Rule 2.33
The Insolvency Act 1986

Form 2.17B

# Statement of administrators' proposals

| Name of Company<br>Coull Limited | Company number<br>03523419 |
|---|---|
| In the<br>Bristol District Registry<br>[full name of court] | Court case number<br>183 AA 2008 |

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

We Timothy Colin Hamilton Ball and Roderick John Weston of Mazars LLP, Clifton Down House, Beaufort Buildings, Clifton, Bristol, BS8 4AN

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

(b) Insert date

25 November 2008

Signed T C H Ball
Joint Administrator

Dated 25/11/08

**Contact Details:**

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record

| Wesley Depass<br>Mazars LLP | |
|---|---|
| Clifton Down House<br>Beaufort Buildings | |
| Bristol, BS8 4AN | Tel 0117 973 4481 |
| DX Number | DX Exchange |

WEDNESDAY

*AAFKM55F*
A55 26/11/2008 320
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**

# Coull Limited - In Administration (the "Company")

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# Statement to Creditors

## 1 Introduction

1.1 This statement is addressed to the creditors of Coull Limited and includes the Joint Administrators' proposals.

1.2 Given that it appears highly unlikely that there will be sufficient funds to allow a dividend to be paid to unsecured creditors, I do not deem it appropriate or necessary to convene a meeting of creditors. Therefore, in accordance with the Insolvency Act 1986, these proposals are deemed to be approved by the creditors.

1.3 The statutory purpose of an Administration comprises three hierarchical objectives:

a. rescuing the company as a going concern

b. achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration)

c. realising property in order to make a distribution to one or more secured or preferential creditors.

Immediately upon my appointment, a financial review of the Company was undertaken. It was apparent that there was no reasonable prospect of rescuing the Company in its existing form as a going concern.

Accordingly, the Administrators are seeking to maximise realisations of property in order to make a distribution to one or more secured or preferential creditors. It is currently believed that it is unlikely that sufficient funds will be available to allow a distribution to be made to the Company's unsecured creditors.

## 2 Statutory information

2.1 I would advise you that I was appointed Administrator of the Company jointly with my partner Mr R J Weston, on 1 October 2008. We are both authorised to act as an Insolvency Practitioners by the Institute of Chartered Accountants.

2.2 The application for the appointment of an Administrator was made by the Company's Directors.

2.3 The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000 of 29 May 2000) applies to this Administration and the proceedings are main proceedings.

2.4 The Court reference number is 183 AA of 2008.

2.5 The Company's registered number is 03523419.

2.6 The trading address of the Company was The Television Centre, Bath Road, Bristol, BS4 3HG. The business traded under the name Coull Limited.

2.7 The registered office of the company is Mazars LLP, Clifton Down House, Beaufort Buildings, Clifton, Bristol, BS8 4AN, having previously been The Television Centre, Bath Road, Bristol, BS4 3HG.

2.8 All acts required to be done by the Joint Administrators, may be done by either or both, acting jointly or alone.

2.9 Details of the Company's directors and secretary in the last three years are, as follows:

| Director | Date appointed | Date resigned | Shares held 1p ordinary shares |
|---|---|---|---|
| Irfon Watkins | 28/11/2003 | - | 43,134 (2%) |
| Thomas Holcroft | 29/11/2005 | - | 187,588 (9%) |
| Spyro Korsanos | 27/12/2007 | - | - |
| Gillian Kent | 01/02/2008 | - | 1,443 (<1%) |
| Richard Swindlehurst | 06/03/1998 | 31/10/2006 | 2,200 (<1%) |
| Trevor Smallwood | 23/05/2005 | 28/04/2006 | 96,999 (5%) |
| Neil Swindlehurst | 06/03/1998 | 29/11/2005 | 500 (<1%) |
| James Cooper | 23/05/2005 | 28/04/2006 | 6,726 (<1%) |

| Secretary | Date appointed | Date resigned | Shares held 1p ordinary shares |
|---|---|---|---|
| Velocity Company Secretarial Services Limited | 14/11/2005 | - | - |

## 3 Events Leading up to Appointment

3.1 The Business was incorporated on 6 March 1998 trading as IT developers, specialising more recently, in producing interactive video advertisements to be viewed over the internet.

3.2 As a result of the type of product the company offered, there was a high level of research and development required before products could be brought to market. Accordingly, in order to finance the long gestation periods, the company has at various points raised additional finance by the offering of share capital, and over the last 5 years, c£2 million has been invested in this manner by various parties.

3.3 As a result of the nature of the Company's business and the stage of its product development, the Company's financial statements for the year ending 31 December 2005, show the Company's turnover being £44,136, with administrative expenses totalling £1,977,035, resulting in an operating loss of some £2,004,714 after taxation. The following year to 31 December 2006 showed an increased turnover of £79,666, and reduced administrative expenses of £803,025, which in turn resulted in a reduced loss after taxation of £880,001.

3.4 The Company had developed a new advertising product, which only four or so companies in the world could offer, none of which, according to the Company's directors, were as advanced, but again to bring the product to market additional funding was required.

3.5 In December 2007, £500,000 in total was invested by Finance South West and Creative Ventures Investments LLP. At this time an additional £25,000 was also invested by one of the directors, Irfon Watkins. The investments were made based on a business plan which demonstrated that further investment would be required in May 2008, and that the Company's main investors would be able and willing to provide this when the time came.

3.6 In May 2008 the Company again looked to its investors for further financing to help bring the new product to market, and funding of c£2 million was sort. Finance South West and Creative Ventures Investments LLP, however, declined to invest further.

