

The Insolvency Act 1986
Administrator's progress report

Name of Company Jeffery (Wandsworth) Limited	Company number 02981649
In the High Court of Justice, Chancery Division, Companies Court	Court case number 9493 of 2012

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

I/We (a)
 Gregory Andrew Palfrey
 Smith & Williamson LLP
 Imperial House
 18-21 Kings Park Road
 Southampton
 SO15 2AT

David John Blenkarn
 Smith & Williamson LLP
 Imperial House
 18-21 Kings Park Road
 Southampton
 Hampshire

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

(b) Insert date	From (b) 1 November 2015	To (b) 30 April 2016
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Signed

G A Palfrey
 Joint / Administrator(s)

Dated

25/5/16

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

Gregory Andrew Palfrey
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023 8082 7600
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 Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff





Jeffery (Wandsworth) Limited T/A Phoenix (in administration)

Joint administrators' progress report for the period from
1 November 2015 to 30 April 2016

25 May 2016



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1. Glossary

Abbreviation	Description
the Company	Jeffery (Wandsworth) Limited T/A Phoenix
the administrators/joint administrators	Gregory Andrew Palfrey and David John Blenkarn
SIP	Statement of Insolvency Practice (England & Wales)
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
IR86	Insolvency Rules 1986 If preceded by R this denotes a rule number
SOA	Statement of Affairs
ETR	Estimated to realise
HMRC	HM Revenue & Customs
QFCH	Qualifying Floating Charge Holder - a secured creditor who has the power to appoint an administrator
RPS	Redundancy Payments Service
Note	The IA86 and IR86 have been subject to a number of significant amendments since their original issue, including a number of substantial and important changes in April 2010. References to IA86 and IR86 in this report are to the legislation as it applies to this case.

2. Introduction

This report provides an update on the progress in the administration of the Company for the six month period ended 30 April 2016. It should be read in conjunction with any previous reports. By way of reminder, we, Gregory Andrew Palfrey and David John Blenkarn, of Smith & Williamson LLP, Imperial House, 18-21 Kings Park Road, Southampton, Hampshire, SO15 2AT, were appointed administrators of the Company on 19 December 2012.

Statutory information in respect of the Company and the administration is set out at Appendix I.

3. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period from 1 November 2015 to 30 April 2016. This account includes cumulative figures for the period from 19 December 2012 to 30 April 2016.

The receipts and payments account also includes a comparison with the director's/directors' SOA values.

3.1 Investigations

We have continued to investigate the potential for bringing claims on behalf of the Company against one or more third parties with a view to achieving further recoveries in the administration. These investigations have involved detailed inquiry of the Company's historic accounting records. As noted in our previous report, the investigations progressed sufficiently to allow a letter of claim to be served on a party. We have now received that party's response and are considering what further action may be taken with our legal advisors.

We do not consider the legal process to be sufficiently advanced to allow us to disclose of further details of the nature of the claim(s) and the potential defendants at this time.

3.2 Assets still to be realised

Other than any potential realisations from the actions referred to in Section 3.1 we are not aware of any further realisations to be made.

4. Investigations

Other than the ongoing enquiries in respect of possible claims by the Company referred to in Section 3.1 we are not aware of any further matters that require investigation or should be brought to the attention of the creditors and the position regarding investigations remains as stated in our previous reports.

5. Administrators' remuneration

The secured and preferential creditors approved that the basis of the administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration

The administrators' time costs are

Period	Total hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
19 December 2012 to 31 October 2015	1,326 10	277,425 10	209 20	219,307 60
1 November 2015 to 30 April 2016	24 50	5,203 50	212 39	-
Total	1,350 60	282,628 60	209 26	219,307 60

Attached as Appendix III, is a time analysis which provides details of the activity costs incurred by staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the body of this report

Also attached as Appendix IV is a cumulative time analysis for the period from 19 December 2012 to 30 April 2016 which provides details of the administrators' time costs since appointment. A total of £219,307 60 has been drawn on account of these costs

The joint administrators anticipate the future costs to be in the region of £7,500 to £15,000 depending on what further work is required in relation to the investigations detailed in section 3.1

A detailed narrative explanation of these costs can be found in the 'Outstanding matters' section of this report

