

## The Insolvency Act 1986

## Administrator's progress report

Form 2.24B(CH)

Name of Company Avocet Hardware Limited	Company number 03288247
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 463 of 2012

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

We (a) Benjamin John Wiles and Andrew Gordon Stoneman of Duff & Phelps Ltd , The Shard, 32  
London Bridge Street, London, SE1 9SG

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

from

to

(b) Insert dates

(b) 1 December 2013

(b) 31 May 2014

Signed

Joint Administrator

Dated

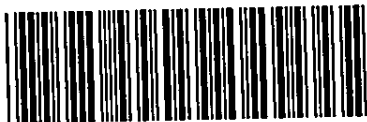
26/6/2014

## 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 register

Duff & Phelps Ltd  
The Shard  
32 London Bridge Street  
London, SE1 9SG

Tel +44 (0) 20 7089 4700



\*A3B4X2Y1\*

A25

30/06/2014

#214

COMPANIES HOUSE

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

---

# **Progress Report to Creditors**

26 June 2014

## **Avocet Hardware Limited (In Administration)**

Joint Administrators' Progress Report to Creditors  
for the period from 1 December 2013 to 31 May 2014  
pursuant to Rule 2 47(1) of the Insolvency Rules 1986 (as amended)

**Duff & Phelps Ltd.  
The Shard  
32 London Bridge Street  
London  
SE1 9SG**

## Definitions

Word or Phrase	Definition
the Act	means the Insolvency Act 1986 (as amended),
the Appointment Date	means 23 January 2012, being the date of appointment of the Joint Administrators,
Category 1 Disbursements	The Joint Administrators' external and incidental costs and expenses in dealing with the Administration,
Category 2 Disbursements	means the Joint Administrators' internal costs and expenses in dealing with the Administration,
the Company	means Avocet Hardware Limited (In Administration) (Company Number 03288247) whose registered office is The Shard, 32 London Bridge Street, London, SE1 9SG,
DBIS	means the Department for Business, Innovation & Skills,
the Directors	means Ian Jones, Nicholas Ridings and Michael Tuck, the directors of the Company,
Duff & Phelps	means Duff & Phelps Ltd, The Shard, 32 London Bridge Street, London, SE1 9SG,
the Freehold Property	means the property situated at Brookfoot Mills, Elland Road, Brighouse, West Yorkshire, HD6 2RW,
the Joint Administrators	means Benjamin John Wiles and Andrew Gordon Stoneman of Duff & Phelps,
PNC	means PNC Financial Services UK Limited, (successor in title to KBC Business Capital, a division of KBC Bank NV) the holder of a fixed charge and a floating charge and the provider of a property loan, stock loan and invoice finance facility,
Prescribed Part	means Pursuant to Section 176A of the Act where a floating charge is created after 15 September 2003 a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to non-preferential unsecured creditors,
the Proposals	means the Joint Administrators' Statement of Proposals as approved by creditors on 29 March 2012,
the Purchaser	means RTMV Jain Limited with respect to the Freehold Property and L Fibrelok Limited with respect to the business and certain assets,
the Reporting Period	means the period from 1 December 2013 to 31 May 2014,
RPS	means Redundancy Payments Service,
the Rules	means the Insolvency Rules 1986 (as amended),

---

SOA	means Statement of Affairs, supplied by the Directors outlining the Company's financial position as at the Appointment Date, and
TUPE	means the Transfer of Undertaking (Protection of Employment) Regulations 2006

---

## **Contents**

- 1 Introduction
- 2 Joint Administrators' Report and Statement of Proposals
- 3 Progress of the Administration
- 4 Investigations
- 5 Dividend Prospects / Prescribed Part
- 6 Joint Administrators' Receipts and Payments Account
- 7 Joint Administrators' Costs and Expenses
- 8 Conclusion and Ending the Administration
- 9 Next Report