3.7 Following this, around 12 Venture Capitalists were approached by the Company and its advisors, PricewaterhouseCoopers LLP, with a view to securing further financing. However, the directors found that the general opinion of potential investors was that the product was too early in its life cycle for the investment to be considered, and that considerable funding would be required before any kind of return would be seen.

3.8 In June 2008, the directors then sought the advice of their solicitors, Veale Wasbrough LLP, and also of Pricewaterhouse Coopers LLP, on the course of action that best suited their situation, whilst attempts to secure further financing were ongoing. In July 2008, the upcoming August payroll brought matters to a head, as it was clear that the Company would have insufficient funds to pay its employees at the end of the next month.

3.9 In light of the lack of further shareholder investment and the pending August salary, the directors began to consider a sale of the business and/or management buyout, and urgently contacted competitors, and customers with a hope of generating some interest in the business. However, again it was felt that the product was at too early a stage in its life cycle, with too small a customer base to be a worthwhile investment.

3.10 As a result of the inability to find further financing or a purchaser for the business, and the fact that the August payroll could not be met, a decision was taken by the directors to make six of the Company's employees redundant on 19 August 2008.

3.11 In September 2008, the Company sought insolvency advice of Mazars LLP. The options open to the directors were discussed in detail, and due to the poor financial state of the Company, and given the lack of external funding/interest, it was advised that the best course of action, and the course of action most beneficial to creditors in the circumstances, would be placing of the company into Administration. This would enable any Administrator to consider the sale of the business, and thus, hopefully, maximise any realisations for the benefit of creditors.

3.12 Based on my advice, therefore, the Company's director, made an application for an Administration Order and for the appointment of my partner, Roderick John Weston, and I, as Joint Administrators of the Company. The initial application was made on 11 September 2008, but this application expired without an appointment being made. As a result, a further application was made on 25 September 2008, and we were duly appointed as Joint Administrators of the Company on 1 October 2008.

## 4 Subsequent Events

4.1 Go-Industry, specialist insolvency surveyors and valuers, had been instructed prior to my appointment to prepare an inventory and valuation of the Company's assets.

4.2 Go-Industry valued the Company's items of IT equipment and office furniture at approximately £16,000 on an in situ value/ going concern basis, and at the reduced amount of £5,000 on a break up, forced sale basis.

4.3 Shortly prior to my appointment, I was approached by Irfon Watkins on behalf of a new company, Couller Limited, with a view to purchasing the Company's business and assets by way of a pre-packaged Administration sale.

4.4 An offer of £50,000 was received from Couller Limited for the business and assets.

4.5 As prospective Administrator I had a duty to carefully consider this offer because a pre-packaged sale of a business in Administration could, potentially, have had a number of benefits:-

- In a pre-packaged sale situation the sale of business and assets typically occur immediately upon the appointment of an Administrator. It is, therefore, a very quick process.

- There is no need for an Administrator to trade a company in Administration whilst a purchaser for the business is sought. This, therefore, significantly reduces the Administration costs.

  In this instance I did not consider trading the business in Administration, whilst a purchaser was sought, to be viable. The Company had significant arrears of wages owing to its employees, which would have had to be paid, together with ongoing employee costs and rent, etc. Furthermore, the Company had a very small income stream.

  Accordingly, any trading whilst in Administration would have been significantly loss making and there was no evidence/ indication that an improved offer would be received in Administration to justify incurring such a trading loss.

- Pre-packaged sales maintain the goodwill value within a business as there is continuity of supply.

- The jobs of the Company's employees transfer to the purchaser and, accordingly, jobs are saved and creditor claims are reduced.

- Asset realisations can be enhanced significantly compared to a break up/ forced sale valuations of the Company's assets.

4.6 In light of the above, during the period prior to my appointment on 1 October 2008, my staff and I reviewed the offer of Couller Limited in detail and carefully considered the prospect of selling the business and assets to other potential parties. We ultimately concluded that a pre-packaged sale to Couller Limited was in the best interests of the Company's creditors.

4.7 Furthermore, I consulted the Company's major shareholders (who held approximately 80% of all shares issued) and its bank, HSBC Bank Plc, who consented to the proposed sale.

4.8 With the assistance of my solicitors, Thring Townsend LLP, a contract of sale was then drafted and agreed upon, and the sale of the business took place immediately following my appointment on 1 October 2008.

The £50,000 sale price of the business was apportioned as follows:

£16,000 in respect of the Company's office furniture and equipment;
£1,750 in respect of the Company's work in progress;
£18,253 in respect of the Company's trade debtors;
£13,996 for the Company's Intellectual Property and goodwill;
£1 for the customer contracts.

4.9 As part of the sale agreement, Couller Limited took on the employee liabilities of approximately £19,687 for wages and holiday pay, and potential liabilities of notice pay and redundancy of £96,176.

4.10 Furthermore, it also agreed, as part of the sale agreement, that the purchaser would pay pre – administration costs of Mazars LLP and Thring Townsend LLP, solicitors, in the amount of £10,000.

4.11 Upon completion of the sale, a payment of £36,000 was made relating to the business and assets and a further £10,000 was also made in respect of the pre-administration costs referred to above. With the balance being due by five monthly payments of £2,800, due at the end of each month, commencing on 31 October 2008.

4.12 It should be noted that these monies are currently held by my solicitors and are due to be paid to me shortly. Accordingly, these realisations are not currently detailed on the Receipts and Payments account at ***Appendix B.***

4.13 Creditors will note that the sum paid for the assets was in line with my agent's going concern valuation of the Company's assets and was significantly greater then my agents' valuation of the Company's assets on a break up basis.

4.14 As a result of Couller Limited taking over all of the company's employees and all of their associated liabilities, the preferential and unsecured creditors' claims in the Administration have also been significantly reduced.

