of
Preact Limited

Marco Piacquadio

Marco Piacquadio
Joint Administrator

Appendix A

Summary of Administrator's Proposals

It is proposed that the Administrators will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that:

If creditor consent for a substantial disposal to a connected party is necessary or appropriate, the Administrators will seek this approval from the creditors of the Company before concluding any such sale, where a qualifying report has not been obtained in the alternative.

If having realised the assets of the Company, the Administrators think that a distribution will be made to the unsecured creditors from the fund created out of the Company's net floating charge property (known as the Prescribed Part) by virtue of section 176A(2)(a), this will be distributed by the Administrators in the Administration and the Company will thereafter proceed to dissolution.

If, however, having realised the assets of the Company the Administrators think that a distribution will be made to the unsecured creditors other than by virtue of section 176A(2)(a), they propose filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrators to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Administrators in office at the date of conversion to CVL will become the Joint Liquidators in the CVL -The acts of the Joint Liquidators may be undertaken by either or both of them.

Court approval is not required to enable the Administrators to make a distribution to the unsecured creditors of the Prescribed Part. If however, a distribution to unsecured creditors not limited to the Prescribed Part is anticipated, the Administrators may consider making an application to Court to seek permission to distribute this in the Administration. If permission is granted, the Company will exit into dissolution once the distribution has been made and the Administration is concluded.

If the Administrators think that the Company has no property which might permit a distribution to its creditors, they will file a notice with the Court and the Registrar of Companies for the dissolution of the Company.

It is currently anticipated that once the purpose of the Administration has been achieved, the Company will be dissolved.

The Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.

If the Administrators consider it necessary to extend the period of the Administration, they will seek the consent of creditors or the approval of the Court to the extension. Creditors may consent to an extension for a period of up to one year and the Court can order that the Administrators' term of office be extended for a specified period determined by it.

The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Administrators' remuneration, Category 2 expenses (where charged) and any proposed act on the part of the Administrators without the need to report back to creditors generally, to include any decision regarding the most appropriate exit route from the Administration.

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

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- As a percentage of the value of the assets they have to deal with, or
- By reference to time properly spent by the Administrators and their staff managing the Administration, or
- As a set amount

In accordance with Statement of Insolvency Practice 9, issued by the Association of Business Recovery Professionals, the Administrators be authorised to draw Category 2 expenses as and when funds are available, in accordance with their firm's published tariff.

Where no Creditors' Committee is appointed, the remuneration and Category 2 expenses of the Administrators shall be fixed by a decision of creditors or where the Administrators think that the Company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the Prescribed Part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with insolvency legislation. The Administrators will also seek approval from creditors for any unpaid pre-administration costs (such that they exist) and their discharge from liability in the same manner.

In this case, the Administrators are seeking to approve the basis of their remuneration as follows:

- As a set amount

The Administrators will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

PREACT LIMITED - IN ADMINISTRATION

Appendix B

Receipts and Payments Account for the Period from 23 June 2023 to 30 November 2023

Preact Limited (In Administration)

Joint Administrators' Summary of Receipts and Payments (Accruals Basis)

Statement of Affairs £	From 23 June 2023 To 30 November 2023 £	From 23 December 2022 To 30 November 2023 £
ASSET REALISATIONS		
1.00 Plant & Machinery	0.00	1 00
1.00 Stock	0.00	1 00
118 681.00 Book Debt from ASA	0.00	118 681 00
1.00 Shares & Investments	0.00	1 00
1.00 Goodwill	0.00	1 00
126 263 00 Intellectual Property	0.00	126 263 00
Rates Refunds	3 763.50	3 763 50
1.00 Seller's Records	0.00	1 00
44 615.79 Cash at Bank	2 622.17	47 737 96
LTO Rent Due	0.00	35 787 66
5 050.00 Option in respect of Business Contracts	0.00	5 050 00
Purchaser Book Debt	(2 622 17)	289 934 31
Bank Interest Gross	314.04	725 83
Storage Refund	0.00	110 23
Uncertain Director's Loan Account	200 000.00	200 000 00
1.00 Computer Equipment	0.00	1 00
	204 077.54	828 059 49
COSTS OF REALISATION		
Bordereau Premium	1 220.00	1 220 00
Joint Administrators Pre appointment Fee	0.00	30 049 50
Joint Administrators' Remuneration	0.00	120 000 00
Agents/Valuers Fees	0.00	20 000 00
Legal Fees	52 977.00	74 362 50
IT Costs	0.00	358 08
VAT - Irrecoverable	0.21	0 21
Rates Refund Costs	940.87	940 87
Debtor Money Return to Purchaser	24 326.08	289 934 31
Storage Costs	0.00	376 00
Statutory Advertising	0.00	85 60
Rents Payable	0.00	35 787 66
	(79 464 16)	(573 114 73)