## **Appendices**

- 1 Statutory Information
- 2 Joint Administrators' Receipts and Payments Account
- 3 Analysis of Time Charged and Expenses Incurred

**1. Introduction**

- 1 1 The Joint Administrators were appointed on the Appointment Date by PNC, the holder of a qualifying floating charge, under Paragraph 14 of Schedule B1 to the Act
- 1 2 The Joint Administrators were appointed in the High Court of Justice, Chancery Division, Companies Court, London and the court reference is 463 of 2012
- 1 3 In accordance with Paragraph 100(2) of Schedule B1 to the Act the functions of the Joint Administrators are being exercised by any of the Administrators
- 1 4 An extension was approved by creditors for the six month period to 22 July 2013 and an extension was approved by the Court for the nine month period from 23 July 2013 to 22 April 2014. A further extension was granted by the Court for the six month period from 23 April 2014 to 22 October 2014
- 1 5 The purpose of this report is to provide creditors with details of the progress of the Administration for the Reporting Period, in accordance with Rule 2.47(1) of the Rules
- 1 6 This report should be read in conjunction with the Proposals and the Joint Administrators' previous progress reports dated 22 August 2012, 21 December 2012, 31 May 2013 and 27 December 2013
- 1 7 Statutory information on the Company is attached at Appendix 1

**2. Joint Administrators' Report and Statement of Proposals**

- 2 1 The Joint Administrators issued the Proposals on 16 March 2012
- 2 2 In accordance with Paragraph 52(1) of Schedule B1 to the Act, a creditors' meeting was not required to be held as it was anticipated that there would be insufficient realisations to enable a distribution to non-preferential unsecured creditors (other than via the Prescribed Part). No meeting was convened and in accordance with Rule 2.33(5) of the Rules, the Proposals were deemed to have been approved by creditors on 29 March 2012
- 2 3 In accordance with Paragraph 49(2) of Schedule B1 to the Act the Joint Administrators note the following
- The first objective will not be achieved as there are insufficient funds and assets available to enable the creditors to be repaid and to enable the Company to be rescued as a going concern
  - The Joint Administrators consider that the second objective has been achieved, for the following reasons
    - The Joint Administrators concluded a sale of the business and certain assets of the Company on 24 February 2012, maximising the value of the goodwill and achieving a greater value for the stock than would have been possible in a Liquidation,
    - In addition, the book debt collections have been enhanced by the continuity of business provided to customers by the Purchaser, and

- Finally, if the Company had been wound up, the employees would have all been made redundant resulting in an increase in both preferential and non-preferential unsecured claims

### **3. Progress of the Administration**

- 3 1 The manner in which the affairs and business of the Company have been managed during the Reporting Period and will continue to be managed and financed are set out below

#### **Administration Trading Period**

- 3 2 As previously reported, the Joint Administrators continued to trade the business for five weeks until the business and certain assets were sold on 24 February 2012
- 3 3 Sales totalled £1,535,055 (excluding VAT) during the Administration trading period. Sales receipts totalling £2,187 have been collected during the Reporting Period
- 3 4 Accordingly, sales of £1,509,267 (excluding VAT) have been collected to date. The balance of sales receipts have been written off owing to warranty disputes
- 3 5 Attached at Appendix 2 is a trading statement summarising the Administration trading period receipts and payments
- 3 6 The Joint Administrators have now concluded all trading matters, including payment of outstanding trading expenses and ROT settlements
- 3 7 The receipts and payments account is currently showing a trading surplus of £341,767, which the Joint Administrators consider to be the final position

#### **Book Debts**

- 3 8 According to the Company's books and records, the outstanding debts of the Company totalled £3,375,435 (including VAT) as at the Appointment Date. These debts were assigned to PNC under an invoice discounting agreement. The principal amount owing to PNC at the Appointment Date was £2,082,941, subject to accruing interest and charges
- 3 9 Collections during the Reporting Period totalled £4342 which brings total book debt collections to £2,246,397
- 3 10 PNC have concluded their book debt collections and surplus book debts totalling £35,010 are held in the Administration Estate, which is shown in the receipts and payments account
- 3 13 The Joint Administrators have reviewed all outstanding book debts and anticipate that further realisations will be minimal, if any