4.15 For the protection of the Company's creditors, a clause has been included within the sale of business contract which provides for additional consideration of £100,000 to be paid to the Administration if any of the following circumstances occur within 12 months:-

- The business is sold for consideration greater then £2,000,000;
- There is a change in control of the business for an aggregate consideration greater then £2,000,000;
- The buyer receives finance exceeding £2,000,000 being supported by a business valuation exceeding £5,000,000.

4.16 For the further protection of the Company's creditors, a further clause has been included within the sale of business contract which provides for all sums in excess of £50,000 to be paid to the Administration if any of the following circumstances occur within 6 months:-

- The buyer sells the business and assets for a consideration greater then £50,000;
- There is a change in control of the business for an aggregate consideration greater then £50,000.

## 4.1 Related Party Disclosure

4.1.1 In accordance with the requirements of Statement of Insolvency Practice 13 "Acquisition of assets of insolvent companies by directors", I can confirm the following:-

4.1.2 The date that the transaction took place was 1 October 2008.

4.1.3 The assets involved in the transaction were:-

- Office furniture and equipment
- Work in progress;
- Trade debtors;
- Intellectual Property and goodwill;
- Customer contracts.

4.1.4 The consideration payable is £50,000, plus pre-administration costs of £10,000.

4.1.5 The consideration is payable by way of an initial contribution paid on completion of £46,000 and five monthly contributions of £2,800 each.

4.1.6 The purchaser was Couller Limited.

4.1.7 Mr Irfon Watkins is a director of both Coull Limited and Couller Limited. This is, therefore, the nature of the related party relationship.

4.1.8 Go-Industry provided valuation advice to me as Administrator.

4.1.9 Thring Townsend LLP provided legal advice to me as Administrator.

4.1.10 The purchaser was independently advised by its solicitors, Stephens Scown.

4.1.11 Prior to the completion of sale the Company's major shareholders and its bank, HSBC Bank Plc, were consulted, and agreed to the proposed sale.

# 5 Investigations

5.1 The Joint Administrators are required to investigate the affairs of the Company and the conduct of the directors in the period leading up to the Administration. The findings are reported to the Department for Business Enterprise & Regulatory Reform in accordance with the Company Directors' Disqualification Act 1986, and appropriate reports will be filed in due course. The content of the reports is confidential.

5.2 Should creditors have any information which they consider may assist the Joint Administrators in carrying out their investigations, or be aware of any matters which they believe should be brought to the attention of the Administrators, please provide details in writing to this office. The request for information forms part of our usual investigation procedures and does not imply that there may be any cause of action lying against any person concerned in the Company's affairs.

# 6 Liabilities

## 6.1 Secured Creditors

6.1.1 HSBC Bank Plc ("the Bank") has the benefit of a legal debenture dated 28 July 2004 and registered on 29 July 2004, conveying fixed and floating charges over the Company's assets.

6.1.2 At the date of my appointment the Bank was owed some £36,445 in respect of the Company's overdrawn bank account and £52,954 in respect of a DTI guaranteed loan.

## 6.2 Preferential Creditors

6.2.1 At the date of my appointment, preferential creditors' claims were anticipated to amount to approximately £5,833. This is in respect of the Company's former employees who were made redundant in August 2008 in respect of claims for arrears of wages and unpaid holiday pay.

### 6.3 Unsecured Creditors

6.3.1 At the date of my appointment, I was advised that unsecured creditors' claims amounted to approximately £374,050, inclusive of employees' unsecured claims.

6.3.2 It is currently anticipated that there will not be sufficient funds available in the Administration to allow a dividend to be paid to unsecured creditors, following payment of the costs of the Administration and after allowing for the claims of the Company's preferential and secured creditors.

## 7 Prescribed Part

7.1 In accordance with Section 176A of the Insolvency Act 1986, a proportion of the Company's net assets are to be set aside for the benefit of the Company's unsecured creditors where the Company has granted a floating charge after 15 September 2003. This is calculated as being 50% of the first £10,000 of net property and 20% of net property thereafter subject to a maximum fund of £600,000. Net property is defined as being the realisations from assets subject to the floating charge after costs and after settlement of the preferential creditors claims.

7.2 I do not currently anticipate that there will be any funds available in relation to the prescribed part in this case, due to the fact that there are unlikely to be any funds available for the Company's floating charge holder, after the costs of the Administration and payment of the prior claims of the Company's preferential creditors.

## 8 Statement of Affairs

8.1 In accordance with paragraph 47 of Schedule B1 of the Insolvency Act 1986, the directors' were requested to prepare a Statement of Affairs by 27 October 2008.

8.2 The Company's directors have, to date, provided a draft Statement of Affairs, which is yet to be sworn. Accordingly, attached is the Company's draft Statement of Affairs which has been prepared. It should be noted that this document is in draft format and is, therefore, subject to change prior to being sworn by the directors.

## 9 Receipts & Payments Account

9.1 Attached at ***Appendix B*** is a summary of my receipts and payments for the period from 1 October 2008 to 25 November 2008 which I trust is self-explanatory.

9.2 As is mentioned above, the sale proceeds for the sale of the business are currently held by my solicitors and, accordingly, these realisations are not currently reflected on the receipts and payments account attached.

## 10 Estimated Outcome Statement

10.1 Attached at ***Appendix C*** is an estimated outcome statement.

10.2 Based on my current estimates of asset realisations and costs, I envisage that some £13,996 will be paid to HSBC Bank Plc in respect of the realisation of assets caught under its fixed charge.

10.3 I further estimate that there may be some £5,700 available to be paid to the Company's preferential creditors, in respect of the Company's former employees' claims for arrears of wages and holiday pay.

10.4 Regrettably, it would currently appear unlikely that there will be sufficient funds available to enable a dividend to be paid to the Company's floating charge creditor or its unsecured, non-preferential, creditors.