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and investigating the former officers of the company as required by the Company Directors' Disqualification Act 1986

A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from the R3 website at the following address

https://www.r3.org.uk/media/documents/technical_library/SIPS/SIP%209%20Dec%202015.pdf

It should be noted that, whilst this statement makes reference to the need to provide creditors with a fees and costs estimate in the event that fees are being drawn on a time costs basis, this requirement only applies to appointments on or after 1 October 2015, the date that the Insolvency (Amendment) Rules 2015 ("new rules") took effect. Prior to the new rules, there was no statutory obligation to produce fees and costs estimates

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

6. Administration expenses

6.1 Subcontractors

We have not utilised the services of any subcontractors during this period

6.2 Professional advisers

We have not incurred or paid any expenses of this nature during the reporting period

6.3 Administrators' disbursements

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

Description	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
Storage	17.36	-	26.04

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

6.4 Other expenses

Other expenses (i.e. those not detailed in the preceding sections) paid during the period covered by this report are shown in the receipts and payments summary at Appendix II. Detailed below are those expenses which we consider to be significant in the context of this case. Also detailed below are expenses incurred but not paid in the current period

Supplier/Service provider	Nature of expense incurred	Incurred in current period £	Paid in current period £	Total costs outstanding at period end £
RDS Global	Computing costs in relation to accessing the Company's historic accounting data as part of investigation work	720.00	720.00	-

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

6.5 Policies regarding use of third parties and disbursement recovery

Appendix V provides details of Smith & Williamson LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of disbursements

7. Estimated outcome for creditors

The estimated outcome for each class of creditors is set out below.

7.1 Secured creditors

7.1.1 RBSIF

RBSIF was paid in full, including termination charges, from the Company's book debts

7.1.2 GMAC

The total amount paid to GMAC during the administration is £1,158,511

It is not anticipated that any further amounts will be paid to GMAC unless there is a significant recovery from the ongoing investigations

7.1.3 GM

We do not anticipate that any distribution will be made to GM from the administration unless there is a very substantial recovery from the ongoing investigations

7.1.4 Prescribed Part

We do not believe that there is a requirement to create a fund out of the Company's net floating charge property for unsecured creditors, on the basis that there was no balance outstanding to RBS, RBSIF have been repaid in full from assigned book debts and the floating charges of GMAC and GM were both created prior to 15 September 2003

7.1.5 Preferential creditors

As previously reported, preferential claims have been paid in full. The total sum distributed to preferential creditors was £8,268, the distribution was declared on 15 January 2014

7.1.6 Unsecured creditors

Total claims as per the director's SOA were £1,373k and we estimate actual claims to be of this order

Due to insufficient realisations from the Company's assets we confirm that no dividend to unsecured creditors will be made in this case

8. Outstanding matters

The joint administrators' anticipate the future costs to be in the region of £7,500 to £15,000

A detailed narrative explanation of these future costs can be found below

Please note that this estimate is based on present information and may change due to unforeseen circumstances arising.

On a general note, creditors should be aware that some of the work is required by statute and may not necessarily provide any financial benefit to creditors. Examples would include dealing with former employees' claims through the Redundancy Payments Service and investigating the former officers of the company as required by the Company Directors' Disqualification Act 1986

The remaining actions to be concluded in the administration are as follows

- Progression of any legal process(es) in relation to potential claim(s) being brought by the Company, including further interrogation of the Company's historic accounting records if required. This work may bring a financial recovery for creditors in the administration

- Closure of the administration, including preparing and issuing the final report This is work required by statute that will not bring any financial benefit to creditors

9. Ending the administration

The administration period has been extended to 18 June 2017 by way of a Court order No decision has yet been made regarding choice of exit route as this will be dependent on uncertain future events

The administrators will be discharged from liability under P98(3) of Sch B1 immediately upon their appointment as administrators ceasing to have effect

Authorisation for discharge from liability was granted by the secured and preferential creditors, by virtue of a resolution by correspondence passed on 28 May 2013

10. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this 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 (including any paid) by the administrators, as set out in this report, are excessive

These rights apply only to matters which have not been disclosed in previous reports

Further information regarding creditors' rights is available on application to the administrators