#### **Third Party Funds**

- 3 14 As reported in the Joint Administrators' last report, a balance of £1,077 was held in the Administration estate in respect of third party funds. These were received in error into the Company's pre appointment bank account from former customers. The Joint Administrators have identified the parties concerned and have now repaid these funds in full to the relevant parties

## **Bank Interest**

- 3 15 Bank interest of £123 has been received during the Reporting Period into the Company's fixed and floating bank accounts of £4 and £119 respectively

## **4. Investigations**

- 4 1 The Joint Administrators have a statutory obligation to file a report with DBIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators' appointment. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit

## **5. Dividend Prospects / Prescribed Part**

### **Secured Creditors**

#### **PNC**

- 5 1 In consideration for the monies advanced under the Company's invoice discounting agreement, a property loan and inventory finance facility, the Company granted PNC a debenture dated 29 June 2010, which confers fixed and floating charges over all of the assets of the Company. As detailed in paragraph 3 8, the invoice discounting agreement results in the assignment of all book debts to PNC
- 5 2 As at the Appointment Date, the Company's indebtedness to PNC was c £7,100,000, subject to accruing interest, charges and costs
- 5 3 PNC have fixed and floating charges over the assets of the Company and have priority over the other secured creditors, being Landsbanki Commercial Finance and HL2012 Limited
- 5 4 Distributions of £3,055,010 have been made to PNC during the Administration of which £2,055,000 relates to fixed charge distributions and £1,000,010 relates to floating charge distributions. There have been no distributions to PNC during the Reporting Period
- 5 5 There will be insufficient realisations to repay PNC in full

#### **Landsbanki Commercial Finance**

- 5 6 According to the SOA, the Company's indebtedness to Landsbanki Commercial Finance as at the Appointment Date was £500,000, subject to accruing interest and charges
- 5 7 In consideration for monies advanced under a loan facility, the Company granted Landsbanki Commercial Finance a debenture dated 2 November 2007, which confers fixed and floating charges over the assets of the Company
- 5 8 There will be insufficient realisations to enable a distribution to Landsbanki Commercial Finance in their capacity as a secured creditor
- 5 9 In view of the distribution prospects, Landsbanki Commercial Finance have withdrawn their security against the Company in order to submit a claim as a non-preferential unsecured creditor via the Prescribed Part



**HL2012 Limited (Formerly Hotbed Limited)**

- 5 10 According to the SOA, the Company's indebtedness to HL2012 Limited at the Appointment Date was £4,050,000
- 5 11 In consideration for monies advanced under a loan facility, the Company granted HL2012 Limited a debenture dated 2 November 2007, which confers fixed and floating charges over the assets of the Company
- 5 12 There will be insufficient realisations to enable a distribution to HL2012 Limited in their capacity as a secured creditor
- 5 13 In view of the distribution prospects, HL2012 Limited has withdrawn its security against the Company in order to submit a claim as a non-preferential unsecured creditor via the Prescribed Part

**Preferential Creditors**

- 5 14 The preferential creditors' claims consist of employee claims for arrears of pay and holiday pay, the majority of which were subrogated to the DBIS following payment to the employees by the RPS
- 5 15 Following the sale of the business and assets of the Company to the Purchaser, the Company's remaining employees were transferred to the Purchaser pursuant to TUPE. Accordingly, preferential claims were limited to those employees who were made redundant prior to the Appointment Date
- 5 16 The RPS submitted a preferential claim totalling £13,782 on 2 August 2012 in respect of payments made to the Company's former employees and the Joint Administrators have also received further preferential claims, in excess of the limits imposed by the RPS, totalling £313, from the former employees
- 5 17 These preferential creditors have been paid a distribution of 100 pence in the pound
- 5 18 Following a review of the non-preferential unsecured element of the employee claim, it came to the Joint Administrators' attention that the RPS has overpaid the preferential element of an employee's claim by £251. Therefore, the Joint Administrators have requested a refund of this balance from the RPS
- 5 19 The Joint Administrators have also noted that as a result of a processing error by the RPS, one employee has an additional excess preferential claim totalling £104. The Joint Administrators paid this excess preferential claim on 23 June 2014