PREACT LIMITED - IN ADMINISTRATION

PREFERENTIAL CREDITORS

10.139.16 RPS	2,127.14	2,127.14
0.21 Employee Arrears/Hol Pay	0.21	0.21
	<u>(2,127.35)</u>	<u>(2,127.35)</u>

SECONDARY PREFERENTIAL CREDITORS

Statement of Affairs £	From 23 June 2023 To 30 November 2023 £	From 23 December 2022 To 30 November 2023 £
(1,458,438.75) HMRC	252,817.41	252,817.41
	<u>(252,817.41)</u>	<u>(252,817.41)</u>
<u>(1,153,683.59)</u>	<u>(130,331.38)</u>	<u>(0.00)</u>

REPRESENTED BY

Vat Receivable	11,027.57
Bank 1 Current	<u>(11,027.57)</u>
	<u>NIL</u>

PREACT LIMITED - IN ADMINISTRATION

Appendix C

Cumulative Receipts and Payments Account for the Period from 23 December 2022 to 30 November 2023

Preact Limited			
(In Administration)			
Joint Administrators' Summary of Receipts and Payments (Accruals Basis)			
Statement of Affairs	From 23 December 2022 To 30 November 2023	From 23 December 2022 To 30 November 2023	
£	£	£	
ASSET REALISATIONS			
1.00 Plant & Machinery	1.00	1.00	
1.00 Stock	1.00	1.00	
118,681.00 Book Debt from ASA	118,681.00	118,681.00	
1.00 Shares & Investments	1.00	1.00	
1.00 Goodwill	1.00	1.00	
126,263.00 Intellectual Property	126,263.00	126,263.00	
Rates Refunds	3,763.50	3,763.50	
1.00 Seller's Records	1.00	1.00	
44,615.79 Cash at Bank	47,737.96	47,737.96	
LTO Rent Due	35,787.66	35,787.66	
5,050.00 Option in respect of Business Contracts	5,050.00	5,050.00	
Purchaser Book Debt	289,934.31	289,934.31	
Bank Interest Gross	725.83	725.83	
Storage Refund	110.23	110.23	
Uncertain Director's Loan Account	200,000.00	200,000.00	
1.00 Computer Equipment	1.00	1.00	
	828,059.49	828,059.49	
COSTS OF REALISATION			
Bordereau Premium	1,220.00	1,220.00	
Joint Administrators Pre appointment Fee	30,049.50	30,049.50	
Joint Administrators' Remuneration	120,000.00	120,000.00	
Agents/Valuers Fees	20,000.00	20,000.00	
Legal Fees	74,362.50	74,362.50	
IT Costs	358.08	358.08	
VAT - Irrecoverable	0.21	0.21	
Rates Refund Costs	940.87	940.87	
Debtor Money Return to Purchaser	289,934.31	289,934.31	
Storage Costs	376.00	376.00	
Statutory Advertising	85.60	85.60	
Rents Payable	35,787.66	35,787.66	
	(573,114.73)	(573,114.73)	

PREACT LIMITED - IN ADMINISTRATION

PREFERENTIAL CREDITORS

10,139.16 RPS	2,127.14	2,127.14
0.21 Employee Arrears/Hol Pay	0.21	0.21
	<u>(2,127.35)</u>	<u>(2,127.35)</u>

SECONDARY PREFERENTIAL CREDITORS

Statement of Affairs £	From 23 December 2022 To 30 November 2023 £	From 23 December 2022 To 30 November 2023 £
(1,458,438.75) HMRC	252,817.41	252,817.41
	<u>(252,817.41)</u>	<u>(252,817.41)</u>
<u>(1,153,683.59)</u>	<u>(0.00)</u>	<u>(0.00)</u>

