

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 CourtCourt 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 2ATDavid 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

From

To

(b) Insert date

(b) 9 November 2013

(b) 30 April 2014

Signed

Joint / Administrator(s)

Dated

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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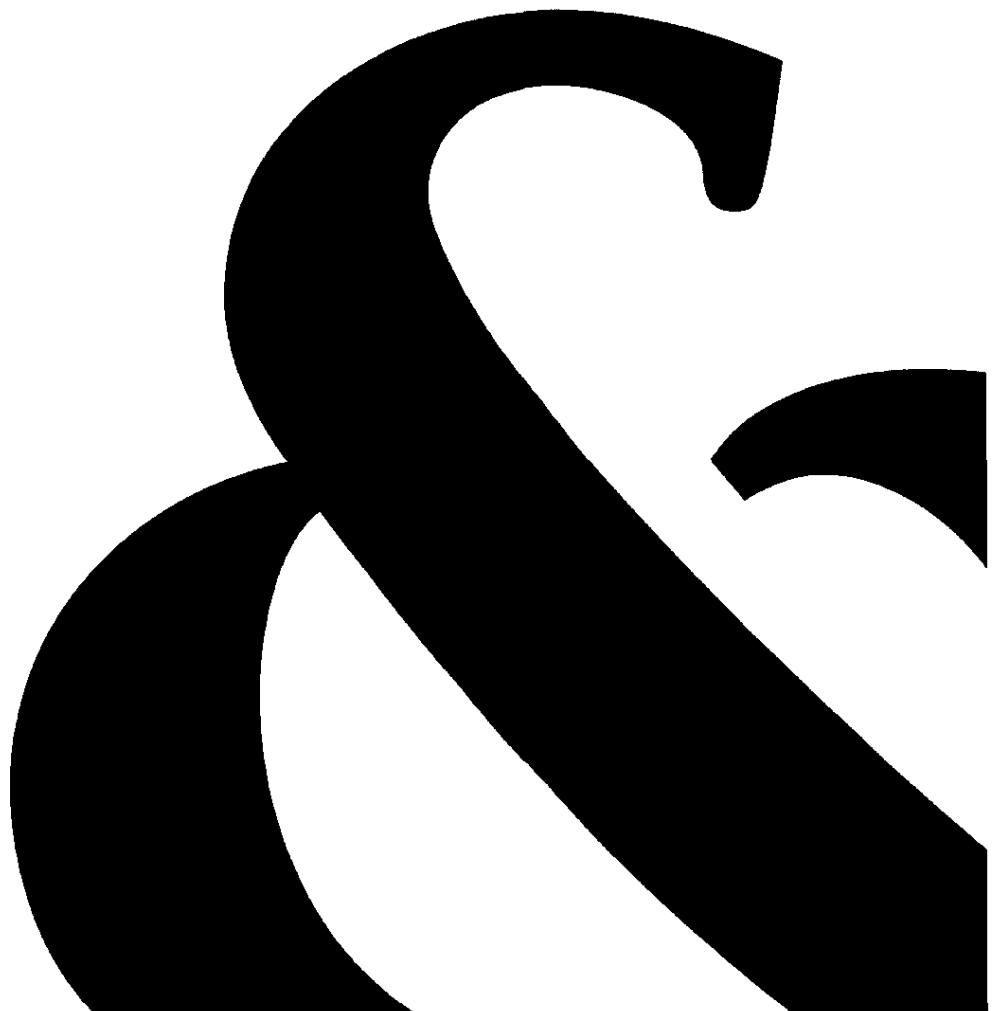
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COMPANIES HOUSE

Jeffery (Wandsworth) Limited (in administration)

Joint administrators' progress report
for the period from 9 November 2013
to 30 April 2014

15 May 2014



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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
HMRC	HM Revenue & Customs
RPS	Redundancy Payments Service
Whitmore's	Whitmore's of Edenbridge Limited (now Go Motor Retailing Limited)
HBCS	Hilton-Baird Collection Services
GM	General Motors UK Limited
GMAC	GMAC UK Plc
RBS	Royal Bank of Scotland Plc
RBSIF	Royal Bank of Scotland Invoice Finance Limited
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 period from 9 November 2013 to 17 April 2014. 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. Extension

The Administrators consider it necessary and appropriate to extend the administration of the Company by 36 months. This will be done by way of application to the Court under P76 Sch B1.