**Prescribed Part**

- 5 20 Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a Prescribed Part of the Company's net property shall be made available to non-preferential unsecured creditors
- 5 21 The Prescribed Part is calculated as a percentage of net property, as follows -

Net property less than £10,000

50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured creditors would be disproportionate to the benefits

Net property greater than £10,000

50% up to £10,000 plus 20% thereafter to a maximum of £600,000

- 5 22 The Joint Administrators made an application to Court to pay a distribution to non-preferential unsecured creditors by way of the Prescribed Part in Administration
- 5 23 On 27 March 2013, it was ordered by the Court that the Joint Administrators are authorised to distribute the Prescribed Part in the Administration
- 5 24 A Notice of Intended Dividend was sent to all known creditors in respect of a first and final distribution to all non-preferential unsecured creditors via the Prescribed Part on 25 February 2014
- 5 25 The total value of the Prescribed Part is £253,752 based on available net property of £1,253,762. Taking into account the costs incurred by the Joint Administrators and their solicitors, the total amount payable to unsecured non-preferential creditors under the Prescribed Part is £193,752
- 5 26 A first and final dividend to non-preferential unsecured creditors under the Prescribed Part of 2 37 pence in the pound was declared on 21 May 2014. Dividend payments were issued to non-preferential unsecured creditors on 28 May 2014

#### **Non-Preferential Creditors**

- 5 27 According to the SOA, non-preferential unsecured creditors total £12,561,297. The Joint Administrators have now adjudicated on all non-preferential unsecured creditor claims received and the total claims accepted by the Joint Administrators are £8,166,630. As detailed in paragraph 5 26, a dividend to all non-preferential unsecured creditors was paid under the Prescribed Part on 28 May 2014
- 5 28 There will be insufficient realisations to enable a dividend to be paid to the non-preferential unsecured creditors of the Company, other than by the Prescribed Part, as detailed above

#### **6. Joint Administrators' Receipts and Payments Account**

- 6 1 The Joint Administrators' receipts and payments account is provided at Appendix 2 and is deemed to be self-explanatory
- 6 2 The balance of funds are held in fixed and floating interest bearing accounts in the name of the insolvent estate
- 6 3 A separate receipts and payments account has been prepared for the Administration trading period. This is also attached at Appendix 2

#### **7. Joint Administrators' Costs and Expenses**

- 7 1 The Joint Administrators' basis of remuneration was approved on the basis of time properly charged by the Joint Administrators and their staff, by the secured and preferential creditors on 29 March 2012. In addition, the Joint Administrators' disbursements were also approved
- 7 2 The time costs charged in the Reporting Period by the Joint Administrators are as analysed at Appendix 3, together with a summary of all time costs charged to date

