Rule 2.33

Form 2.17B

2.17B

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company	Company number
Belson & Sykes Limited	03481734

In the	Court case number
The High Court of Justice	8053 of 2016

We

Philip James Watkins
FRP Advisory LLP
2nd Floor
110 Cannon Street
London
EC4N 6EU

Paul David Allen
FRP Advisory LLP
2nd Floor
110 Cannon Street
London
EC4N 6EU

attach a copy of our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

15 April 2016

Signed

Joint Administrator

Dated 15 April 2016

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 researchers of the

Philip James Watkins
FRP Advisory LLP
2nd Floor
110 Cannon Street
London
EC4N 6EU

020 3005 4000

DX Number

DX Exchange

MONDAY

A555APPC

A09 18/04/2016 #221

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

FRP
Advisory

Belson & Sykes Limited (In Administration)

The Administrators' Proposals

15 April 2016

Contents and abbreviations

The following abbreviations may be used in this report:

FRP	FRP Advisory LLP
The Company	Belson & Sykes Limited (In Administration)
The Administrators	Philip James Watkins and Paul David Allen of FRP Advisory LLP
CVL	Creditors Voluntary Liquidation
CVA	Company Voluntary Arrangement
SIP	Statement of insolvency practice
QFCH	Qualifying floating charge holder
HMRC	HM Revenue & Customs
Bank	Barclays Bank Plc
The Debenture	A debenture securing the Bank's lending to the Company dated 18 December 2007
The Property	The House, the Small House and the Land
The House	A three-bedroom house in North Yorkshire
The Small House	A two-bedroom house in North Yorkshire
The Land	A seven-acre plot of land in North Yorkshire
The Legal Charge	A legal charge over the Property, registered at the Land Registry, dated 28 January 2008
The New Loan	A loan to the Company and a legal charge (over the Property) dated 12 January 2014

1. Introduction and circumstances giving rise to the appointment of the Administrators

On 22 February 2016, the Company entered administration and Philip James Watkins and Paul David Allen were appointed as Administrators

This document, together with its appendices, forms the Administrators' statement of proposals to creditors in accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules

Statutory information regarding the Company and the administration is provided at **Appendix A**.

Background information regarding the Company

The Company was incorporated on 16 December 1997 and traded as a jeweller providing management and valuation services for lost or damaged jewellery to insurers and also directly to customers. The Company traded as Jewellery Direct Supply

The Directors advise that the Company ceased to trade in 2014 following a legal dispute with a key customer

Events leading to the appointment of the Administrators

The Company was financed by way of a loan and overdraft facilities provided by the Bank in 2007. The Bank's lending was secured by a debenture dated 18 December 2007 ("the Debenture") containing a fixed and floating charges over all the Company's assets which included the Company's Property ("the Property") which consisted of a three-bedroom house ("the House"), a two-bedroom house ("the Small House") and a seven-acre plot of land ("the Land") in North Yorkshire. Separately, the Bank also had a legal charge registered at the Land Registry dated 28 January 2008 ("the Legal Charge") over the Property. The Property was valued for the Bank in December 2007 at £475k, split £320k, £139k and £16k for the House, the Small House and the Land, respectively.

In 2012 the Bank caused the Legal Charge over the Property to be released. Despite this the Bank retained the fixed charge over the Property as contained in the Debenture and an equitable charge

The Bank approached the Directors in June 2015 to discuss the Company's affairs and to request the reinstatement of the Legal Charge

After a protracted period, the Directors agreed to reinstate the Legal Charge at a Board meeting on 12 November 2015 The Legal Charge was subsequently reinstated on 25 November 2015.

Prior to the reinstated Legal Charge being filed at the Land Registry the Bank was notified by the Land Registry that the Small House had been sold on 24 November 2015 for £285,000 and that the House had been sold approximately one year-earlier, on 28 November 2014, for £292,500

The Bank also subsequently became aware that on 12 January 2014 the Company had granted a legal charge over the Property to another party, in respect of a new loan ("the New Loan") This charge was satisfied following the sale of the House and the Small House.