10.5 It should be noted, however, that this is a very early estimate which is based on current estimates of assets realisations, the amount of the preferential claims and the costs of the Administration, all of which are subject to change.

## 11 Proposals

11.1 In accordance with paragraph 49 of Schedule B1 of The Insolvency Act 1986, the Joint Administrators of Coull Limited make the following proposals to creditors for achieving the purposes of the Administration dated 1 October 2008:

a The Joint Administrators shall do all such things and generally exercise all powers as Joint Administrators as they, at their discretion, consider desirable in order to achieve the purpose of the Administration, or to protect and preserve the assets of the company, or to maximise realisations for any other purpose incidental to these proposals.

b That the Joint Administrators realise any remaining assets, if subsequently identified, in accordance with their agents advice.

c That the Joint Administrators continue to investigate, and if appropriate, pursue any claims that an office holder and /or the Company may have under The Companies Act or Insolvency Act against any parties concerned with the affairs of the Company.

d That the Joint Administrators be able to make distributions to the preferential and secured creditors as appropriate.

e That the Joint Administrators pursue possible VAT and Corporation Tax refunds due to the Company.

f That the Joint Administrators be permitted to conclude the Administration and place the company into Creditors' Voluntary Liquidation, with the appointment of Timothy Colin Hamilton Ball as Liquidator. In accordance with paragraph 83(7) of Schedule B1 of The Insolvency Act 1986, and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person to act as Liquidator provided that the nomination is made after the receipt of these proposals and before they are approved.

g Under the provisions of the Insolvency Act, the Joint Administrators have limited powers to agree the claims of unsecured non-preferential creditors and make distributions without permission of the Court. Therefore in the event that there are sufficient funds to enable a distribution to such creditors the Joint Administrators may apply to Court pursuant to paragraph 65 of Schedule B1 of The Insolvency Act 1986, for permission to declare and pay a dividend to such creditors, should they consider it to be more beneficial to the creditors than for the Company to proceed into Creditors' Voluntary Liquidation.

h In the event that the Company does not proceed into Creditors' Voluntary Liquidation, once all of the assets have been disposed of and all available funds distributed to creditors where possible, the Joint Administrators may, if appropriate, file a notice under Paragraph 84(1) of Schedule B1 of the Insolvency Act 1986, ending the Administration, with the company being dissolved three months thereafter.

## 12 Administrators' remuneration

12.1 It is proposed that the Joint Administrators' remuneration be fixed on the basis of the time properly spent by my staff and I in dealing with matters arising during the Administration. We also propose that our allocated disbursements be charged on the bases set out at ***Appendix E***.

12.2 Attached as ***Appendix E*** are details of my firm's current charge out rates applicable to the case and those allocated disbursements for which approval will be sought.

12.3 Attached as ***Appendix D*** is a summary of my time costs to date in accordance with Statement of Insolvency Practice 9. To date 73 hours have been spent dealing with the administration of this case, at a total cost of £9,373 representing an average hourly rate of £128.

A copy of the publication "A creditors guide to Administrators' Fees" which details the basis on which an Administrator's fees should be calculated is available to download from the website www.r3.org.uk/uploads/sip/SIP9_v5_April_2007(1).pdf or alternatively will be provided free of charge upon written request to this office.

12.4 My Administration disbursements, which have not yet been reimbursed to my firm, amount to a total of £75. My disbursements have been incurred as follows:-

| | £ |
|---|---|
| Postal Re-direction | 75 |
| | 75 |

12.5 As mentioned above, the sale agreement for the company's business and assets, included a paragraph stating that in addition to the £50,000 being paid, that an additional £10,000 be made available to cover the pre-appointment costs of Mazars LLP and the solicitors, Thring Townsend LLP. These funds are currently being held by my solicitor, and to date these costs have not been paid. My pre-appointment costs amount to £7,641 plus VAT which represents some 34 hours of time at an average hourly charge out rate of £222.

12.6 Our latest estimate of costs is summarised in the Estimated Outcome Statement attached at ***Appendix C***. The provision for the Joint Administrators' fees is based on an estimate of the eventual total costs. However, it is difficult to accurately estimate what these costs will be as it will be dependant on the timescale and extent of further work required in connection with the realisation of assets and agreement of claims.

## 13 Meeting of creditors

13.1 Given that it appears highly unlikely that there will be sufficient funds to allow a dividend to be paid to unsecured creditors, I do not deem it appropriate, or necessary, to convene a meeting of creditors. Therefore, in accordance with the Insolvency Act 1986, these proposals are deemed to be approved by the creditors. However, resolutions in respect of our remuneration and disbursements will be considered by the secured creditor, HSBC Bank Plc and the preferential creditors, by correspondence. However, if ten percent or more, in value, of the creditors wish to have a meeting of creditors, then please contact me, in writing, within twelve days of the date these proposals, setting out the purpose of such a meeting.

13.2 The Company's preferential and secured creditors will be asked to approve the following resolutions in relation to our remuneration and disbursements:-

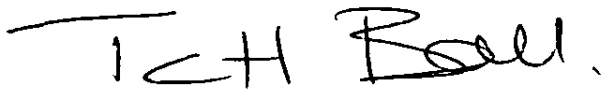
- That the Joint Administrators may charge their remuneration on the basis of the time properly given by them and their staff in attending to matters arising in the Administration and that they may draw these fees as and when funds are available.

- That the Joint Administrators be authorised to calculate and draw allocated disbursements in line with the method and quantum set out at ***Appendix E*** to their proposals, dated 25 November 2008.

## 14 Future Reports

14.1 Progress report covering the first six months of the Administration will be circulated to creditors during March 2009 .

