In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

SATURDAY

A6ZHSBUZ
A07 10/02/2018 #170
COMPANIES HOUSE

1 Company details

Company number	0 3 1 6 7 3 2 5
Company name in full	Baines & Ernst Limited

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	Anthony
Surname	Collier

3 Administrator's address

Building name/number	7th Floor
Street	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	

4 Administrator's name ❶

Full forename(s)	Benny
Surname	Woolrych

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	7th Floor
Street	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	

❷ **Other administrator**
Use this section to tell us about another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

	d	d	m	m	y	y	y	y
From date	1	4	0	7	2	0	1	7
To date	1	3	0	1	2	0	1	8

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X A Cothe X

	d	d	m	m	y	y	y	y
Signature date	0	9	0	2	2	0	1	8

AM10
Notice of administrator's progress report

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	Keeley Casey
Company name	FRP Advisory LLP
Address	7th Floor
	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	
DX	
Telephone	0161 833 3344

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

FRP Advisory

Baines & Ernst Limited (IN ADMINISTRATION) ("THE COMPANY")

High Court of Justice, Chancery Division, Leeds District Registry NO. 640 OF 2017

The Joint Administrator's Progress Report for the period 14 July 2017 to 13 January 2018 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules 2016

9 February 2018

Contents and abbreviations

FRP Advisory

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Baines & Ernst Limited (In Administration)
The Joint Administrators	Anthony Collier and Ben Woolrych of FRP Advisory LLP
The Reporting Period	The reporting period 14 July 2017 to 13 January 2018
CVL	Creditors' Voluntary Liquidation
SIP	Statement of Insolvency Practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
The Purchaser	MoneyPlus Group Limited
The Proposals	The Joint Administrators Proposals dated 21 July 2017
DMP	Debt Management Plan
PNC	PNC Business Credit, a trading style of PNC Financial Services Limited
Lloyds	Lloyds Bank PLC

1. Progress of the Administration

The Joint Administrators Actions to Date

This report should be read in conjunction with the Proposals, which provides background information on the Company, details of the events leading up to the insolvency and full details of the marketing of the business and assets of the Company undertaken prior to my appointment. A copy can be provided on request to the office.

Sale of the business and assets of the Company

As detailed in the Proposals, a sale of the business and assets of the Company to the Purchaser completed on 14 July 2017. Consideration of £5.6m was received in full, broken down as follows:

Asset	£
Goodwill/ Intellectual Property	5,000
Contract Data	5,000
DMP Book	5,590,000
Total	**5,600,000**

Full details of the marketing of the Company's business and assets and the sale transaction, in accordance with SIP 16, can be found in the Proposals.

The Joint Administrators are satisfied that the sale to the Purchaser was the best value achievable for the business and assets.

Licence to Occupy

The Joint Administrators granted the Purchaser a three month licence to occupy the Company's leasehold trading premises to allow the purchaser time to migrate members of staff and the IT infrastructure to their own trading premises. A total of £39,605 was received in respect of licence fees during the period and these were remitted to the landlord of the property on receipt of satisfactory invoices. The Purchaser vacated the property on 11 September 2017 and the Joint Administrators have executed a Deed of Surrender in relation to the lease.

Other Asset Realisations

Furniture and Equipment

The Joint Administrators engaged Sanderson Weatherall, independent valuation agents, to value and sell the furniture and equipment located at the Company's trading premises.

An offer of £1,750 was received from the Purchaser for certain items of furniture and equipment and Sanderson Weatherall recommended acceptance. The sale proceeds were received during the period.

Sanderson Weatherall advised that there was minimal value in the remaining furniture and equipment and it was not cost effective to market and sell these items. These items were left at the trading premises upon surrender of the lease.

Cash at Bank

At the date of appointment, the Company held £756 in its Lloyds bank account. These funds were transferred to the Company's Administration Estate account during the period.

Bank Interest Gross

Gross bank interest of £1,531 has been received to date.

Insurance Refund

The sum of £2,742 was received in relation to an insurance refund following overpayments made by the Company prior to the Administration.

1. Progress of the Administration

Sundry Refund

Sundry refunds totalling £103 have been received during the period which includes a utility supplier and DVLA refund for overpayments made by the Company prior to the Administration.

Work Undertaken During the Reporting Period

Attached at **Appendix C** is a schedule of work undertaken during the period together with a summary of work still to be completed.

Attached at **Appendix E** is a Receipts and Payments account detailing all transactions during the Reporting Period. The Receipts and Payments account presents all items net of VAT.