- 
- 7 3 Remuneration of £15,000 has been paid during the Reporting Period, all of which related to Prescribed Part costs. Details of payments are shown on the receipts and payments account at Appendix 2
- 7 4 The Joint Administrators' disbursements are also detailed at Appendix 3
- 7 5 The Joint Administrators have undertaken a review of the fees and disbursements paid by the Company during the Administration and it would appear that due to a processing error, disbursements in the sum of £19,849 have been overpaid. Accordingly a refund for this amount was paid to the Administration estate on 20 December 2013
- 7 6 Information regarding the fees and disbursements of administrators, including details of the Duff & Phelps' disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at <http://www.duffandphelps.com/uk-restructuring/creditor-guides>. Should you require a copy, please contact this office
- 7 7 The Joint Administrators have incurred a number of expenses in the Reporting Period of this report in dealing with the Administration of the Company, details of which are provided in Appendix 3
- 7 8 The Joint Administrators' choice of agents and solicitors instructed was based on their perception of the ability and experience to perform this type of work, the complexity and nature of the assignment and the basis of the Joint Administrators' fee arrangement with them
- 7 9 In accordance with Rule 2.48A of the Rules, secured creditors and unsecured creditors with the concurrence of at least 5% in value of total unsecured claims may make a request in writing to the Joint Administrators for further information about the remuneration or expenses set out in this progress report. This should be done within 21 days receipt of this report, after which the Joint Administrators have 14 days to respond
- 7 10 In addition to the above, any secured creditor, or any unsecured creditor with the support of at least 10% in value of the unsecured creditors or the permission of the Court, may apply to the court on the grounds that the remuneration or basis fixed for the Administrators' remuneration or the expenses incurred by the Joint Administrators are considered to be excessive. In accordance with Rule 2.109 of the Rules, this application must be made no later than 8 weeks after receipt of the Progress Report, where the charging of the remuneration or the incurring of expenses in question occurs

## **8. Conclusion and Ending the Administration**

- 8 1 The Proposals advised that the Administration automatically comes to an end after one year, unless an extension is granted by the Court or with the creditors' consent
- 8 2 As previously advised, an extension was granted by creditors for the six month period to 22 July 2013, a second extension was granted by the Court for the nine month period to 22 April 2014 and a third extension was granted by the Court for the six month period to 22 October 2014

- 8.3 As the Company has no property with which to make a distribution to its non-preferential unsecured creditors (other than via the Prescribed Part) it is anticipated that following the distribution of the Prescribed Part funds, as detailed in Paragraph 5.26, a notice to move from Administration to dissolution (Form 2.35B), will be submitted to the Registrar of Companies pursuant to Paragraph 84 of Schedule B1 to the Act
- 8.4 Following registration of the notice by the Registrar of Companies, the Joint Administrators' appointment will cease to have effect, and they will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Act
- 8.5 At the end of three months beginning with the date of Form 2.35B being registered by the Registrar of Companies, the Company will be dissolved

**9. Next Report**

- 9.1 Generally, the Joint Administrators will provide a progress report within one month of the end of each six months of the Administration or earlier if an extension to the period of the Administration is required
- 9.2 On present information, as it is anticipated that the Administration will conclude within the next six months and the next report to creditors will be a final report



**Benjamin John Wiles**  
Joint Administrator

The affairs, business and property of the Company are being managed by the Joint Administrators, Benjamin John Wiles and Andrew Gordon Stoneman, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

**Appendix 1**

**Statutory Information**

**Statutory Information**

<b>Date of Incorporation</b>	5 December 1996
<b>Registered Number</b>	03288247
<b>Company Directors</b>	Ian Gary Jones Nicholas Ridings Michael Colin Tuck
<b>Company Secretary</b>	Nicholas Ridings
<b>Shareholder</b>	Avocet Holdings Limited - 1,000,000 Ordinary Shares
<b>Trading Address</b>	Brookfoot Mills Elland Road Brighouse West Yorkshire HD6 2RW
<b>Registered Office</b>	<b>Current:</b> Duff & Phelps Ltd The Shard 32 London Bridge Street London SE1 9SG  <b>Formerly:</b> Brookfoot Mills Elland Road Brighouse West Yorkshire HD6 2RW