The extension is being requested to allow the administrators to further investigate whether to bring claims on behalf of the Company against one or more third parties. Such claims, if brought, may lead to further significant recoveries in the administration but it is not presently anticipated that such claims would result in any dividend being payable to unsecured creditors due to the shortfall owing to the secured creditors.

4. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period from 9 November 2013 to 17 April 2014. This account includes cumulative figures for the period from 19 December 2012 to 17 April 2014.

The receipts and payments account also includes a comparison with the director's Statement of Affairs.

4.1. Sale of business and assets

Our previous reports set out details of the sale of the Company's business and assets to Whitmore's, including the provision that Whitmore's would pay a proportion (50%) of any net profit greater than £50,000 generated from the business acquired in the year after acquisition.

We have been provided with the relevant accounting information by Whitmore's to calculate the net profit figure, and we are currently in discussions with Whitmore's in relation to the various adjustments to the net profit figure that were detailed within the sale contract in order to arrive at an agreed net profit figure. We anticipate this process will be completed shortly.

Any further amount payable is unlikely to exceed £15,000, which in any event will go to the secured creditors, namely GMAC.

4.2. Book debts

During the period covered by this report we have liaised with HBCS in order to finalise accounting for the final book debt collections made by HBCS and its final collection fees. Total recoveries since the last report have been £2,238.

4.3 Other matters

During the period of this report we have also

- Arranged, in conjunction with our tax department, for the preparation of Corporation Tax returns for the administration period. These have been submitted to HMRC since the end of the reporting period
- Complied with requests from the Employment Tribunal in respect of a case relating to a dismissal made by the Company prior to our appointment

4.4. Assets still to be realised

Other than any potential realisations from the actions to be taken in respect of the pre-appointment accounting irregularities, we are not aware of any further realisations to be made

5 Investigations

As previously reported we have complied with our duty under the Company Directors Disqualification Act 1986 to make a submission to the Secretary of State for Business, Innovation and Skills on the conduct of all those persons who were directors at the date the Company entered administration or who held office at any time during the three years immediately preceding the administration. As all submissions are strictly confidential we are unable to disclose their content.

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.

6. Pre-administration costs

As previously reported, on 28 May 2013 the following amounts in respect of pre-administration costs were approved:

Recipient	Brief description of services provided	Amount paid £
Smith & Williamson LLP	Joint Administrators' pre-appointment costs	72,075
Blake Laphorn	Pre-appointment legal costs relating to the pre-pack sale	13,474
Edward Symmons	Valuation of plant and equipment / site security	6,467
Colliers International	Valuation of leasehold property	1,500
Total		92,016

All payments were made prior to the period covered by this report. There are no further pre-administration expenses to be paid.

7. 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 18 June 2013	600 85	119,035 10	198 11	82,183 10
19 June 2013 to 31 October 2013	102 85	21,882 50	212 76	56,943 25
1 November 2013 to 30 April 2014	164 40	35,189 25	214 05	13,343 25
Total	868 10	176,106 85	202 86	152,469 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 appendix

Also attached as Appendix IV, is a cumulative time analysis for the period from 19 December 2012 to 31 March 2014 which provides details of the administrators' time costs since appointment. A total of £152,469 60 has been drawn on account of these costs

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

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011.pdf

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

8. Administration expenses

8.1. Subcontractors

We have utilised the services of the following subcontractors during the current period

Provider/service(s)	Basis of fee Arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Hilton Baird Collection Services /debt collection	% of realisations	84 12	379 58	-

