

### Administrator's progress report

Name of Company  Square Mile Real Estate Services Limited
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Company number  03997848
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In the High Court of Justice  [full name of court]
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Court case number  3107 of 2008
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We  
James Robert Tucker  
KPMG LLP  
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United Kingdom

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

from

14 April 2009
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to

13 October 2009
-----------------

Signed *J. Tucker*  
\_\_\_\_\_  
Joint Administrators

Dated 10 November 2009  
\_\_\_\_\_

#### 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

Tom Chuter KPMG LLP 8 Salisbury Square London EC4Y 8BB United Kingdom DX Number DX 38050 Blackfriars	Tel 0207 311 8667 DX Exchange
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\* Delete as appropriate

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<b>PAYMENTS</b>	<b>£</b>
Brought forward from previous Abstract (if Any)	0.00

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Note - The receipts and payments must severally be added up at the foot of each sheet and the totals carried forward from one abstract to another without any intermediate balance so that the gross totals shall represent the total amounts received and paid by the administrator since he was appointed.



RESTRUCTURING

## **Erinaceous Group Plc and certain subsidiaries – in administration**

Administrators' third progress report for the period from 14 April 2009 to 13 October 2009 pursuant to Rule 2.47 of the Insolvency Rules 1986

ADVISORY

## Notice: About this Report

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- This report has been prepared by the Joint Administrators solely to comply with their statutory duty under rule 2.47 of the Insolvency Rules 1986 to report on the progress of the Administration in the period 14 April 2009 to 13 October 2009. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- This report has not been prepared in contemplation of being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in EG plc or other companies in the group.
- Any estimated outcomes for creditors included in this report is illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this report for any purpose or in any context other than under rule 2.47 of the Insolvency Rules 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report.
- James Robert Tucker, Myles Antony Halley and Richard John Hill are authorised to act as an insolvency practitioner by the Institute of Chartered Accountants in England and Wales. Richard James Philpott is authorised to act as an insolvency practitioner by the Insolvency Practitioners' Association.
- The Joint Administrators act as agents of the companies and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

## Glossary of terms

<b>Adminicos</b>	Companies placed into administration on or after 14 April 2008. (See Appendices for details of these companies)	<b>HLR</b>	HLR Holdings Limited
		<b>IA86</b>	The Insolvency Act 1986
<b>Administrators</b>	James Robert Tucker Myles Antony Halley Richard John Hill Richard James Philpott	<b>Insurance division</b>	The sub-group of companies headed by Erinaceous Insurance Services Ltd
	8 Salisbury Square London, EC4Y 8BB	<b>IR86</b>	The Insolvency Rules 1986
<b>Banks</b>	HBOS, Lloyds TSB and HSBC, (secured by a debenture dated 26 July 2006)	<b>ISGO</b>	ISGO Limited
<b>Building Consultancy</b>	Erinaceous Consultancy Services Limited	<b>Operating entities</b>	See Appendix 4
<b>Caley</b>	Caley Limited (a vehicle owned by the Banks)	<b>Parent company</b>	See Appendix 4
<b>Dormant companies</b>	See Appendix 4	<b>Prescribed part</b>	A fund set aside for unsecured floating charge funds of approximately 20% of net assets
<b>ECPS</b>	Erinaceous Commercial Property Services Limited	<b>Repairs division</b>	3C Asset Management Limited, formerly Erinaceous Property Maintenance Limited
<b>ECS</b>	Erinaceous Commercial Services Limited	<b>Residential Management division</b>	The sub-group of companies headed by Residential Management Group Ltd, formerly Dunlop Haywards Residential Limited
<b>EG plc and Parent Company</b>	Erinaceous Group plc	<b>SoA</b>	Statement of Affairs
<b>EMS</b>	Erinaceous Managed Services Limited		
<b>Group</b>	EG plc and its subsidiaries (as at 14 April 2008)		