**Appendix 2**

**Joint Administrators' Receipts and Payments Account**

**Avocet Hardware Limited (In Administration)****Trading Account**

<b>Statement of Affairs £</b>	<b>From 01/12/2013 To 31/05/2014 £</b>	<b>From 23/01/2012 To 26/06/2014 £</b>
<b>POST APPOINTMENT SALES</b>		
Sales	2,186 68	1,482,293 55
VISA Sales	NIL	11,302 66
Sales Refunds	NIL	(873 72)
Rent	NIL	1,956 52
Websales	NIL	14,588 21
	<u>2,186 68</u>	<u>1,509,267 22</u>
<b>OTHER DIRECT COSTS</b>		
Management Charge	NIL	33,035 55
Direct Labour	NIL	241,856 42
Employee Expenses	NIL	7,831 59
Other Payroll Deductions	NIL	1,643 55
	<u>NIL</u>	<u>(284,367 11)</u>
<b>TRADING EXPENDITURE</b>		
PAYE / NIC	NIL	81,153 72
Telephone	NIL	8,209 30
Rates	NIL	13,056 78
Utilities - Water, Heat	NIL	25,417 47
General Operating Expenses	NIL	1,976 00
Carnage	NIL	63,804 30
Security	NIL	3,219 50
Bank Charges - Trading Account	NIL	159,876 65
Lease / HP Payments	NIL	11,499 29
Hire of Equipment	NIL	4,776 00
Repairs & Maintenance	NIL	950 00
Pallet Charges	NIL	10,082 49
Vehicle Running Costs	NIL	391 43
Joint Administrators' Remuneration	NIL	172,500 00
Stationery	NIL	261 50
Joint Administrators' Disbursements	(19,849 22)	11,428 50
Forwarding Services	NIL	89,382 36
Duty	NIL	117,462 54
Domain Name Charge	NIL	11 00
HSBC Merchant Services Charge	NIL	3,015 88
Pensions	NIL	6,170 30
Sage Pay Charge	NIL	50 00
Packaging	NIL	927 59
ROT Settlement	78 61	97,510 02
	<u>19,770 61</u>	<u>(883,132 62)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<u><b>21,957 29</b></u>	<u><b>341,767 49</b></u>



**Avocet Hardware Limited (In Administration)**  
**Receipts and Payments Account**

Statement of Affairs £		From 01/12/2013 To 31/05/2014 £	From 23/01/2012 To 26/06/2014 £
	<b>SECURED ASSETS</b>		
1,950,000 00	Freehold Land & Property	NIL	1,950,000 00
	Goodwill & Intellectual Property	NIL	200,000 00
	Gross Bank Interest - Fixed Account	3 69	55 52
		3 69	2,150,055 52
	<b>COSTS OF REALISATION</b>		
	Agents/Valuers Fees	NIL	3,300 00
	Joint Administrators' Remuneration	NIL	27,500 00
	Legal Fees	3,354 00	16,984 52
	Legal Disbursements	45 00	290 00
	Property Search Fee	NIL	1,150 00
	Legal Fees- fixed	NIL	24,000 48
	Insurance of Assets	NIL	9,242 72
	Fixed Bank Charges	NIL	53 52
		(3,399 00)	(82,521 24)
	<b>SECURED CREDITORS</b>		
	PNC	NIL	2,055,000 00
		NIL	(2 055,000 00)
	<b>ASSET REALISATIONS</b>		
50,000 00	Furniture & Equipment	NIL	49,998 00
1,500,000 00	Stock	NIL	1,500,000 00
3,000,000 00	Debtors	4,342 31	35,010 43
3,630 00	Employee Float	NIL	2,691 10
	Pre-appointment VAT Refund	NIL	15,264 06
2,919 41	Cash at Bank and Merchant Service Funds	NIL	16,860 15
	Work in Progress	NIL	1 00
	Bank Interest Gross	119 33	1,205 91
	Rates Refund	NIL	12,811 68
	Third Party Funds	NIL	9,710 33
	Trading Surplus/(Deficit)	21,957 29	341,767 49
	Seller's Records	NIL	1 00
	Third Party - Pension Funds	NIL	2,510 17
		26 418 93	1 987,831 32
	<b>COST OF REALISATIONS</b>		
	Refund of Third Party Funds	1,087 23	9,720 35
	Legal Fees	NIL	40,000 00
	Petitioners Costs	NIL	4,309 87
	Data Room Fees	NIL	544 65
	Joint Administrators' Remuneration - Prescribed Par	15,000 00	50,000 00
	Joint Administrators' Remuneration	NIL	500,000 00
	Joint Administrators' Disbursements	NIL	1,018 34
	Accountants' Fees	4,640 00	9,640 00
	Accountants' Disbursements	360 00	360 00
	Agents/Valuers' Fees	NIL	43,180 00
	Agents/Valuers' Disbursements	NIL	1,362 60
	Legal Fees	12,000 00	54,924 50
	Legal Disbursements	153 00	2,036 67
	Corporation Tax charges	127 04	127 04
	Stationery & Postage	1,199 37	3,375 89
	Third Party - Pension Refunds	NIL	2,510 17
	Storage Costs	15 00	47 62
	Statutory Advertising	84 60	161 10
	Bank Charges	7 57	1,130 90
		(34,673 81)	(724,449 70)