Investigations

Part of the Joint Administrators' duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. The Joint Administrators have reviewed the Company's books and records and accounting information, requested further information from the directors, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of the investigations are set out in the Schedule of Work attached. The Joint Administrators can confirm that no further investigations or actions were required.

Extension to the initial period of appointment

The Administration will automatically end after 12 months from the date of the appointment of the Joint Administrators. This period can be extended with consent of the creditors for up to twelve months or longer by application of the court. At this stage, an extension is not envisaged however this will ultimately depend upon the timescales for agreeing and distributing funds to unsecured creditors via the prescribed part (see section 2).

Anticipated exit strategy

Once the Joint Administrators have discharged all costs, have paid a dividend to unsecured creditors via the prescribed part and a final dividend to PNC, the Company will be placed into dissolution.

2. Estimated Outcome for the creditors

The estimated outcome for creditors was set out in the Joint Administrators' proposals.

Outcome for the Secured Creditor

The Company granted PNC a fixed and floating charge debenture over all assets of the Company on 10 October 2011.

As detailed in the Proposals, at the date of appointment c£5,610k before interest and charges was owed to PNC in respect of a working capital facility provided to the Company.

Two interim floating charge dividends totalling £4,100k have been paid to PNC during the period. A final floating charge dividend will be paid to PNC after the prescribed part distribution.

PNC will suffer a shortfall on their indebtedness but the exact quantum is not yet known.

Outcome for the preferential creditors

As part of the transaction, the majority of employees transferred to the purchaser under TUPE Regulations 2006, with the exception of five members of staff who had not been involved in the business on a day to day basis.

In the Joint Administrators' proposals, a preferential claim of £5,000 was estimated in respect of arrears or pay and holiday pay claims.

Subsequently, no preferential claims have been received in this matter.

Outcome for the unsecured creditors/ Prescribed Part

As detailed in the Proposals, a dividend will be paid to unsecured creditors via the prescribed part. The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with Section 176A of the Insolvency Act 1986 which is applicable in this instance.

The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

Based on net property estimated at c£5,200k, the prescribed part has been calculated at £600k, being the maximum prescribed part pot available. The Joint Administrators' costs associated with paying the prescribed part distribution will be deducted from the prescribed part pot.

As there are only sufficient funds to enable a dividend to be paid to unsecured creditors via the prescribed part, this will be paid by the Joint Administrators.

To date the Joint Administrators have received unsecured claims totalling £284,548. If creditors have yet to submit a proof of debt form in the Administration, please do so before 28 February 2018. A proof of debt form is attached at **Appendix G.**

3. Joint Administrators' Remuneration, Disbursements, Expenses and Pre-Appointment costs

FRP Advisory

Joint Administrators' Remuneration

In the Joint Administrators proposals, it was proposed that the Joint Administrators' remuneration would be drawn from the Company's assets and charged by reference to the time incurred in attending to matters arising. A fee estimate of £217,710 was included at Appendix D to the Proposals.

Following circulation of the proposals, the Joint Administrators agreed with PNC to discount the Joint Administrators' remuneration by 20% based on the fee estimate of £217,710. PNC therefore approved a resolution that the Joint Administrators' remuneration should be calculated on a time cost basis capped at £175,000.

Details of remuneration charged during the period of the report are set out in the statement of expenses attached at **Appendix F.** To date fees of £150,000 and disbursements of £579 excluding VAT have been drawn from the funds available.

A breakdown of our time costs incurred during the period of this report is attached at **Appendix D.** The remuneration anticipated to be recovered by the Joint Administrators based on time costs, is not likely to exceed the fee cap of £175,000 agreed with PNC.

Joint Administrators' Disbursements

The Joint Administrators' disbursements are a recharge of actual costs incurred by the Joint Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

Joint Administrators' Expenses

An estimate of the Joint Administrators' expenses was set out in the Proposals. I attach at **Appendix F** a statement of expenses that have been incurred during the reporting period. It is currently expected that the expenses incurred or anticipated to be incurred are not likely to exceed the details previously provided.

Creditors have a right to request further information from the Joint Administrators and further have a right to challenge the Joint Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only).

Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link http://creditors.frpadvisory.com/feesguide.htm and select the one for Administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request.

Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

Joint Administrators' Pre-Appointment costs

Following circulation of the Proposals, PNC approved the Joint Administrators' pre-appointment costs as detailed in Appendix E to the Proposals. A breakdown of these costs are presented below and are presented net of VAT.