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

8.2. Professional advisers

During the period covered by this report we have used the professional advisers listed below. We have also indicated alongside the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of professional adviser	Basis of fee Arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs outstanding at period end £
Blake Lapthorn (legal advice re employment tribunal matters)	Hourly rate and disbursements	1,050 00	900 00	150 00

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

8.3 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 £
Administrators' bonds	50 00	-	50 00
Travel (non-Category 2)	37 83	-	37 83
Storage costs	6 90	6 90	-
Company searches	2 00	2 00	-
Total	96 73	8 90	87 83

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

8.4. 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

9. Estimated outcome for creditors

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

9.1. Secured creditors

9.1.1 RBS

RBS holds a fixed and floating charge dated 2 December 1994 over the Company's assets. At the date of our appointment there was no balance outstanding to RBS

9.1.2. RBSIF

RBSIF provided invoice discounting facilities to the Company. RBSIF holds a fixed and floating charge debenture dated 1 May 2012 over the Company's assets. In addition to the charge RBSIF took an assignment of debtors relating to the Company's service, bodyshop and parts operations

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

Details of the balance due to RBSIF, its recoveries from the Company's debtors and termination fees were disclosed in our previous reports

9.1.3. GMAC

As previously reported GMAC held a number of charges over the Company's assets, with a total debt outstanding of £1,713k.

To date we have made total distributions to GMAC under its charges as follows.

Period	Fixed charge (£)	Floating charge (£)	Total (£)
19 December 2012 to 18 June 2013	20,000	880,000	900,000
19 June 2013 to 8 November 2013	-	150,000	150,000
9 November 2013 to 17 April 2014	11	100,000	100,011
Total	20,011	1,130,000	1,150,011

It is not anticipated that GMAC will receive a full repayment of its debt from the administration unless there is a very significant recovery from the ongoing investigations

9.1.4 GM

GM holds a fixed and floating charge debenture dated 2 December 1994 over the Company's assets

At the date of our appointment the balance outstanding to GM was estimated to be £2,597k. 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

9.2. 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.

9.3. Preferential creditors

We set out below a summary of preferential claims received

Preferential creditor	SOA claims £	Claims received £
Employee claims (16 claims)	8,343	2,309
Department for Business Innovation & Skills	-	5,959
Total	8,343	8,268

During the period covered by this report we have reviewed and agreed the preferential claims received. A summary of preferential claims agreed is set out below

Preferential creditor	Claims received £	Claims agreed in current period £	Total claims agreed £
Employee claims (13 claims)	2,309	2,309	2,309
Department for Business Innovation & Skills	5,959	5,959	5,959
Total	8,268	8,268	8,268

The following dividend(s) have been paid to preferential creditors

Date	Total amount of dividend paid £	Rate of dividend p in the £ £
15 January 2014	8,268	100
Total paid in period	8,268	100
Paid in previous period(s) b/fwd	-	-
Total paid	8,268	100

Accordingly, preferential creditors have been paid in full

9.4 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

10. Outstanding matters

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

- Conclusion of discussions with Whitmore's in respect of agreeing the adjustments under the sale contract to the net profit achieved and, if applicable, obtaining further consideration due
- Final distribution to GMAC under its floating charge
- Further investigation of potential claims that may be brought by the Company
- Obtaining tax clearance.
- Closure of the administration, including preparing and issuing the final report

11 Ending the administration

No decision has yet been made regarding choice of exit route

Consent to an extension to the administration period to 18 June 2014 has previously been obtained from the secured and preferential creditors

In order to allow the administrators to further investigate whether to bring claims on behalf of the Company against one or more third parties, the joint administrators are now making an application to Court for an order to extend the administration period by a further 36 months

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.

12 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

13. 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

A handwritten signature in black ink, appearing to read 'G A Palfrey', with a large, sweeping underline.

Gregory Andrew Palfrey and David John Blenkarn

Joint Administrators

Date 15 May 2014

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	The administration has been extended by a period of 6 months ending on 18 June 2014, with the consent of the secured and preferential creditors.