11. Next report

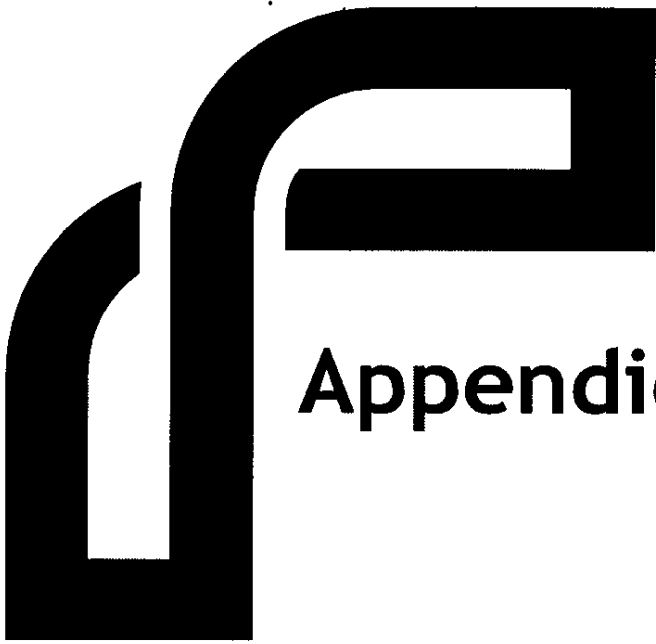
We are required to provide a further report on the progress of the administration within one month of the end of the next six month period of the administration unless we have concluded matters prior to this, in which case we will write to all creditors with our final report



Gregory Andrew Palfrey and David John Blenkarn

Joint Administrators

Date 25 May 2016



Appendices

I Statutory information

Relevant Court	High Court of Justice
Court Reference	9493 of 2012
Trading Name(s)	Phoenix Vauxhall, Phoenix Chevrolet, Phoenix SAAB
Trading Addresses	80 Plough Lane, Wimbledon, London, SW17 0BW 75 Plough Lane, Wimbledon, London, SW17 0BJ 218 Purley Way, Croydon, Surrey, CR0 4XG
Former Name(s)	Retailsupply Limited (changed 4 November 1994)
Registered Office	Imperial House, 18-21 Kings Park Road, Southampton, Hampshire SO15 2AT (Formerly 10 Chiswell Street, London, EC1Y 4UQ)
Registered Number	2981649
Joint Administrators	Gregory Andrew Palfrey and David John Blenkarn both of Imperial House, 18-21 Kings Park Road, Southampton, SO15 2AT (IP No(s) 9060 and 6676) In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the Joint Administrators to act jointly and severally.
Date of Appointment	19 December 2012
Appointor	General Motors UK Ltd
Extension to period of administration	Initial extension to 18 June 2014 with the consent of the secured and preferential creditors An extension to 18 June 2015 was subsequently granted by the Court on 10 June 2014, and a further extension to 18 June 2017 was granted by the Court on 12 June 2015