Yours faithfully
For and on behalf of
Coull Limited



**T C H Ball**
Joint Administrator

Dated: 25 November 2008

*Authorised to act as an Insolvency Practitioner by the Institute of Chartered Accountants in England and Wales*

*The affairs, business and property of the Company are being managed by the Joint Administrators. The Joint Administrators act as agents of the Company and without personal liability*

Coull Limited

*Appendix A*

Statement Of Affairs as at 1 October 2008

## A - Summary of Assets

| Assets | Book Value | Estimated to Realise | |
|---|---|---|---|
| | £ | £ | £ |
| **Assets subject to fixed charge:** | | | |
| Goodwill, Intellectual Property, Investments | - | 13,996.00 | |
| HSBC Bank Plc | | (89,399.00) | |
| **Assets subject to floating charge:** | | | |
| Furniture & Equipment | 23,641.00 | | 16,000.00 |
| Stock/WIP | - | | 1,750.00 |
| Book Debts | 45,678.00 | | 18,253.00 |
| Customer Contracts | - | | 1.00 |
| Due from Mediawave Production Ltd | 42,425.00 | | - |
| Tax Refund to 08/2008 | 3,706.00 | | 3,706.00 |
| **Estimated total assets available for preferential creditors** | | | 39,710.00 |

Signature _____ Date _____

Coull Limited *Appendix A*

Statement Of Affairs as at 1 October 2008

## A1 - Summary of Liabilities

| | | Estimated to Realise £ |
|---|---|---|
| **Estimated total assets available for preferential creditors (Carried from Page A)** | | 39,710.00 |
| **Liabilities** | | |
| Preferential Creditors:- | | |
| Employees claims | 5,833.00 | |
| | | 5,833.00 |
| **Estimated deficiency/surplus as regards preferential creditors** | | 33,877.00 |
| Estimated prescribed part of net property where applicable (to carry forward) | | 9,775.00 |
| Based on floating charge assets of £33,877.00 | | |
| **Estimated total assets available for floating charge holders** | | 24,102.00 |
| Debts secured by floating charges | | |
| HSBC Bank Plc b/f | 75,403.00 | |
| | | 75,403.00 |
| **Estimated deficiency/surplus of assets after floating charges** | | (51,301.00) |
| Estimated prescribed part of net property where applicable (brought down) | | 9,775.00 |
| **Total assets available to unsecured creditors** | | 9,775.00 |
| Unsecured non-preferential claims (excluding any shortfall to floating charge holders) | | |
| Trade & Expense Creditors | 256,717.00 | |
| Employees | 17,274.00 | |
| HMRC re VAT | 3,767.00 | |
| HMRC re PAYE & NI | 96,292.00 | |
| | | 374,050.00 |
| **Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)** | | (364,275.00) |
| Shortfall to floating charge holders (brought down) | | (51,301.00) |
| **Estimated deficiency/surplus as regards creditors** | | (415,576.00) |
| Issued and called up capital | | 19,854.00 |
| **Estimated total deficiency/surplus as regards members** | | (435,430.00) |

Signature _____ Date _____

**Coull Limited**
**B - Unsecured Creditors**

| Key | Name | £ |
|---|---|---|
| EB00 | A Burrell Esq<br>70 High Street<br>Easton<br>Bristol<br>BS5 6DN | 2,780.00 |
| CA00 | All-Write<br>33 Poole's Wharf Court<br>Poole's Wharf<br>Bristol<br>BS8 4PB | 3,525.00 |
| CB00 | Baker Tilly<br>Hartwell House<br>55-61 Victoria Street<br>Bristol<br>BS1 6AD | 11,750.00 |
| CH04 | Bernard Holcroft<br>4 Duchess Court<br>Weybridge<br>Surrey<br>KT13 9HN | 248.00 |
| CC00 | Charterhouse Debt Recovery Service<br>Debt Recovery Service<br>1E Overhill Road<br>Bristol<br>BS16 5DN | 115.00 |
| CC04 | Cheryl Walker<br>Project Management Consultancy<br>201 Redland Road<br>Redland<br>Bristol<br>BS6 6YS | 6,000.00 |
| CC01 | Chinwag<br>PO Box 48314<br>London<br>W12 8YH | 1,410.00 |
| CC02 | Computer Future Solutions<br>Venture House<br>27-29 Glasshouse Street<br>London<br>W1B 5DF | 30,307.00 |
| CC03 | Creative Ventures Group<br>4th Floor<br>43 Berkley Square<br>London<br>W1J 5AP | 2,154.00 |
| CD02 | DCLG<br>Vendors Team, Dept for Communities & Local Govt<br>Hempstead House<br>2 Seldon Hill<br>Hemel Hemstead<br>HP2 4XN | 900.00 |
| CD00 | Dell Products<br>PO Box 147, Dept 500<br>Milbanke House<br>Western Road<br>Bracknell<br>RG12 1RD | 823.00 |