Engagement	Fees claimed	Disbursements claimed
FRP Advisory LLP	51,356	NIL
Walker Morris LLP (Legal Fees)	94,678	318

These costs were subsequently paid during the reporting period.

Appendix A

Statutory Information

BAINES & ERNST LIMITED (IN ADMINISTRATION)

COMPANY INFORMATION:

Other trading names:	None
Company number:	03167325
Registered office:	c/o FRP Advisory LLP, 7th Floor Ship Canal House, 98 King Street, Manchester, M2 4WU
Previous registered office:	8 St John Street, Manchester, M3 4DU
Business address:	Lloyds House, 18-22 Lloyd Street, Manchester, M2 5BE

ADMINISTRATION DETAILS:

Joint Administrators:	Anthony Collier & Benny Woolrych
Address of Joint Administrators:	FRP Advisory LLP, 7th Floor Ship Canal House, 98 King Street, Manchester, M2 4WU
Date of appointment of Joint Administrators:	14 July 2017
Court in which Administration proceedings were brought:	High Court of Justice, Chancery Division, Leeds District Registry (Ref 640 of 2017)
Appointor details:	Andrew Wisedale – Sole Statutory Director
Previous office holders, if any:	None
Extensions to the Administration:	None
Date of approval of Proposals	7 August 2017

Appendix B

CH Form AM10 Formal Notice of the Progress Report

FRP Advisory

In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10
Notice of administrator's progress report

Companies House

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

1 Company details

Company number	0 3 1 6 7 3 2 5
Company name in full	Baines & Ernst Limited

→ Filling in this form
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	Anthony
Surname	Collier

3 Administrator's address

Building name/number	7th Floor
Street	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	

4 Administrator's name ❶

Full forename(s)	Benny
Surname	Woolrych

❶ Other administrator
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	7th Floor
Street	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	

❷ Other administrator
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AM10
Notice of administrator's progress report

6	Period of progress report
From date	1 4 / 0 7 / 2 0 1 7
To date	1 3 / 0 1 / 2 0 1 8

7	Progress report
	☑ I attach a copy of the progress report

8	Sign and date
Administrator's signature	Signature X A Wilke X
Signature date	0 9 / 0 2 / 2 0 1 8

AM10
Notice of administrator's progress report

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	Keeley Casey
Company name	FRP Advisory LLP
Address	7th Floor
	Ship Canal House
Post town	98 King Street
County/Region	Manchester
Postcode	M 2 4 W U
Country	
DX	
Telephone	0161 833 3344

Checklist

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Appendix C

Schedule of Work

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Baines & Ernst Limited (IN ADMINISTRATION)

Schedule of Work

The table below sets out a detailed summary of the work undertaken by the office holder to date and details of the work it is anticipated will be undertaken by the office holder throughout the duration of this assignment. Details of assumptions made in compiling this table are set out below. The fee basis for the different categories of work are set out in this table together with an estimate of the estimated fee for each category of work where this can be estimated. Where the fee basis proposed is on time costs further details of the estimated time costs to be incurred are set out in the fee estimate accompanying this schedule.

GENERAL ASSUMPTIONS IN COMPILING THIS SCHEDULE OF WORK
• The records received are complete and up to date • There are no matters to investigate or pursue • No financial irregularities are identified • A committee of creditors is not appointed • There are no exceptional queries from stakeholders • Full co-operation of the directors and other relevant parties is received as required by legislation • There are no health and safety or environmental issues to be dealt with • The case will be closed within 12 Months

Note	Category			Fee Basis (as per Schedule of work in the proposals)
1	**ADMINISTRATION AND PLANNING** **Work undertaken to date**		**ADMINISTRATION AND PLANNING** **Future work to be undertaken**	
	General Matters		***General matters***	
	Necessary Administrative and Strategy Work: - Initial meetings with management; - Consideration of all options and impact on each;		Regularly reviewing the conduct of the case and the case strategy and updating as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing. This aids efficient case management.	**Time Costs - £38,630**

	- Collation of information to provide advice and prepare for the formal engagement; - Preparation of press release; and - Case reviews as appropriate. Statutory Matters: - Assisting employees with their claims; and - Assisting with the preparation of pre-appointment documentation.			
	Regulatory Requirements		***Regulatory Requirements***	
	Completion of money laundering risk assessment procedures and Know your client checks in accordance with the Money Laundering Regulations; Completion of take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act, Data Protection Act; and Consideration of any other case specific matters to be aware of prior to or on appointment, for example health and safety; environmental concerns; particular licences or registrations; tax position; social media; profile of the client or its stakeholders.		Continued reference to statutory provision throughout the case in relation to direction, review and reporting requirements; and As applicable, full communication and notification with any relevant regulatory bodies.	
	Case Management Requirements		***Case Management Requirements***	
	Determining case strategy and documenting it;		Continue to administer insolvent estate bank accounts throughout the duration of the case.	