II Receipts and payments account

Receipts and payments account to 30 April 2016

Statement of Affairs £	From To	FIXED CHARGE			FLOATING CHARGE		
		19/12/2012 31/10/2015 £	01/11/2015 30/04/2016 £	19/12/2012 30/04/2016 £	19/12/2012 31/10/2015 £	01/11/2015 30/04/2016 £	19/12/2012 30/04/2016 £
RECEIPTS							
		25,000.00		25,000.00			
	Goodwill						
	Leasehold Property (1)			-	1.00		1.00
113,865.00	Plant & Equipment			-	93,844.00		93,844.00
	Motor Vehicles				13,000.00		13,000.00
311,265.00	Stock/WIP				25,712.98		25,712.98
1,132,417.00	Book Debts				282,720.08		282,720.08
	Pre-appointment PDQ receipts				27,392.94		27,392.94
	RBS Debtor funds on trust				48,525.53		48,525.53
	Rent apportionment				10,235.11		10,235.11
301,872.00	Prepayments				934,114.18		934,114.18
363,314.00	Cash at Bank				15,152.35		15,152.35
	Property Licence Fee				100,849.18		100,849.18
	Rent (under licence agreement)				(86,328.89)		(86,328.89)
	Property licence fee refund				(14,520.29)		(14,520.29)
	Third Party Costs Contribution				55,000.00		55,000.00
	Bank Interest Gross	20.87		20.87	1,503.18		1,503.18
	Bank Interest Net of Tax				87.90		87.90
	Bonus adjustment				9,953.99		9,953.99
	Third party monies (receipts)				32,025.06		32,025.06
	Third party monies (payments)				(32,025.06)		(32,025.06)
	Cash held on site on appointment				3,475.95		3,475.95
	Sundry refunds				8,874.07		8,874.07
	Rates Refunds				82,020.24		82,020.24
	Sundry receipts				1,865.18		1,865.18
2,222,733.00		25,020.87		25,020.87	1,611,560.66		1,611,560.66
PAYMENTS							
	RBSIF debtor funds on trust				48,525.53		48,525.53
	Legal Fees re Appointment				2,280.00		2,280.00
	Legal Disbursements re Appointment				80.80		80.80
	Pre-appointment legal fees				13,435.00		13,435.00
	Pre-appointment legal expenses				38.87		38.87
	Pre-appointment agents' fees				6,487.00		6,487.00
	Joint Administrators' pre-appointment fees	5,000.00		5,000.00	67,075.00		67,075.00
	Joint Administrators' pre-appointment expenses				3,973.42		3,973.42
	Joint Administrators' fees				219,307.80		219,307.80
	Joint Administrators' expenses				977.05		977.05
	Book Debt Collection Fees				16,678.78		16,678.78
	Agents' Fees				4,292.40		4,292.40
	Agents' Expenses				2,275.76		2,275.76
	Legal Fees				27,170.00		27,170.00
	Legal Expenses				2,570.50		2,570.50
	Corporation Tax				200.00		200.00
	Bodyshop rectification settlement				3,000.00		3,000.00
	Insurance of Assets				2,363.09		2,363.09
	Amerx Charges				32.87		32.87
	Computing Costs				3,782.43	720.00	4,502.43
	Invoice Discounting Termination Charges				32,312.57		32,312.57
	Bank Charges	10.00		10.00	804.85		804.85
	Sundry expenses				144.70		144.70
7,848,540.76	Secured Creditors						
	QMAC UK Plc	20,010.87	-	20,010.87	1,138,500.00		1,138,500.00
8,343.00	Preferential creditors						
	Employee Wages & Holiday pay				8,268.78		8,268.78
	Cancelled preferential dividend cheques				(19.65)		(19.65)
		25,020.87		25,020.87	1,804,535.35	720.00	1,805,255.35
	Balance in hand						8,305.31
				25,020.87			1,611,560.66
Balance in hand made up of							
	Net VAT Receivable/(Payable)						144.00
	Current Account (non-interest bearing)						5,161.31
							8,305.31

Notes and further information required by SIP 7

- Smith & Williamson received £20,000 on account of pre-appointment fees from outside the estate. These fees were paid by the Company prior to our appointment in respect of advice provided to it relating to its financial position and the options available to it.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and disbursements incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- The liquidation bank account was interest bearing up to 3 December 2013 and was put on a non-interest bearing basis after this date to allow the Company's tax affairs to be brought to a conclusion and to save the costs of administering relatively small amounts of interest.

- There are no foreign currency holdings
- All amounts in the receipts and payments account are shown exclusive of VAT. VAT is expected to be payable / recoverable on all transactions in the estate subject to VAT. In the event of any variations to this, such amounts would be disclosed as irrecoverable VAT.
- The entries in the receipts and payments summary entitled 'Third party monies' relate to balances received by Whitmore's that were due to the Company, and balances received by the Company due to Whitmore's. A detailed reconciliation of these balances has been undertaken between us and Whitmore's and all payments required have been made.
- As outlined in previous reports, the receipt entitled 'Property Licence Fee' above relates to funds paid by the purchaser in respect of its occupation of the Company's leased premises under licence pending the agreement of a new lease, which have been paid to the landlords of the properties in respect of rent due or refunded to Whitmore's as appropriate.
- Included within the heading 'Joint Administrators' pre-appointment expenses' is a payment of £1,500.00 to Colliers International, further detail of which was provided in previous reports.
- The cash balance held includes the sum of £19.65 relating to unbanked and expired preferential dividend cheques. Should the parties entitled to these funds come forward the payments will be re-issued, otherwise they will be paid into the Insolvency Services Account as unclaimed dividends once the Company is dissolved.