**PREFERENTIAL CREDITORS**

Customs & Excise	NIL	107 64
DE Arrears & Holiday Pay	NIL	13,782 24
Employee Arrears/Hol Pay	NIL	309 28
	<u>NIL</u>	<u>(14,199 16)</u>

**FLOATING CHARGE CREDITORS**

PNC	<u>NIL</u>	<u>1,000,010 00</u>
	NIL	(1,000,010 00)

**NON-PREFERENTIAL UNSECURED CREDITORS**

Prescribed Part Distribution	<u>(193,752 00)</u>	<u>(193,752 00)</u>
	(193,752 00)	(193,752 00)

<u>(205,402 19)</u>	<u>67,954 74</u>
---------------------	------------------

**REPRESENTED BY**

VAT Receivable	6,675 79
Fixed Bank Account	11,863 48
Floating/Main Current Account	53,935 11
Dividend Account	50 07
Fixed Charge VAT Receivable	670 80
VAT Payable	(5,240 51)

<u>67,954 74</u>
------------------

**Appendix 3**

**Analysis of Time Charged and Expenses Incurred**

## Avocet Hardware Limited (In Administration)

Analysis of the Joint Administrators' post-appointment time costs for the period 1 December 2013 to 31 May 2014

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	0 00	17 00	0 80	1 50	0 00	19 30	7,709 50	399 46
Cashienng & accounting	0 30	2 70	9 70	8 40	0 00	21 10	5,570 50	264 00
Statutory matters (Meetings & Reports & Notices)	0 00	9 40	13 70	9 30	0 00	32 40	9,175 50	283 19
Strategy planning & control	0 00	2 60	16 60	0 50	0 00	19 70	6,448 00	327 31
Tax Compliance/Planning	0 00	1 20	1 60	1 90	0 00	4 70	1 228 50	260 96
Creditors								
Communications with Creditors/Employees	0 00	0 00	5 40	8 50	0 00	13 90	2,969 00	213 60
Non Pref Creditor claims adjudication and dist'n	0 00	0 00	0 00	0 10	0 00	0 10	12 00	120 00
Non Pref Creditors/Employee claims handling	0 00	0 50	6 60	3 00	0 00	10 10	2,743 00	271 58
Pref claims adjudication and distribution	0 00	0 00	1 30	0 00	0 00	1 30	416 00	320 00
Secured Creditors	0 00	0 00	0 30	0 00	0 00	0 30	91 50	305 00
Investigations								
CDDA & reports & Communication	0 00	0 00	0 00	0 30	0 00	0 30	34 50	115 00
Financial review and investigations (S238/239 etc)	0 00	0 00	0 00	0 00	0 40	0 40	46 00	115 00
Realisation of Assets								
Book debts	0 00	1 90	5 70	0 10	0 00	7 70	2,454 50	318 77
Freehold and Leasehold Property	0 00	0 60	0 00	0 00	0 00	0 60	258 00	430 00
Pre-Appointment Tax Reclaims	0 00	0 70	4 50	2 50	0 00	7 70	1 948 00	252 99
Trading								
Trading - Retention of Title & Claims handling	0 00	0 00	0 20	0 20	0 00	0 40	88 00	220 00
Total Hours	0 30	36 60	66 40	36 30	0 40	140 00		294 22
Total Fees Claimed	180 00	15,432 00	20,737 50	4,795 00	46 00		41,190 50	