II Receipts and payments account

II.1 Receipts and payments account to 30 April 2014

Statement of Affairs £	From To	FIXED CHARGE			FLOATING CHARGE		
		19/12/2012 08/11/2013 £	09/11/2013 30/04/2014 £	19/12/2012 30/04/2014 £	Restated 19/12/2012 08/11/2013	09/11/2013 30/04/2014 £	19/12/2012 30/04/2014 £
		RECEIPTS					
		25 000 00	-	25,000 00			1 00
							1 00
113,865 00					93 944 00		93 944 00
					13,000 00		13 000 00
311 265 00					25 712 98		25 712 98
1 132 417 00					280 223 20	2,237 91	282 461 11
					27 392 94	-	27,392 94
					48 525 53	-	48 525 53
301 872 00					10,235 11	-	10 235 11
363,314 00					934 114 18	-	934 114 18
					15,152 35	-	15 152 35
					118 114 96	(17 265 78)	100,849 18
					(86 328 89)	-	(86 328 89)
					(14,520 29)	-	(14,520 29)
		20 67		20 67	1 491 77	13 39	1,505 16
					67 90	-	67 90
					9 953 99	-	9,953 99
					32 025 06	-	32 025 06
					(32 169 76)	144 70	(32 025 06)
					3,475 95	-	3,475 95
					6 812 45	-	6 812 45
					82,020 24	-	82,020 24
					1,306 32	-	1,306 32
<u>2,222,733 00</u>		<u>25 020 67</u>		<u>25,020 67</u>	<u>1,570,550 99</u>	<u>(14,869 78)</u>	<u>1,555,681 21</u>
		PAYMENTS					
					48 525 53		48,525 53
					2 280 00		2 280 00
					80 80		80 80
					13 435 00		13 435 00
					38 87		38 87
					6 467 00		6,467 00
		5 000 00		5 000 00	67,075 00		67 075 00
					3 973 42		3,973 42
					139 126 35	13 343 25	152 469 60
					547 70	142 88	690 58
					14 529 77	2 147 01	16 676 78
					4,292 40		4 292 40
					2,275 76		2,275 76
					12,635 00	900 00	13 535 00
					14 00	6 00	20 00
					3 000 00		3 000 00
					2,363 09		2 363 09
					32 87		32 87
					2 352 88		2 352 88
					32,312 57		32 312 57
		10 00		10 00	794 85	10 00	804 85
						144 70	144 70
7 848,540 76		20 000 00	10 67	20 010 67	1 030 000 00	100 000 00	1 130 000 00
8,343 00						8,268 78	8,268 78
		<u>25 010 00</u>	<u>10 67</u>	<u>25 020 67</u>	<u>1,386,152 86</u>	<u>124,962 62</u>	<u>1,511,115 48</u>
		Balances in hand					
							885 06
							43,680 67
							1,555,681 21

II.11 Notes and further information required by SIP 7

- Smith & Williamson has 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, which are payable in full to the landlords of the properties in respect of rent due. During the reporting period we have undertaken the required VAT accounting in respect of funds received and made payments to HMRC as appropriate, resulting in a reduction in the net funds received

II.11 Note relating to Receipts and Payments summary in previous report

The receipts and payments summary included in our last report contained some discrepancies arising due to receipts having been received in the administration bank account at the end of the reporting period (8 November 2013) that the accounting systems from which the receipts and payments was extracted had not been updated for at the time of the report being circulated.

The column in the above summary relating to the period 19 December 2012 to 8 November 2013 has been restated to reflect these receipts

The effect on the receipts and payments summary is summarised below

Narrative	Total reported previously £	Restated amount £	Difference £
Income items			
Sundry receipts	48 00	1,306 32	1,258 32
Bank interest gross	1,480 03	1,491 77	11 74
Net difference			1,270 06
Constitution of balance in hand			
Net VAT receivable (total fixed and floating charge)	46,975 28	10,791 59	(36,183 69)
Current account balances (total fixed and floating charge)	135,154 43	172,608 18	37,453 75
Net difference			1,270 06