**Coull Limited**
**B - Unsecured Creditors**

| Key | Name | £ |
|---|---|---|
| CD01 | DMG World Media (UK) Ltd<br>Westgate House<br>120-130 Station Road<br>Redhill<br>Surrey<br>RH1 1ET | 5,605.00 |
| CE00 | Easy Move (Bristol) Ltd<br>Albert Crescent<br>Bristol<br>BS2 0SU | 305.00 |
| CE01 | eForce<br>Room 419<br>Earls Court Exhibition Centre<br>London<br>SW5 9TA | 331.00 |
| CE02 | Elemental Communications Limited<br>2nd Floor<br>145-157 St Johns Street<br>London<br>EC1V 4PY | 7,050.00 |
| CE03 | Elevator<br>35 West Bute Street<br>Cardiff Bay<br>Cardiff<br>CF10 5LH | 2,867.00 |
| CF01 | Finance South West Growth Fund<br>City Business Park<br>Somerset Place<br>Stoke<br>Plymouh<br>PL3 4BB | 559.00 |
| CF00 | Four Marketing and Design Limited<br>47 The Panoramic<br>30 Park Row<br>Bristol<br>BS1 5LS | 1,110.00 |
| CH02 | H M Revenue & Customs<br>Durrington Bridge House<br>Barrington Road<br>Worthing<br>West Sussex<br>BN12 4SE | 96,292.00 |
| CH03 | H M Revenue & Customs<br>Informal Insolvency Liverpool<br>1st Floor<br>Queens Dock<br>Liverpool<br>L74 4AG | 3,767.00 |
| CH01 | HTV/Carlton<br>Granada, Credit Control Unit<br>The Television Centre<br>Upper Ground<br>London<br>SE1 9LT | 8,189.00 |

**Coull Limited**
**B - Unsecured Creditors**

| Key | Name | £ |
|---|---|---|
| CW00 | Irfon Watkins<br>2B Kempe Close<br>Long Ashton<br>Bristol<br>BS41 9ER | 248.00 |
| CH05 | JO Hambro Limited<br>118 New Bond Street<br>London<br>W1S 1EW | 82,420.00 |
| CK00 | K Burke Esq<br>Flat 19 Pavillion Court<br>17-18 Thurlow Road<br>London<br>NW3 5PL | 5,148.00 |
| CL00 | Limelight Networks Inc<br>2220 West 14th Street<br>Tempe<br>AZ 85281<br>USA | 1,801.00 |
| EW00 | M Wawro Esq<br>50 Manworthy Road<br>Brislington<br>Bristol<br>BS4 4PR | 3,721.00 |
| CM00 | Moorepay Limited<br>Boundary Way<br>Hemel Hempstead<br>HP2 7HU | 231.00 |
| EG00 | Mrs C Giovannoni<br>2 Rockleaze Avenue<br>Bristol<br>BS9 1NG | 5,468.00 |
| EF00 | Ms K Flemans<br>46 Homeground<br>Emersons Green<br>Bristol<br>BS16 7HG | 5.00 |
| ES00 | N Smith Esq<br>13a Fraser Street<br>Windmill Hill<br>Bristol<br>BS3 4LZ | 4,377.00 |
| CO01 | Oakland Trust<br>c/o 4 Oaklands Close<br>Mangotsfield<br>Bristol<br>BS16 9EL | 42,083.00 |
| CO00 | Orange Payment Processing<br>Southend On Sea<br>SS99 6LU | 4,357.00 |
| CP00 | Progressive Computer Recruitment Ltd<br>Central Accounts<br>Dexter House<br>2 Royal Mint Court<br>London<br>EC3N 4QN | 11,219.00 |

**Coull Limited**
**B - Unsecured Creditors**

| Key | Name | £ |
|---|---|---|
| CR01 | Rolls Royce plc<br>Image Resourse Dept (SINA-10)<br>PO Box 31<br>Victory Road<br>Derby<br>DE24 8BJ | 360.00 |
| CR00 | Rupert Hambro & Partners Ltd<br>118 New Bond Street<br>London<br>W1S 1EW | 1,319.00 |
| EH00 | S Holliday Esq<br>12 Upper Belgrave Road<br>Bristol<br>BS8 2XJ | 923.00 |
| CS01 | Sol Media<br>Jon Hosgood<br>PO Box 359<br>Bristol<br>BS34 5ZW | 90.00 |
| CS02 | South West Angel & Investor Network Ltd<br>Finance Department<br>Great Western Business Centre<br>Swindon<br>Wiltshire<br>SN1 5BP | 1,322.00 |
| CS00 | Storage King<br>222 Broomhill Road<br>Brislington<br>Bristol<br>BS4 5RG | 326.00 |
| CB01 | The British Interactive Media Association<br>Briarlea House<br>Southend Road<br>Billericay<br>CM11 2PR | 18.00 |
| CV00 | Veale Wasbrough<br>Orchard Court<br>Orchard Lane<br>Bristol<br>BS1 5WS | 1,125.00 |
| CV01 | Viking Direct<br>PO Box 279<br>Leicester<br>LE3 1YU | 441.00 |
| CV03 | Virgin/ Telewest<br>700 Waterside Drive<br>Aztec West<br>Bristol<br>BS32 4ST | 51.00 |
| CV02 | VTL (UK) Limited<br>Inbucon House<br>Wick Road<br>Egham<br>Surrey<br>TW20 0HR | 1,410.00 |

**Coull Limited**
**B - Unsecured Creditors**

| Key | Name | £ |
|---|---|---|
| CX00 | Xchange Team Group Ltd<br>19531/1012233<br>C/o HSBC Invoice Finance (UK) Ltd<br>Farncombe Road<br>Worthiing<br>West Sussex<br>BN11 2BW | 17,625.00 |
| CY00 | YFM Venture Finance Limited<br>St Martins House<br>210-212 Chapletown Road<br>Leeds<br>LS7 4HZ | 1,875.00 |
| **46 Entries Totalling** | | **374,050.00** |

Signature _____

**Coull Limited**
**B1 - Preferential Creditors**

| Key | Name | £ |
|---|---|---|
| EB00 | A Burrell Esq<br>70 High Street<br>Easton<br>Bristol<br>BS5 6DN | 800.00 |
| EW00 | M Wawro Esq<br>50 Manworthy Road<br>Brislington<br>Bristol<br>BS4 4PR | 1,460.00 |
| EG00 | Mrs C Giovannoni<br>2 Rockleaze Avenue<br>Bristol<br>BS9 1NG | 800.00 |
| EF00 | Ms K Flemans<br>46 Homeground<br>Emersons Green<br>Bristol<br>BS16 7HG | 513.00 |
| ES00 | N Smith Esq<br>13a Fraser Street<br>Windmill Hill<br>Bristol<br>BS3 4LZ | 1,460.00 |
| EH00 | S Holliday Esq<br>12 Upper Belgrave Road<br>Bristol<br>BS8 2XJ | 800.00 |
| **6 Entries Totalling** | | **5,833.00** |