### Analysis of Category 1 Disbursements

	£
Couners	16 00
<b>Total</b>	<b>16 00</b>

### Analysis of Category 2 Disbursements

There are no Category 2 Disbursements during the Reporting Period

**Avocet Hardware Limited (In Administration)****Analysis of the Joint Administrators' Prescribed Part Time Costs for the period 1 December 2013 to 31 May 2014**

Classification of Work Function	Hours					Total Hours	Time Cost	Avg Hourly Rate
	Partner	Manager	Senior	Assistant	Support			
Administration and Planning								
Case review and Case Diary management	0 00	1 00	0 00	0 00	0 00	1 00	420 00	420 00
IPS set up & maintenance	0 00	0 00	0 00	7 70	0 00	7 70	921 00	119 61
Statement of affairs	0 00	0 00	2 80	0 00	0 00	2 80	889 00	285 00
Statutory matters (Meetings & Reports & Notices)	0 00	4 10	1 30	0 70	0 00	6 10	2,247 50	368 44
Strategy planning & control	0 00	34 60	12 95	5 60	0 00	53 15	19,044 00	358 31
Creditors								
Communications with Creditors/Employees	0 00	13 40	5 10	55 20	0 00	73 70	13,524 50	183 51
Non Pref Creditor claims adjudication and dist'n	0 00	15 50	27 10	98 00	0 00	138 60	27,162 00	195 97
Non Pref Creditors/Employee claims handling	0 00	28 70	8 05	49 80	0 00	86 55	20 101 00	232 25
Pref claims adjudication and distribution	0 00	1 80	0 00	0 00	0 00	1 80	708 00	392 22
Prescribed Part	0 00	0 80	0 00	0 00	0 00	0 80	334 00	417 50
Total Hours	0 00	99 90	57 10	215 00	0 00	372 00		228 90
Total Fees Claimed	0 00	40,239 00	17,959 50	26,950 50	0 00		85,149 00	

**Analysis of Category 1 Disbursements**

There are no Category 1 Disbursements during the Reporting Period

**Analysis of Category 2 Disbursements**

There are no Category 2 Disbursements during the Reporting Period

## Expenses Incurred in the Reporting Period

Avocet Hardware Limited (In Administration)

From 1 December 2013 to 31 May 2014

Company / Organisation	Expenses (as per Receipts and Payments Account)	Detail	Fee Basis	Incurred In the Reporting Period (£)	Amount Paid In the Reporting Period (£)
Accurate Mailing	Stationery & Postage	Printing and postage of circulars and reports to all known members and creditors of the Company	Per unit	1,199	1,199
SGH Martineau LLP	Legal Fees	Solicitors - Assistance in application to Court for Extension of Administration	Fixed	12 153	12 153
Bermans LLP	Legal Fees	Solicitors - Assistance in recovery of outstanding book debts	Fixed	-	3 399
Simmons Gainsford LLP	Tax Fees	Tax Advisors - Completion of Post Appointment Tax Returns	Fixed	-	5 000
Total Data Management	Storage Costs	Storage of the Company's books and records as required under statute	Per unit	15	15
Courts Advertising Limited	Statutory Advertising	Advertising the Joint Administrators' intention to declare a dividend to non-preferential unsecured creditors in accordance with statutory obligations	Per Unit	85	85
				<b>13,452</b>	<b>21,851</b>

Where payments have been made and no fees have been incurred in the Reporting Period, the payment relates to a prior period