III Time analysis for the period

III.1 From 1 November 2013 to 30 April 2014

Activity	Partner	Managers	Other Senior Professionals	Assistants & Support Staff	Total		Ave Rate £ / hr
					Hours	£	
Administration and Planning							
Statutory returns, reports and meetings	3 25	13 50	29 90		46 65	9 903 25	212 29
Cashiering general, including bonding	0 35	4 60	2 15		7 10	1,414 00	199 15
Job planning reviews and progression	0 25	0 90	5 70		6 85	1,397 25	203 98
Post appointment taxation	0 75	1 35	16 80		18 90	2,745 75	145 28
Protection of company records (including electronic)		0 25			0 25	71 25	285 00
File and information management inc redirected post			2 45	0 20	2 65	303 50	114 53
Pre-appointment non-creditor tax			3 40		3 40	646 00	190 00
Agents and advisers general		0 30	0 45	0 15	0 90	175 50	195 00
Director/ manager review approval and signing	0 75	0 65			1 40	447 75	319 82
Other		0 50			0 50	142 50	285 00
	5 35	22 05	60 85	0 35	88 60	17,246 75	194 66
Investigations							
Creditor and shareholder complaints			0 35		0 35	66 50	190 00
Investigations of legal claims	12 75	4 70	0 80		18 25	6,038 50	330 88
	12 75	4 70	1 15	0 00	18 60	6,105 00	328 23
Realisation of Assets							
Debtors not subject to finance (including reassigned ledgers)		0 10	2 80		2 90	553 00	190 69
Cash at bank			0 15		0 15	28 50	190 00
Liassing with agents, general			1 95		1 95	370 50	190 00
Sale of business, post completion matters	0 75	1 20	11 25		13 20	2,738 25	207 44
Other		0 25			0 25	71 25	285 00
	0 75	1 55	16 15	0 00	18 45	3,761 50	203 88
Creditors							
Secured creditors	1 25	1 15	3 60		6 00	1,441 75	240 29
RPO and ERA claims and tribunals	1 00	0 85	8 10	0 10	10 05	2 134 25	212 36
Employees and pensions (other)	0 20	1 00	5 10		6 30	1,311 50	208 17
Crown		0 25	0 65		0 90	194 75	216 39
Unsecured creditors		0 10	1 10		1 20	198 00	165 00
Distributions to preferential & unsecured creditors	0 55	1 20	12 00		13 75	2 735 25	198 93
Filing			0 55		0 55	60 50	110 00
	3 00	4 55	31 10	0 10	38 75	8,076 00	208 41
Total Hours - Period	21 85	32 85	109 25	0 45	164 40		
Total £ - Period	3,220 00	6,133 50	13,804 50	13 50		35,189 25	214 05
Total Hours - Brought Forward	87 45	150 45	453 55	12 25	703 70		
Total £ - Brought Forward	30,502 75	38,792 00	71,178 75	444 10		140 917 60	200 25
Total Hours - Carried Forward	109 30	183 30	562 80	12 70	868 10		
Total £ - Carried Forward	33,722 75	44,925 50	84,983 25	457 60		176,106 85	202 86

Note of the time noted above in respect of 'Investigations of legal claims', some 0 8 hours, with a cost of £292, was incurred prior to 1 November 2013, but had not been recorded at the time of preparation of our previous report, and therefore had not previously been reported. Consequently, this time has been included in the above analysis.