Signature _____

**Coull Limited**
**B2 - Secured Creditors**

*Appendix A*

| Key | Name | £ |
|---|---|---|
| CH06 | HSBC Bank Plc<br>FAO A Button Esq<br>PO Box 120<br>Corn Street<br>Bristol<br>BS99 7PP | 89,399.00 |
| **1 Entries Totalling** | | **89,399.00** |

HSBC Bank Plc have the benefit of a fixed and floating charge debenture created on 28 July 2004, over the undertaking and all property and assets present and future including goodwill, book debts, uncalled capital, buildings fixtures, fixed plant and machinery

Signature _____

**Mazars LLP**
**Coull Limited**
**C - Shareholders**

| Key | Name | Address | Pref | Ord | Other | Total |
|---|---|---|---|---|---|---|
| HA00 | A M G Warden | The Old Rectory, Ruan Lanihorne, Truro, TR2 5NX | 0 | 240 | 0 | 240 |
| HB00 | D A Bellerby | 8 St James Street, Mangotsfield, Bristol | 0 | 4 | 0 | 4 |
| HB01 | Alan Bunting | 57 Fox Hollow, Barhill, Cambridge, CB3 8ES | 0 | 3 | 0 | 3 |
| HC00 | Cambrian Training cyf | The Offices @ Coed & Dinas, Welshpool, Powys, SY21 8RP | 0 | 165 | 0 | 165 |
| HC01 | J Cooper | Hill House, High Street, Kingston Blount, Chinnor, OX39 4SJ | 0 | 67 | 0 | 67 |
| HC02 | Creative Ventures Investments LLP | 4th Floor, 43 Berkeley Square, London, W1J 5AP | 0 | 346 | 0 | 346 |
| HC03 | Creative Nominees Limited | 4th Floor, 43 Berkeley Square, London, W1J 5AP | 0 | 1,385 | 0 | 1,385 |
| HE00 | S Egginton | Hollowbrook Barn, Chew Magna, BS40 8TH | 0 | 14 | 0 | 14 |
| HF00 | J Fox | The Barn, College Street, East Bridgford, Nottingham, NG13 8LE | 0 | 979 | 0 | 979 |
| HF01 | Finance South West Growth Fund | City Business Park, Somerset Place, Stoke, Plymouth, L3 4BB | 0 | 0 | 3,367 | 3,367 |
| HH00 | M Harris | Delegal, 22 Pits Bay Road, Pembroke HM-06, Bermuda | 0 | 2 | 0 | 2 |
| HH01 | T B M Holcroft | 4 Duchess Court, Weybridge, Surrey, KT13 9KN | 0 | 1,876 | 0 | 1,876 |
| HJ00 | P Johnson | 31 Alexandra Park, Redland, Bristol, BS6 6QB | 0 | 17 | 0 | 17 |
| HK00 | Ms G Kent | Cherry Tree Cottage, Popes Lane, Cookham Dean, Berkshire, SN6 9AS | 0 | 14 | 0 | 14 |
| HM00 | I Mann | Turning Point, 13 Kanpton Estates Road, Smiths HS-01, Bermuda | 0 | 280 | 0 | 280 |
| HO00 | Oaklands Trust | 4 Oaklands Close, Mangotsfield, Bristol, BS16 9EL | 0 | 62 | 0 | 62 |
| HR00 | A Redmond | Salguod, 11 Gilbert Hill, Smith's FL-05, Bermuda | 0 | 47 | 0 | 47 |
| HR01 | Rupert Hambro & Partners Limited | 118 New Bond Street, London, W1S 1EW | 0 | 9,239 | 0 | 9,239 |
| HS00 | R J Swindlehurst | 8 Oaklands Close, Mangotsfiedl, Bristol, BS16 9EL | 0 | 22 | 0 | 22 |
| HS01 | J M Swindlehurst | 3 Oaklands Close, Mangotsfiedl, Bristol, BS16 9EL | 0 | 21 | 0 | 21 |
| HS02 | M Swindlehurst | 2 Oaklands Close, Mangotsfied, Bristol, BS16 9EL | 0 | 5 | 0 | 5 |
| HS03 | N Swindlehurst Esq | 3 Oaklands Close, Mangotsfield, Bristol, BS16 9EL | 0 | 5 | 0 | 5 |
| HS04 | Dr & Mrs Stedman | 4 Rookery Meadow, Lockeridge, Marlborough, SN8 4EW | 0 | 17 | 0 | 17 |
| HS05 | SAM Trustees Limited | J S Fox & S Fox jointly, c/o 22-26 Clarendon Street, Nottingham, NG1 5HQ | 0 | 235 | 0 | 235 |
| HS06 | T Smallwood | Bramble Cottage, Dinghurst Road, Churchill, BS25 5JP | 0 | 970 | 0 | 970 |
| HT00 | D Taylor | Apartment 314, 5102 Apartments, St James Barton, Bristol, BS1 3LY | 0 | 41 | 0 | 41 |
| HW00 | I Watkins | 2B Kempe Close, Long Ashton, Bristol, BS41 9ER | 0 | 431 | 0 | 431 |
| **27 Entries Totalling** | | | | | | **19,854** |