1. Introduction and circumstances giving rise to the appointment of the Administrators

Upon becoming aware of the sale of the houses and the charge granted in respect of the New Loan, the Bank actively sought resolution of the Company's breach of its banking facilities from the Company and its Directors.

A resolution was not forthcoming and as such the Bank issued demand for repayment of its debt which was not met by the Company and Administrators we appointed over the Company, to investigate the Company's affairs, the sale of the properties and the New Loan over them on behalf of creditors.

Appointment of the Administrators

Due to the circumstances described above, the Bank sought to enforce its security over the Company and as a Qualifying Floating Charge Holder appointed Philip Watkins and Paul Allen as Joint Administrators on 22 February 2016

2. Conduct of the administration

The objective of the administration

The Administrators think that objective (a) of the administration, as detailed in Paragraph 3(1) of Schedule B1 to the Insolvency Act 1986, being "to rescue the Company as a going concern" and objective (b) "a better result for the Company's creditors as a whole than would be likely if the Company had been wound-up (without first being in administration)" will not be achieved as the Company has ceased trading. As such, it is envisaged that objective (c) will be achieved, "to realise property in order to make a distribution to one or more secured or preferential creditors"

The Administrators' actions to date

Books & Records

Upon appointment the Administrators sought to obtain the Company's books and records from the Directors, the Company's advisors and other parties believed to hold records relating to the Company's business, dealings and affairs Various records have been delivered up by the Company's advisors and the Administrators are reviewing these in light of the sale of the Properties However, the majority of the books and records, including the electronic accounting records, have not yet been provided by the Directors.

Employees

The Company had eight employees, including the Directors. The Administrators have been unable to confirm sufficient details to enable the former employees to submit claims to the Redundancy Payments Office and it may be that the employment of these employees was transferred to a connected company when the Company ceased to trade

Assets

The Company remains proprietor of the Land and accordingly the Administrators have instructed Lambert Smith Hampton to carry out a valuation of the Land in order for the Land to be sold. A Farm Business Tenancy agreement ("the Tenancy"), was entered into between the Company and another company connected by a common director and shareholder. It is also understood that the annual rent of the Tenancy is not equivalent to the market rate Further enquiries are being made in respect of the Tenancy

Solicitors

Eversheds LLP are acting as the Administrators' solicitors and are assisting with obtaining information from various parties and advising on matters relating to the sale of the Property.

2. Conduct of the administration

Investigations

As detailed above there are various matters which require additional investigation and consideration and accordingly the Administrators intend to investigate the following matters:

1. The sale of the House and the Small House and the beneficiaries of the sale proceeds.
2. The loan made by, and the security granted to, the Associate by the Company, and the circumstances surrounding this transaction.
3. The circumstances surrounding any transfer of the business
4. The claims that the Company may have against the Directors personally for beach of their duties
5. The claims that the Company may have in relation to the nature of the New Loan
6. Any other matters arising from an analysis of the Company's books and records, once received.

Receipts and Payments Account

A copy of the Administrators' receipts and payment account to date is attached as **Appendix B.** This shows that no receipts or payments have been made to date

The directors' Statement of Affairs

The directors of the Company have been asked to submit a Statement of Affairs under paragraph 47 of Schedule B1 of the Insolvency Act 1986 A Statement of Affairs has been provided by the directors However, the directors have advised that the original contained material errors and they therefore intend to submit a revised Statement of Affairs I will circulate a copy of the revised Statement of Affairs with my next report As I have not received the Company's books and records I have been unable to prepare an estimate of the financial position.

Matters requiring investigation

I am required as part of my duties to establish what assets the Company owns and to consider the way in which the Company's business has been conducted, and am required under the provisions of the Company Directors Disqualification Act 1986 to report to the Secretary of State for Business Innovation and Skills on the conduct of the directors If you have any information or concerns regarding the way in which the Company's business has been conducted, or have information regarding potential recoveries for the estate please contact me as soon as possible.