REPRESENTED BY

Vat Receivable	11,027.57
Bank 1 Current	(11,027.57)
	<u>NIL</u>

PREACT LIMITED - IN ADMINISTRATION

Appendix F

Final Outcome Statement as at 30 November 2023

Preact Limited (In Administration)			
Estimated Outcome Statement 30 November 2023			
Statement of Affairs £	Realised / Paid	Projected	Total £
ASSET REALISATIONS			
1 00 Plant & Machinery	1 00	0 00	1 00
1 00 Stock	1 00	0 00	1 00
118 681 00 Book Debt from ASA	118 681 00	0 00	118 681 00
1 00 Shares & Investments	1 00	0 00	1 00
1 00 Goodwill	1 00	0 00	1 00
126 263 00 Intellectual Property	126 263 00	0 00	126 263 00
Rates Refunds	3 763 50	0 00	3 763 50
1 00 Seller's Records	1 00	0 00	1 00
44 615 79 Cash at Bank	47 737 96	0 00	47 737 96
LTO Rent Due	35 787 66	0 00	35 787 66
5 050 00 Option in respect of Business Contracts	5 050 00	0 00	5 050 00
Purchaser Book Debt	289 934 31	0 00	289 934 31
Bank Interest Gross	725 83	0 00	725 83
Storage Refund	110 23	0 00	110 23
Uncertain Director's Loan Account	200 000 00	0 00	200 000 00
1 00 Computer Equipment	1 00	0 00	1 00
	828 059 49	0 00	828 059 49
COSTS OF REALISATION			
Bordereau Premium	1 220 00	730 00	1 950 00
Joint Administrators Pre appointment Fee	30 049 50	0 00	30 049 50
Joint Administrators' Remuneration	120 000 00	0 00	120 000 00
Agents/Valuers Fees	20 000 00	0 00	20 000 00
Legal Fees	74 362 50	0 00	74 362 50
IT Costs	358 08	0 00	358 08
VAT - Irrecoverable	0 21	0 00	0 21
Rates Refund Costs	940 87	0 00	940 87
Debtor Money Return to Purchaser	289 934 31	0 00	289 934 31
Stationery, Postage, Office costs	0 00	(500.00)	(500.00)
Storage Costs	376 00	0 00	376 00
Statutory Advertising	85 60	85 60	171 20
Rents Payable	35 787 66	0 00	35 787 66
	(573,114.73)	(1,315.60)	(574,430.33)

PREACT LIMITED - IN ADMINISTRATION

PREFERENTIAL CREDITORS

10 139.16 RPS	2 127 14	0 00	2 127 14
0 21 Employee Arrears/Hol Pay	0 21	0 00	0 21
	<u>(2 127.35)</u>	<u>0 00</u>	<u>(2 127.35)</u>

SECONDARY PREFERENTIAL CREDITORS

Statement of Affairs £	Realised / Paid	Projected	Total £
(1 458 438.75) HMRC	252 817 41	1 522 239 01	1 775 056 42
	<u>(252 817.41)</u>	<u>(1 522 239.01)</u>	<u>(1 775 056.42)</u>
<u>(1 153 683.59)</u>	<u>(0.00)</u>	<u>(1 523 554.61)</u>	<u>(1 523 554.61)</u>

REPRESENTED BY

Vat Receivable	11 027 57	0 00	11 027 57
Bank 1 Current	<u>(11 027.57)</u>	<u>0 00</u>	<u>(11 027.57)</u>

Appendix G

Additional Information in Relation to the Administrators' Fees, Expenses & the use of Subcontractors

Staff Allocation and the Use of Subcontractors

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

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

On this case we have utilised the services of the subcontractors noted below. It is considered that the cost of subcontracting this work to specialist contractors will be less than, or equivalent to, the cost of these services being undertaken by the office holders or their staff and the outsourcing of this work will bring greater efficiency to this element of the work necessary in the Administration.

Service (s)	Provider	Work done/to be done	Basis of fee arrangement	Paid to date £	Anticipated total cost £
Bank statement Reader	StatementReader	Spreadsheet conversion of bank statements from Company bank account	Fixed fee	201.60	201.60

Work done by the StatementReader software was deemed more costs effective then the time costs of the Administrators staff manually recreating the bank statements into excel format. This allowed work to be done on investigations matters in a timelier manner. The provider was chosen as they have knowledge of this specific work.

Professional Advisors

On this assignment, we used the professional advisors listed below:

Name of Professional Advisor	Basis of Fee Arrangement
Ashtons Legal (legal advice)	Time Costs
Capa (Rates Review)	25% of refund
John Pye & Sons (valuation and disposal advice)	Fixed Fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them. Costs paid to these professional advisors can be found in the section below on expenses and within the enclosed Receipts and Payments Account.

Administrators' Expenses

The estimate of expenses which were anticipated in the Administration was provided to creditors when the basis of my fees was approved. The table below compares the anticipated costs against those incurred.

Category 1 expenses

PREACT LIMITED - IN ADMINISTRATION

These expenses do not require prior approval by creditors:

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Total costs incurred £
Specific Penalty Bond	1,950.00	Nil	1,220.00	1,220.00
Agent's fees & expenses	5,000.00	20,000.00	Nil	20,000.00
Legal fees & expenses	56,385.50	21,385.50	52,977.00	74,362.50
Preact IT Software	Nil	358.08	Nil	358.08
Rates Refund Costs	Nil	Nil	940.87	940.87
External storage costs	Nil	376.00	Nil	376.00
Statutory advertising	102.72	85.60	Nil	85.60
Corporation Tax	Nil	Nil	137.75	137.75
External Mail Services	500.00	Nil	Nil	Nil
Insurance	Nil	Nil	Nil	Nil
TOTAL	63,938.22	42,205.18	55,275.62	97,480.80

Category 2 expenses

Approval to pay these costs as an expense of the Administration was previously obtained from creditors:

Expense	Estimated overall cost £	Paid in Prior Period £	Paid in the period covered by this report £	Total costs incurred £
Business Mileage	0.00	0.00	0.00	0.00