III Time analysis for the period

From 1 November 2015 to 30 April 2016

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total Hours	Total £	Ave Rate £ / hr
Administration and Planning							
Statutory returns reports and meetings	1.95		7.80		9.75	2,134.25	218.90
Cashiering general including bonding	1.75		0.75		2.50	601.50	240.60
Job planning reviews and progression	1.00		2.05		3.05	724.50	237.54
Post appointment taxation			0.15		0.15	30.00	200.00
File and information management inc redirected post			0.25	0.25	0.50	57.50	115.00
	4.70	0.00	11.00	0.25	15.95	3,547.75	222.43
Investigations							
Investigations of legal claims	1.90	1.30	2.30		5.50	1,349.75	245.41
	1.90	1.30	2.30	0.00	5.50	1,349.75	245.41
Creditors							
Secured creditors		0.05			0.05	11.00	220.00
Unsecured creditors	0.05		0.95	2.00	3.00	295.00	98.33
	0.05	0.05	0.95	2.00	3.05	306.00	100.33
Total Hours - Period	6.65	1.35	14.25	2.25	24.50		
Total £ - Period	2,040.00	277.00	2,789.00	97.50		5,203.50	212.39
Total Hours - Brought Forward	223.70	317.20	767.60	17.60	1,326.10		
Total £ - Brought Forward	77,100.19	75,120.06	124,580.75	624.10		277,425.10	205.22
Total Hours - Carried Forward	230.35	318.55	781.85	19.85	1,350.60		
Total £ - Carried Forward	79,140.19	75,397.06	127,369.75	721.60		282,628.60	209.26

Explanation of major work activities undertaken

Administration and planning

The following activities have been undertaken during the period.

- Preparation and circulation of statutory reports,
- Maintaining bank accounts,
- Progress reviews of the case

Investigations

The time spent relates to investigations in relation to potential actions that may be brought on behalf of the Company that may lead to further recoveries in the administration. During the reporting period this has mostly related to consideration of a response to a letter of claim issued by our legal advisors and discussions with our advisers thereon.