Matters to be progressed following this report

The Administrators will continue to manage the affairs, business and property of the Company to achieve the purpose of the administration In particular they will, inter alia:

- Realise the Company's remaining assets, including the Land and any other assets identified from a review of the Company's books and records, once received
- Investigate and, if appropriate, pursue any claims that the Company may have against any person, firms or company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company
- Do all such things and generally exercise all their powers as Administrators as they in their discretion consider desirable or expedient in order to achieve the purpose of the administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- Distribute realisations to the secured and preferential creditors where applicable
- Agree the claims of the unsecured creditors and distribute the Prescribed Part, if applicable
- Ensure all statutory and compliance matters are attended to

2. Conduct of the administration

- Pay all administration expenses and bring the administration to an end when deemed appropriate by the Administrators

The end of the administration

The administration will end automatically after twelve months from the date of appointment of the Administrators This period can be extended with consent of the creditors for up to twelve months, or longer by application to the Court as required.

If the Administrators think the Company has no property which might permit a distribution to its unsecured creditors, or if they also consider that an exit from the administration into liquidation is not appropriate they will send a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

If the Administrators are of the view that a dividend will become available to the unsecured creditors (other than by virtue of the prescribed part) it is appropriate for the Company to move from administration into CVL pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986 If applicable the Administrators will take steps to place the Company into CVL.

Should a dividend not become available to the unsecured creditors but it is still appropriate for the Company to enter liquidation, the Administrators will petition the Court pursuant to Paragraph 79 of Schedule B1 to the Insolvency Act 1986 for an order to bring the administration to an end with a consequential order for the compulsory winding up of the Company.

Pursuant to Paragraph 83 of Schedule B1 to the Insolvency Act 1986, should the creditors not nominate a Liquidator, the proposed Liquidators in a CVL are to be the Administrators or any successor office holder(s) Any act to be done by the Liquidators may be done by all or any one of them. Pursuant to Paragraph 83(7)(a) of Schedule B1 to the Insolvency Act 1986 and the Insolvency Rules, creditors may nominate a different person as the proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals are approved.

The Liquidators in a compulsory winding up will be appointed by the Court and may be the Administrators, or any successor office holder(s)

Meeting of creditors

Based on information currently available, the Administrators think that the Company has insufficient property to enable a distribution to be made to unsecured creditors, except from the prescribed part if applicable. They are therefore not required to call a creditors' meeting pursuant to Paragraph 51 of Schedule B1 to the Insolvency Act 1986 The Administrators must however summon a meeting if requested to do so by creditors whose debts amount to at least 10% of the total debts of the Company The request must be in the prescribed form (form 2.21B) and be made within eight business days of the date of this report, in accordance with the Insolvency Rules.

In accordance with the Insolvency Rules where the Administrators have not called a creditors' meeting, the proposals set out below will be deemed to have been approved by the creditors unless at least 10% by value of the creditors requisition a meeting of creditors within eight business days of the date of this report

3. The Administrators' remuneration, disbursements and pre-appointment costs

FRP Advisory

Administrators' remuneration

A summary of the work to be undertaken during the administration is set out at **Appendix C** together with a projected result statement which includes an estimate of the expenses likely to be incurred by the Administrators

The Administrators' remuneration will be drawn from the Company's assets and it is proposed that it will be charged by reference to the time incurred in attending to matters arising. Further details of how this will be calculated is set out below. The basis of the Administrators' remuneration has not yet been approved by creditors, and the Administrators have accordingly not drawn any remuneration in this case. The Administrators' fees for dealing with the assets subject to a fixed charge will be agreed with Barclays Bank Plc

It is anticipated that based on the current level of the assets identified to date in this matter that these costs may not be recovered in full and fees drawn may be restricted to the level of funds available

Should the Company subsequently be placed into liquidation and the Administrators appointed as liquidators, the basis agreed for the drawing of the Administrators' remuneration will also be that utilised in determining the liquidators' remuneration, in accordance with the Insolvency Rules

Remuneration charged by reference to the time incurred in attending to matters arising

The Administrators' remuneration which is proposed to be charged by reference to time incurred is set out on the fee estimates attached at **Appendix C**, details of any assumptions made in providing this estimate are set out therein The time charged is based on computerised records capturing time charged by myself and my staff in dealing with the conduct of those aspect of the case being charged on a time cost basis. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and the experience required. Time is charged to the case in maximum units of six minutes 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's charge out rates are included at **Appendix C.**

Administrators' disbursements

The Administrators' disbursements are a recharge of actual costs incurred by the 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 administration of the Company, are paid by FRP at the HMRC approved mileage rate. It is proposed mileage is recharged and drawn at the HMRC approved mileage rate prevailing at the time the mileage was incurred.