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	Compiling a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case, circulating this to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed; Setting up and administering insolvent estate bank accounts throughout the duration of the case; Assisting the directors where needed in producing the Company's Statement of affairs; and Correspondence with the former advisors to the Company requesting third party information to assist in general enquiries.			
2	**ASSET REALISATION** **Work undertake to date**		**ASSET REALISATION** **Future work to be undertaken**	
	As detailed in the Administrators' proposals, a sale of part of the business and assets completed immediately following the Administrators appointment in accordance with SIP16. The majority of the Company's assets were therefore dealt with as part of this process; Liaising with Sanderson Weatherall regarding the valuation and sale of the remaining furniture and equipment which were not subject to the sale; and Reviewing and finalising the position in respect of the debtor balance of £14,721 outstanding from Paymex Limited.		No further work to be undertaken.	**Time Costs - £27,770**

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Baines & Ernst Limited (IN ADMINISTRATION)

Schedule of Work

3	**STATUTORY COMPLIANCE AND REPORTING** **Work undertaken to date**		**STATUTORY COMPLIANCE AND REPORTING** **Future work to be undertaken**	
	Providing creditors with the proposals for the conduct of the Administration for approval by creditors in accordance with legislation; Calculation and protection of the asset values that are not subject to a charge and obtaining a bond to the correct level; Calculating the post-appointment fee basis; Advertising notice of the Administrators' appointment as required by statute; Notification to the Company's pension scheme provider, Pensions Regulator and Pension Protection Fund; Preparing and circulating the Proposals to creditors and filing with the Registrar of Companies in accordance with SIP 16; and Obtaining creditor approval for the basis on which the Administrators' fees have been calculated.		To provide statutory reports to stakeholders and manage any queries arising there from. Copies of these reports are required to be filed at Court and Registrar of Companies; and To place legal advertisements as required by statute which may include notices to submit claims.	**Time Costs - £77,603**
4	**TRADING** **Work undertaken to date**		**TRADING** **Future work to be undertaken**	
	Assistance provided to the purchaser of the business and assets to effect an orderly transfer during the transition phase under the Licence to Occupy; and		No further work to be undertaken.	**Time Costs – £28,290**

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	Continued assistance throughout the transition phase to include assisting with supplier and landlord payments.			
5	**INVESTIGATIONS** **Work undertaken to date**		**INVESTIGATIONS** **Future work to be undertaken**	
	The Administrators have a duty to review the books and records and other information available to identify the assets that may be available to realise for the benefit of the insolvency estate; Furthermore, there may be other antecedent or voidable transactions that are identified which if pursued could swell the funds available for the insolvency estate; Requesting all directors of the Company both current and those holding office within 3 years of the insolvency to complete a questionnaire to assist in preparing the statutory return to the Department of Business Energy and Industrial Strategy ("DBEIS") in accordance with the Company Directors Disqualification Act; Completing and submitting the statutory online submission regarding directors conduct, and documenting this for our internal files; and Information provided to DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further and could result in individuals being disqualified from acting as a director.		No further work to be undertaken.	**Time Costs – £25,813**

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6	**CREDITORS** **Work undertaken to date**		**CREDITORS** **Future work to be undertaken**	
	Secured creditors: Obtaining advice on the validity of security, as required before making any distributions to PNC; and Paying two interim floating charge distributions totalling £4,100,000 to PNC. Unsecured creditors: The Joint Administrators have been dealing with creditor queries and ongoing creditor correspondence and are in the process of reviewing and agreeing creditor claims; and A distribution to unsecured creditors will be limited to funds available under the prescribed part provisions. HMRC claims: Liaising with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate. Leasehold properties: Establishing the position with regards to leasehold properties and liaising with the landlord; and Remitting licence fee funds as appropriate and liaison regarding the vacation of the property. Pensions: Establishing the position with regards any Employer pension scheme, notifying the relevant parties in accordance with the legislation.		Secured Creditors: Pay a final distribution funds to PNC. Unsecured creditors: Advertise notice of intended divided to unsecured creditors, as required by statue; and Adjudicate and agree unsecured creditor claims, and pay prescribed part dividend. HMRC claims: Continue to liaise with HMRC regarding their claim.	**Time Costs - £19,060**