*Appendix A*

**Coull Limited – In Administration**

**Joint Administrators' Summarised Receipts & Payments for the period from 1 October 2008 to 25 November 2008**

| | Estimated to realise per Directors' draft Statement of Affairs £ | Total Receipts/ Payments to date £ |
|---|---|---|
| **RECEIPTS** | | |
| Book debts | 18,253 | - |
| IT and office furniture etc | 16,000 | - |
| Goodwill (incl. intellectual Property) | 13,996 | - |
| Stock/WIP | 1,750 | - |
| Customer contracts | 1 | - |
| | 50,000 | - |
| **PAYMENTS** | | |
| | | - |
| | | - |
| **Balances in hand (held on interest bearing account)** | | **Nil** |

**Coull Limited – In Administration**
**Estimated Outcome Statement as at 25 November 2008**

| | **Total Receipts/ Payments to date £'000** |
|---|---|
| **CASH IN HAND AS AT 25 NOVEMBER 2008 (balance per attached Receipts & Payment a/c)** | - |
| Sale of company assets (of which £13,996 relates to assets subject to fixed charge) | 50.0 |
| | **50.0** |
| Less amounts due to fixed charge creditor re. Goodwill - HSBC Bank Plc | (14.0) |
| Joint Administrators' outstanding remuneration on a time cost basis and disbursements | (9.3) |
| Joint Administrators' estimated future remuneration on a time cost basis and disbursements | (15.0) |
| Agents' fees and disbursements in respect of disposal of assets | (1.0) |
| Estimated future legal costs | (3.0) |
| Estimated sundry other costs (i.e. statutory advertising, bank charges etc) | (2.0) |
| Estimated funds available for preferential creditors | **5.7** |
| Estimated preferential creditors' claims | (5.8) |
| Estimated funds available for floating charge creditor | **(0.1)** |
| Estimated floating charge creditor's claim | (75.4) |
| Estimated funds available for unsecured creditors | **(75.5)** |
| Estimated non-preferential, unsecured claims including trade and expense creditors, employees claims and HM Revenue & Customs PAYE and NIC claims | (374.0) |
| **Estimated shortfall for non-preferential, unsecured creditors** | **(449.5)** |

**Coull Limited – In Administration**

**Administrators' Time analysis**

The Joint Administrators' time costs are further analysed below, for the benefit of creditors, by reference to the grade of staff involved with the case and the tasks on which they have been engaged:-

| | Hours | | | | | |
|---|---|---|---|---|---|---|
| **Grade of staff**<br><br>**Classification of work function** | **Partner** | **Senior Manager/ Assistant Manager** | **Administrators and other support staff** | **Total hours per activity** | **Total time costs per activity**<br>**£** | **Average hourly rate per activity**<br>**£** |
| Administration & planning | - | - | 3.50 | **3.50** | **293** | **84** |
| VAT and taxation matters | - | 0.90 | 0.70 | **1.60** | **226** | **141** |
| Investigations | 2.20 | 0.30 | 0.20 | **2.70** | **794** | **294** |
| Securing and realising assets | 0.80 | 2.80 | 4.10 | **7.70** | **1,159** | **151** |
| Employees/ERA claims | 1.10 | 1.30 | 8.10 | **10.50** | **1,305** | **124** |
| Correspondence with creditors | 1.60 | 2.60 | 6.50 | **10.70** | **1,591** | **149** |
| Reporting to creditors | 0.10 | 2.00 | 9.80 | **9.80** | **1,050** | **107** |
| Cashiering | 0.20 | 0.10 | 2.20 | **2.50** | **251** | **100** |
| Statutory reporting & compliance | 1.10 | 4.20 | 19.20 | **24.50** | **2,705** | **110** |
| **Total hours per grade of staff** | **7.10** | **14.20** | **52.20** | **73.50** | | |
| **Total time costs per grade of staff (£)** | **2,266** | **2,759** | **4,348** | | **9,373** | |
| **Average hourly rate (£)** | **319** | **194** | **83** | | | **128** |

*Appendix E*

**Coull Limited – In Administration**

## Details of Charge-out rates and Disbursements

The following grades of personnel will work on the case. Their current charge out rates are set out below.

| Grade of personnel | Hourly charge out rate (£) |
|---|---|
| | |
| Partner | 320 |
| Senior manager | 250 |
| Assistant manager | 180 |
| Administrator | 80 - 130 |
| Cashier | 75 |
| Secretary | 90 |

In common with other professional firms, our charge out rates increase from time to time over the period of the administration of a case.

***Allocated disbursements***

I am required to seek the approval of all of the company's secured creditors and the majority of its preferential creditors for the charging of certain allocated expenses. Details of the proposed charges for which approval is required are set out below:

- Company search(es). Searches are obtained by the firm's company secretarial department and are charged at the cost of the search plus an administration charge, which is currently 25% of cost, subject to a minimum administration charge of £5.00
- Meeting room charge for statutory meetings, charged at £60 per meeting summoned (members' and creditors' meetings on the same day treated as one meeting)
- Document storage – From December 2007 £3.52 per box per annum, based on the cost charged by the storage company for storage of boxes and files of records and allocated on the basis of the number of boxes per case and a one-off cost of £2.62 per box for the acquisition of the storage boxes. The cost of destroying the records is currently £1.60 per box.
- Photocopying bulk circulars. Photocopying is charged at 5p per page. Facsimiles are charged at £1 per page.
- Electronic verification of individual's identity for money laundering purposes, charged at £2.50 per individual or £10.00 per company (where applicable)
- Business rate mileage, at a cost of between 40p and 80p per mile in relation to the running costs of different classes of vehicle.

It should be noted that disbursement costs might increase from time to time. However, increases would only be in line with inflation or increases from our suppliers.