Pre-administration costs charged or incurred by the Administrators

The Bank requested that FRP advise on the Company's defaulted loan facility When a resolution to the Company's financial position was not forthcoming FRP provided advice to the Bank regarding the alternative insolvency options and thereafter the Bank instructed FRP to assist in placing the Company into administration

FRP's fees, of £4,208.50, were incurred before the Company entered Administration and with a view to it doing so and accordingly fall as a disclosable pre-administration cost As such I attach at **Appendix D** a statement of pre-administration costs.

I am not seeking to obtain approval for the payment of this amount under the Insolvency Rules.

3. The Administrators' remuneration, disbursements and pre-appointment costs

FRP Advisory

Creditors' ability to challenge the Administrators' remuneration and expenses

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses under the Insolvency Rules following receipt of a progress report Further details of these rights can be found in the Creditors' Guide to Fees which you can access by 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

4. Estimated outcome for the creditors

Projected Result

We attach at **Appendix C** a projected result statement which has been prepared from the information included in directors the statement of affairs, advice received in connection with the value of the Company's assets, estimated sums due to creditors and an estimate of our remuneration and other expenses that may be incurred during the course of this administration. The notes below the projected result statement details any assumptions made in compiling this estimate

Based on the information available to date and the assumptions made I set out below the anticipated the outcome for creditors

Outcome for Secured Creditor

As at 19 January 2016, the Bank was owed approximately £322k

At present the Bank is expected to suffer a significant shortfall against their debt However, this is prior to establishing what claims (if any) exist and the expected level of costs and realisations.

Outcome for Preferential Creditors

Due to the lack of the provision of information from the Directors and the potential transfer of the employees contracts to Jewellery Direct Supply Limited the sums due to preferential creditors, being the employees' preferential element for arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation, remain uncertain Based on current information the Administrators it is anticipated that preferential creditors will not receive any distribution. However, the Administrators will consider the matter further on receipt of realisations into the estate.

Outcome for Unsecured Creditors

Based on the assumptions made in the projected result statement it is currently estimated that there will not be sufficient funds available to make a distribution to unsecured creditors However, the Administrators will review the matter on receipt of any realisations into the estate

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. 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.

The prescribed part is available for all unsecured creditors and where there are only sufficient funds to enable a dividend to be paid to unsecured creditors from the prescribed part, this will be paid by the Administrators

Based on current information the Administrators do not believe that there will be sufficient funds to enable a distribution to unsecured creditors by way of the prescribed part

Appendix A

Statutory information about the Company and the administration

COMPANY INFORMATION

Other trading names	**Jewellery Direct Supply**
Previous names	Jewellery Appraisal Services (European Division) Limited 16 Dec 1997 - 29 May 2003
Date of incorporation.	16/12/1997
Company number:	03481734
Registered office:	C/O FRP Advisory LLP 110 Cannon Street London, EC4N 6EU
Previous registered office:	C/o Westell Accountants 3 Bradfield Court Milton Road, Drayton Abingdon, OX14 4EF
Business address:	2nd Floor, 63/66 Hatton Garden, London, EC1N 8LE
Directors:	Timothy Euan Belson Eleanor Belson Nigel Ashley Sykes
Company secretary.	Nigel Ashley Sykes

The directors and Company secretary have the following shareholdings in the Company.