Baines & Ernst Limited (IN ADMINISTRATION)

Schedule of Work

7	**LEGAL AND LITIGATION** **Work undertaken to date**		**LEGAL AND LITIGATION** **Future work to be undertaken**	
	Seeking legal advice as and when needed throughout the assignment.			**Time Costs - £545**
	TOTAL ESTIMATED FEES			**£217,710**

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Appendix D

Details of the Joint Administrators' Time Costs and Disbursements for the Period

FRP

Baines & Ernst Limited (In Administration)

Time charged for the period 14 July 2017 to 13 January 2018

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrly Rate £
Administration and Planning	**5.00**	**7.25**	**39.05**	**1.85**	**53.15**	**17,318.00**	326.83
Admin & Planning		0.75			0.75	281.25	375.00
Case Accounting			1.95	1.55	3.50	773.50	221.00
Case Control and Review		3.50	10.50		14.00	4,655.00	332.50
Case Accounting - General			8.40		8.40	2,395.50	285.18
General Administration			11.75	0.10	11.85	3,575.75	301.75
Insurance			0.40		0.40	136.00	340.00
Strategy	5.00	3.00	2.50		10.50	4,450.00	423.81
Fee and WIP			3.25	0.20	3.45	968.50	280.72
IT – Admin / planning and acquisition			0.30		0.30	82.50	275.00
Asset Realisation	**9.50**	**1.50**	**29.00**		**40.00**	**15,105.50**	377.64
Asset Realisation			2.60		2.60	864.50	332.50
Freehold/Leasehold Property	9.50	1.50	26.40		37.40	14,241.00	380.78
Creditors	**51.00**	**13.00**	**57.60**	**1.65**	**123.25**	**47,283.25**	383.64
Unsecured Creditors			36.70	0.45	37.15	11,103.00	298.87
Secured Creditors	40.50	13.00	1.70		55.20	25,467.00	461.36
Employees	8.50		13.10	1.20	22.80	7,980.75	350.03
Preferential Creditors			0.50		0.50	170.00	340.00
Pensions	2.00		4.50		6.50	2,260.00	347.69
Landlord			0.40		0.40	110.00	275.00
TAX/VAT - Pre-appointment			0.70		0.70	192.50	275.00
Investigation	**40.50**	**1.73**	**68.35**		**110.58**	**41,973.75**	379.58
Investigatory Work	4.50		29.00		33.50	12,087.50	360.82
CDDA Enquiries	28.50	1.00	26.70		56.20	22,949.50	408.35
IT – Investigations	7.50		12.65		20.15	6,663.00	330.67
Forensic		0.73			0.73	273.75	375.00
Statutory Compliance	**12.50**	**16.75**	**64.95**	**1.10**	**95.30**	**31,860.75**	334.32
Post Appt TAX/VAT	9.50	2.00	6.75		18.25	7,387.50	404.79
Statutory Compliance - General		1.00	23.10	0.10	24.20	6,715.50	277.50
Statutory Reporting/ Meetings		13.00	16.00	1.00	30.00	10,055.00	335.17
Appointment Formalities		0.75	4.70		5.45	1,866.25	342.43
Statement of Affairs	2.50		13.60		16.10	5,369.00	333.48
Bonding/ Statutory Advertising	0.50		0.80		1.30	467.50	359.62
Trading		**5.50**	**24.10**		**29.60**	**10,198.00**	344.53
Trade-sales/ Purchase		5.50	24.10		29.60	10,198.00	344.53
Total Hours	118.50	45.73	283.05	4.60	451.88	163,739.25	362.35

FRP Charge out rates

Grade	From 1st May 2016
Appointment taker / Partner	450-495
Managers / Directors	340-465
Other Professional	200-295
Junior Professional & Support	125-175

Disbursements for the period
14 July 2017 to 13 January 2018

	Value £
Category 1	
Meeting	79.05
Postage	42.76
Bonding	450.00
Mobile Telephone	7.10
Grand Total	578.91

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

FRP ADVISORY LLP ("FRP")

HOURLY CHARGE OUT RATES WITH EFFECT FROM 1 MAY 2016

Grade	£/hour
Appointment taker/Partner	495
Managers/Directors	340-465
Other Professional	200-295
Junior Professional/Support	125-175

Time costs are maintained on computerised records of all time spend on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out above.