III.11 Explanation of major work activities undertaken

Administration and planning

The following activities have been undertaken

- Preparation of statutory reports including those required to obtain the consent of the secured and preferential creditors for an extension of the administration period and work on the current extension report,
- Dealing with Corporation Tax and VAT compliance for the administration period
- Maintaining bank accounts,
- Progress reviews of the case

Investigations

The time spent relates mostly 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

Realisation of assets

The major activity under this heading during the reporting period has been obtaining, reviewing and analysing the relevant financial information from Whitmore's to establish an agreed net profit figure for the business acquired by it for the 12 months post completion of the sale

Creditors

The time spent includes the following matters

- Corresponding with the Employment Tribunal in relation to a claim relating to an employee dismissed by the Company prior to our appointment,
- Correspondence with and payment of distributions to the secured creditors, and
- Agreeing preferential creditor claims and payment of a distribution thereon

IV Cumulative time analysis

IV.I From 19 December 2012 to 30 April 2014

Activity	Other Senior Assistants & Professionals Support Staff				Total		Ave Rate £ / hr
	Partner	Managers	Hours	Hours	Hours	£	
Administration and Planning							
Statutory, returns, reports and meetings	18 00	23 90	75 60		117 50	26,077 25	221 93
Initial post appointment notification letters, including creditors	1 75	18 75	2 30	0 50	23 30	5,808 25	249 28
Cashiering general, including bonding	0 50	19 80	12 80	0 30	33 40	6,356 75	190 32
Job planning, reviews and progression	2 75	5 55	21 40		29 70	6,327 50	213 05
Post appointment taxation	3 60	2 30	19 00		24 90	4,311 00	173 13
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	6 10		6 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	27 45	5 60	33 75	4,072 80	120 68
Pre-appointment non creditor tax			3 40		3 40	646 00	190 00
Agents and advisers general		0 50	3 45	0 60	4 55	649 90	142 84
Director/ manager review, approval and signing	13 55	3 15	23 55		16 70	5,513 75	330 16
Other	1 50	1 80	1 30	0 50	5 10	1,214 25	238 09
	42 35	79 40	199 80	7 50	329 05	66,973 70	2,557 58
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	16 50	7 95	0 80		25 25	8 013 50	317 37
SIP2 and SIP4 obligations	1 50	13 65	23 55		38 70	8,449 50	218 33
	18 00	22 60	62 15	0 30	103 05	22,117 65	1,003 23
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 no subject to finance (including reassigned ledgers)	1 25	6 10	44 20	0 45	52 00	8 765 55	168 57
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	10 50	3 00	3 10		16 60	5 043 00	303 80
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 60	18 90	42 75	0 30	75 55	17,620 90	233 23
Filing		0 10	0 55		0 65	75 50	116 15
Other		0 80	5 45		6 25	1,148 25	183 72
	28 10	37 05	112 60	0 75	178 50	38,480 20	2,360 93
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 60		0 60	67 50	112 50
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 36
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 70	0 00	15 65	2,863 50	1,111 86
Creditors							
Secured creditors	8 85	7 20	10 40		26 45	6,987 00	264 16
HP and lease creditors		0 35	0 95		1 30	241 25	185 58
RPO and ERA claims and tribunals	3 00	12 85	20 95	1 20	38 00	8 414 80	221 44
Employees and pensions (other)	4 20	3 85	24 90	1 00	33 95	6,834 50	201 31
Crown	0 55	0 25	3 75	0 10	4 65	928 80	199 74
Unsecured creditors	0 50	7 55	68 85	1 75	78 65	11,660 65	148 26
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	12 00	0 10	13 85	2,738 05	197 69
Filing			12 00		12 00	1,210 50	100 88
Director/ manager review approval and signing [Creditors]		0 20			0 20	57 00	285 00
Other	0 35	0 25	0 65		1 25	255 00	204 00
	20 35	40 80	176 55	4 15	241 85	45,671 80	2,209 14
Total Hours	109 30	183 30	562 80	12 70	868 10		
Total £	34,990 25	46,646 75	90,550 25	457 60		176,106 85	202 86

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 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. Changes to the charge out rates during the period of this report were applied with effect from 1 July 2013.

Staff Grade	£/hour	£/hour
	From 1/7/2012	From 1/7/2013
Partner / Associate Director	350 - 440	350 - 480
Senior Managers / Managers	200 - 270	200 - 285
Other Senior Professionals	100 - 180	110 - 190
Assistants and support staff	28 - 60	28 - 75

Notes

- 1 Time is recorded in units representing 3 minutes or multiples thereof

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

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