Name	Shares	Type	%
Nigel Ashley Sykes	51	Ordinary	51
Timothy Euan Belson	25	Ordinary	25
Elena Sproston*	24	Ordinary	24

*This is Eleanor Belson's maiden name

ADMINISTRATION DETAILS:

Names of Administrators:	Philip James Watkins Paul David Allen
Address of Administrators:	FRP Advisory 2nd Floor, 110 Cannon Street, London, EC4N 6EU
Date of appointment of Administrators.	22 February 2016
Court in which administration proceedings were brought	The High Court of Justice
Court reference number	8053 of 2016

Appendix A

Statutory information about the Company and the administration

Administration appointment made by.	Qualifying Floating Charge Holder

The appointment of the Administrators included a declaration that they are acting jointly and severally as Administrators of the Company in accordance with Paragraph 100 of Schedule B1 to the Insolvency Act 1986.

The EC Regulation on Insolvency Proceedings will apply in this matter and accordingly the administration will constitute main proceedings

Extracts from the financial statements available are summarised below:

Year Ended	Turnover £'000	Gross Profit £'000	Net Profit/ (Loss) £'000	Dividend paid £'000	P & L a/c c/fwd £'000
31/12/14	149 6	121.4	44.8	Nil	(92.1)
31/12/13	1,156 7	280 0	(147.7)	Nil	(136 9)

Appendix B

Administrators' Receipts & Payments Account

Belson & Sykes Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments

Statement of Affairs £		From 22/02/2016 To 15/04/2016 £	From 22/02/2016 To 15/04/2016 £
	SECURED ASSETS		
15,000 00	Freehold Land & Property	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
250 00	Furniture & Equipment	NIL	NIL
		NIL	NIL
	FLOATING CHARGE CREDITORS		
(321,870 00)	Floating Charge Creditor	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(100.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(306,720.00)		**NIL**	**NIL**
	REPRESENTED BY		
			NIL

Appendix C

The Administrators' remuneration, disbursements and costs information

Belson & Sykes Limited
(In Administration)
Projected Result at 15/04/2016

	Statement of Affairs £	Achieved to date £	Estimated Movement £	Estimated Final £
SECURED ASSETS				
Freehold Land & Property	15,000	0	15,000	15,000
		0	15,000	15,000
SECURED CREDITORS				
Barclays Bank Plc	(321,870)	0	(321,870)	(321,870)
		0	(321,870)	(321,870)
ASSET REALISATIONS				
Furniture & Equipment	250	0	250	250
Legal Claims		0	Uncertain	Uncertain
		0	250	250
COSTS OF REALISATION				
Administrators' Remuneration		0	(132,870)	(132,870)
Administrators' Disbursements		0	(1,500)	(1,500)
Legal Fees		0	(75,000)	(75,000)
Legal Fees - Pre-Appointment		0	0	0
Administrators' Remuneration - Pre-Appointment		0	(7,392)	(7,392)
Agents Fees		0	(2,000)	(2,000)
Miscellaneous Costs		0	(2,000)	(2,000)
		0	(220,762)	(220,762)
PREFERENTIAL CREDITORS				
Preferential Creditors		0	(Uncertain)	(Uncertain)
		0	0	0
UNSECURED CREDITORS		0	(Uncertain)	(Uncertain)
Unsecured Creditors		0	0	0
Surplus/(Deficit) After Unsecured Creditors	**(306,620)**	**0**	**(Uncertain)**	**(Uncertain)**

Philip James Watkins
Joint Administrator

FRP ADVISORY LLP

Belson & Sykes Limited (IN ADMINISTRATION)

Details of work anticipated to be undertaken by the office holders in connection with this assignment

Administration and planning

Regularly reviewing the case as required by the regulatory bodies to ensure all statutory matters are adhered to and the case is progressing.

Assets

Identify all assets and instruct agents to provide valuation and marketing advice and sell business and or assets in accordance with any relevant legislation

Consideration of any VAT bad debt relief claim being made.

Statutory Compliance and Reporting

Statutory reporting to all relevant parties and filing of those reports in accordance with the legislation.

Reporting to creditors as required by legislation to update them on the progress of the matter during the reporting period and filing statutory reports as required Dealing with any queries arising following circulation of statutory reports.