Further information can be found in the Creditors' Guide to Fees which you can access using the following link http://www.frpadvisory.com/fees-guide.html. Alternatively, a hard copy of the relevant guide will be sent to you on request.

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

DISBURSEMENT POLICY

Disbursements are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

There are two types of disbursements; direct disbursements (known as Category 1) and indirect disbursements (known as Category 2).

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance.

Category 1 disbursements can be drawn without prior approval

Category 2 disbursements

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Appendix E

Receipts and Payments Account for the Reporting Period

Baines & Ernst Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 09/02/2018

S of A £		£	£
	SECURED ASSETS		
5,000.00	Goodwill/ Intellectual Property	5,000.00	
			5,000.00
	SECURED CREDITORS		
(5,604,306.01)	PNC Financial Services UK Limited	NIL	
			NIL
	ASSET REALISATIONS		
5,590,000.00	Sale of 'DMP Book'	5,590,000.00	
1,750.00	Furniture & Equipment	1,750.00	
756.00	Cash at Bank	756.40	
	Licence to Occupy	39,605.35	
5,000.00	Contract Data	5,000.00	
NIL	Intercompany debtor	NIL	
	Bank Interest Gross	1,531.45	
	Insurance premium refund	2,742.29	
	Sundry Refund	102.91	
			5,641,488.40
	COST OF REALISATIONS		
	Administrators' Remuneration	150,000.00	
	Administrators' Disbursements	578.91	
	FRP Advisory - pre-Admin fees	51,356.00	
	Licence Fee	39,605.35	
	Tax Advice Fees	4,500.00	
	Agents Fees	2,987.80	
	Legal fees - Pre-Admin	94,678.00	
	VAT Irrecoverable	61,116.46	
	Legal Disbursements - Pre-Admin	317.50	
	Storage Costs	2,932.48	
	Statutory Advertising	84.60	
	Bank Charges - Floating	30.00	
			(408,187.10)
	PREFERENTIAL CREDITORS		
(5,000.00)	Preferential Creditors	NIL	
			NIL
	FLOATING CHARGE CREDITORS		
	PNC Financial Services UK Limited	4,100,000.00	
			(4,100,000.00)
	UNSECURED CREDITORS		
(127,121.84)	Trade creditors	NIL	
(228,253.00)	HMRC - PAYE/ NIC	NIL	
(849,000.00)	HMRC - CT	NIL	
(74,610.00)	Employee redundancy claims & PILON	NIL	
			NIL
	DISTRIBUTIONS		
(500,000.00)	Ordinary Shareholders	NIL	
			NIL

Baines & Ernst Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments
To 09/02/2018

S of A £		£	£
(1,785,784.85)			**1,138,301.30**
	REPRESENTED BY		
	IB Current Floating		1,138,301.30
			1,138,301.30

Appendix F

Statement of Expenses incurred in the Reporting Period

FRP Advisory

Baines & Ernst Limited (In Administration)
Statement of expenses for the period ended
13 January 2018

Total paid to date of progress Report per R and P £	Costs committed but not yet paid at reporting date £	Total Expenses for the period £
-	43,500	**43,500**
2,988	-	**2,988**
4,500	-	**4,500**
2,932	-	**2,932**
85	-	**85**
30	-	**30**
10,535	**43,500**	**54,035**

Appendix G

Proof of Debt Form

Rule 14.4

PROOF OF DEBT - GENERAL FORM

Baines & Ernst Limited		
Relevant Date: 14 July 2017		
1.	Name of Creditor (If a company please also give company registration number)	
2.	Address of Creditor for correspondence	
3.	Email address	
4.	Total amount of claim, (including any Value Added Tax) as at the relevant date, less any payments received after the relevant date, trade and other usual discounts and any other amounts to be set off.	
5.	If amount in 4 above includes outstanding uncapitalised interest please state amount	£ /not applicable
6.	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form)	
7.	Particulars of any security held, the value of the security, and the date it was given.	
8.	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9.	Details of any document by which the debt can be substantiated [Note there is no need to attach these now but the office holder may call for any document or evidence to substantiate the whole or any part of a claim]	

This document must be signed:	
Name in capital letters	
Address	
Email Address	
Signature	
For and on behalf of	
Relationship or authority to sign (eg director/accountant/member)	
If signing on behalf of a body corporate please indicate if you are the sole member	YES/NO
Date	