IV Cumulative time analysis

From 19 December 2012 to 30 April 2016

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total Hours	Total £	Avg Rate £ / hr
Administration and Planning							
Statutory returns reports and meetings	40.00	37.80	151.05		228.85	51,394.25	224.58
Initial post appointment notification letters	1.75	18.75	2.30	0.50	23.30	5,808.25	249.28
Cashiering general including bonding	3.55	24.05	17.25	0.30	45.15	8,795.00	194.80
Job planning reviews and progression	16.00	7.65	41.25		64.90	15,112.75	232.86
Post appointment taxation	5.35	2.85	28.05		36.25	6,597.00	181.99
Protection of company records (including electronic)		1.05	8.10		9.15	1,554.75	169.92
Insurance and general asset protection	0.25	0.35	8.10		8.70	1,042.00	155.52
Travelling		2.00	18.90		20.90	3,399.50	162.66
File and information management inc redirected post	0.45	0.25	29.20	9.05	38.95	4,514.80	115.81
Pre-appointment non-creditor tax			3.40		3.40	646.00	190.00
Agents and advisers general	0.20	0.60	5.20	1.05	7.05	1,093.15	155.06
Director/ manager review approval and signing	14.55	3.15			17.70	5,863.75	331.29
Other	1.50	1.80	1.30	0.50	5.10	1,214.25	238.09
	83.60	100.30	312.10	11.40	507.40	107,035.45	210.95
Investigations							
Directors correspondence and conduct questionnaires		1.00	13.30	0.20	14.50	2,670.35	184.16
Creditor and shareholder complaints			0.60	0.10	0.70	114.30	163.29
Statutory book and accounting records review			23.90		23.90	2,870.00	120.08
Investigations of legal claims	92.95	114.05	80.55	1.25	288.80	65,706.75	227.52
SIP2 and SIP4 obligations	1.50	13.65	23.55		38.70	8,449.50	218.33
Filing investigation			0.10		0.10	19.50	195.00
	94.45	128.70	142.00	1.55	366.70	79,830.40	217.70
Realisation of Assets							
Fixed charge property (land and buildings)			0.20		0.20	36.00	180.00
Debtors subject to invoice discounting/factoring			2.40		2.40	400.00	166.67
Debtors not subject to finance (including reassigned ledgers)	1.25	6.10	44.40	0.45	52.20	8,804.05	168.66
Stock		1.35	2.45		3.80	657.50	173.03
Other chattel assets	0.50	5.95	2.40		8.85	2,213.50	250.11
Sale of business as a whole	11.25	3.00	3.10		17.35	5,305.50	305.79
Completion of Work in Progress			0.10		0.10	19.00	190.00
Cash at bank	2.25	0.85	6.60		9.70	2,061.50	212.53
Liaising with agents general			2.40		2.40	439.50	183.13
Sale of business post completion matters	13.10	19.65	47.50	0.30	80.55	18,560.15	230.42
Filing		0.10	0.55		0.65	75.50	116.15
Director/ manager review approval and signing		0.20			0.20	57.00	285.00
Other		6.40	7.25		13.65	3,125.75	228.99
	28.35	43.60	119.35	0.75	192.05	41,754.95	217.42
Trading							
Trading on decision and day 1 3 operations			1.30		1.30	234.00	180.00
Sales and customers			1.50		1.50	270.00	180.00
Purchasing/Suppliers (not landlord)			0.85		0.85	103.75	122.06
Staff and payroll (including PAYE/NIC for trading period)			0.75		0.75	123.00	164.00
Premises issues (including landlord and site clearance)	0.50	3.45	6.40		10.35	2,022.00	195.38
Shutdown or handover			0.40		0.40	72.00	180.00
Other			0.75		0.75	75.00	100.00
	0.50	3.45	11.95	0.00	15.90	2,899.75	182.37
Creditors							
Secured creditors	11.10	7.25	18.80		37.15	9,445.50	254.25
HP and lease creditors		0.35	0.95		1.30	241.25	185.58
RPO and ERA claims and tribunals	3.00	13.25	21.95	1.20	39.40	8,718.80	221.29
Employees and pensions (other)	4.20	3.90	27.55	1.00	36.65	7,354.50	200.67
Crown	0.55	0.40	3.75	0.10	4.80	972.30	202.56
Unsecured creditors	1.35	8.60	75.75	3.75	89.45	13,606.90	152.12
Retention of title claims	2.35	7.10	22.10		31.55	6,344.25	201.09
Distributions for preferential and unsecured creditors	0.55	1.20	10.15	0.10	12.00	2,387.55	198.96
Filing			12.00		12.00	1,210.50	100.88
Director/ manager review approval and signing		0.20			0.20	57.00	285.00
Other	0.35	0.25	1.45		2.05	789.50	190.00
	23.45	42.50	198.45	6.15	268.55	51,108.05	190.31
Total Hours	230.35	318.55	781.85	19.85	1,350.60		
Total £	79,144.75	75,392.50	127,369.75	721.60		282,628.60	209.26

V Staffing, charging, subcontractor and adviser policies and charge out rates

Introduction

Detailed below are:

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

Staff allocation and the use of subcontractors

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

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

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

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

Use of professional advisers

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

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

Disbursements

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

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

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

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

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

Charge out rates

A schedule of Smith & Williamson LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved

The rates applicable to this appointment are set out below.

Smith & Williamson LLP Restructuring & Recovery Services	£/hour From 1/7/2012	£/hour From 1/7/2013	£/hour From 1/7/2014	£/hour From 1/7/2015
Partner	350 - 440	350 - 480	350 - 480	350 - 480
Associate Director	N/A	N/A	300	230 - 300
Managers	200 - 270	200 - 285	200 - 290	190 - 290
Other professional staff	100 - 180	110 - 190	110 - 195	120 - 175
Support & secretarial staff	28 - 60	28 - 75	30 - 75	60 - 135

Notes

- 1 Time is recorded in units representing 3 minutes or multiples thereof
- 2 The majority of time spent in relation to the case has been by Greg Palfrey (Partner - current charge out rate £350 per hour), Kevin Parish (Associate Director - current charge out rate £300 per hour) and Chris Trimble (Assistant Manager - included within Other Senior Professional - current charge out rate £200 per hour)

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Principal offices London, Belfast, Birmingham, Bristol, Dublin, Glasgow, Guildford, Manchester, Salisbury and Southampton

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