Obtaining approval to the basis of the Insolvency Practitioners fees

Dealing with tax and VAT matters arising following appointment.

Bringing the conduct of the insolvency process to a close when all matters are complete in accordance with the relevant requirements

Investigations

Correspond with accountants/auditors/bankers/insurers/solicitors and other advisors to request further information to assist in general enquiries.

Conducting enquiries into the conduct of the Company, its directors and if appropriate associated parties.

Consider likelihood of additional recoveries being made e.g. Antecedent transactions, mis-selling.

Following conclusion of these investigations reporting findings as required to the Department of Business Innovation and Skills and/or the Insolvency Service

Following initial investigations to consider if potential action could be taken to swell the assets available in the estate To weigh up the merits of proceeding; the most appropriate course of action and possible further consultation with creditors

Legal and Litigation

Seeking legal advice as and when needed throughout the assignment.

Creditors

Assisting employees with their claims and liaising with the Redundancy Payments Office.

If appropriate, dealing with creditors or third parties claiming ownership or reservation of title to assets in the possession of the insolvent estate

If appropriate, establishing the position with regards assets on finance and arranging for assets to be returned to finance company if needed

FRP ADVISORY LLP

Belson & Sykes Limited (IN ADMINISTRATION)

Details of work anticipated to be undertaken by the office holders in connection with this assignment

Liaising with HMRC to establish their claim and seeking tax advice to minimise claims and maximise returns to creditors where appropriate.

Ascertaining if a prescribed part distribution is applicable

If sufficient funds are available to make a distribution to creditors to advertise for claims, request submission of claims from all known creditors and adjudicate on those claims where there are sufficient funds to make a distribution either agreeing or rejecting, in full or in part

APPENDIX C

FRP ADVISORY LLP ("FRP")

HOURLY CHARGE OUT RATES WITH EFFECT FROM 1 MAY 2015

Charge out rates	**£/hour**
Appointment taker/Partner	395-495
Managers/Directors	320-455
Other Professional	175-275
Junior Professional/Support	100-150

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

Belson & Sykes Limited
Joint Administrators' fee estimate as at 15 April 2016

Activity	Total Hours	Cost (£)	Average hourly rate £
ADMINISTRATION	45 0	16,675	371
ASSET REALISATION	14 0	5,670	405
STATUTORY COMPLIANCE AND REPORTING	41 0	15,415	376
TRADING	-	-	-
INVESTIGATION	206 0	49,970	243
CREDITORS	44 0	15,270	347
LEGAL AND LITIGATION	94 0	29,870	318
TOTAL	444 0	132,870	

Hourly Charge out rates	£
Appt taker/partner	395-495
Managers/directors	320-455
Other professional	175-275
Junior Professional/support	100-150

The above fee estimate is based on the following assumptions

All assets are realised within 12 months
No other signficant assets are identified
The Investigations into the Company's affairs are not protracted
Any legal claims brought are settled before trial
No distribution is to be made to preferential or unsecured creditors
The administration of this process is completed within 12 months

The office holder anticipates that it will not be necessary to seek further approval

Appendix D

Schedule of pre-administration costs

	Note	Fees Charged (£)	Expenses Incurred (£)
Pre-administration costs	1 & 2	**4,208.50**	-
Amounts paid		(-)	(-)
Unpaid pre-administration costs		**4,208.50**	-
		4,208 50	-

Notes

1 The Bank requested that FRP advise on the Company's defaulted loan facility and when a resolution to the Company's financial position was not forthcoming FRP provided advice to the Bank regarding the alternative insolvency options and thereafter the Bank instructed FRP to assist in placing the Company into administration

Of the fees chargeable by FRP, £4,208 50 were incurred with a view to the Company being placed into administration and as such fall as a disclosable pre-administration cost

2 However, as it is expected that the Bank will settle FRP's costs in relation to both the advice provided on the Company's defaulted loan facility and the assistance provided in placing the Company into administration I am not seeking to obtain approval for the payment of this amount under the Insolvency Rules