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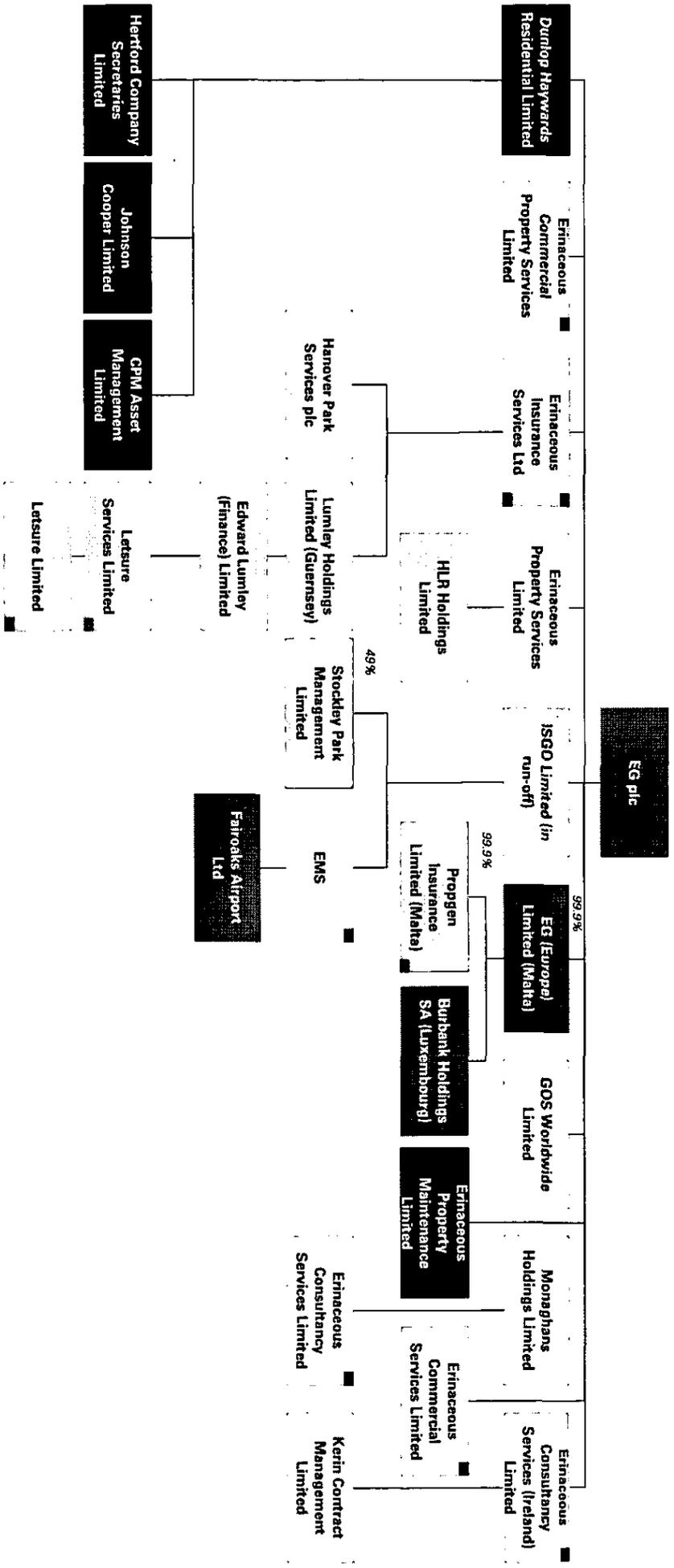


## Executive summary

- This report has been prepared for the purposes of Rule 2.47 of the Insolvency Rules 1986.
- This progress report covers the period from 14 October 2008 to 13 April 2009 and follows the Administrators' first six monthly report to creditors which was dated 10 November 2008.
- The Administrators' Statement of Proposals was deemed approved on by creditors 19 July 2008.
- Since the last report to creditors dated 10 November 2008 the Administrators have continued to progress the administrations to achieve the statutory purpose to realise assets for the secured creditors in line with the Proposals. This has included progressing the realisation of the remaining assets which are principally trade receivables.
- Given the significant level of potential realisations still to be completed, the Administrators concluded that it was appropriate to extend each of these administrations.
- A Court Order was obtained on 3 April 2009 to extend the initial period of the administrators (which were to end on 13 April 2009). The administrations of the Parent company and Operating entities were extended until 13 October 2010, and the administrations of the dormant companies were extended until 13 April 2010.
- The Administrators are in the process of making a distribution in full to preferential creditors in the relevant Operating entities (see page 12).
- We have updated our estimates of the extent of the Prescribed Parts which may result from forecast floating charge realisations and these are detailed on page 13. The Court has granted permission to distribute the Prescribed Part to the unsecured creditors in the Administrations of the Operating entities.
- Statutory information on each of the companies is provided as Appendix 1.

# Simplified Group structure

Simplified Group structure as at 14 April 2008



- Key:
- ☐ Insurance businesses
  - Involved in Fairroaks
  - ☐ Involved in Shoreham
  - Non-trading entity
  - ☐ Main divisional trading entities
  - Authorised to conduct financial services business
  - Residential Management business
  - Repairs business
- Source: Management and KPMG LLP analysis.

There were approximately 125 companies in the Group and the principal trading entities are shown in the above chart.

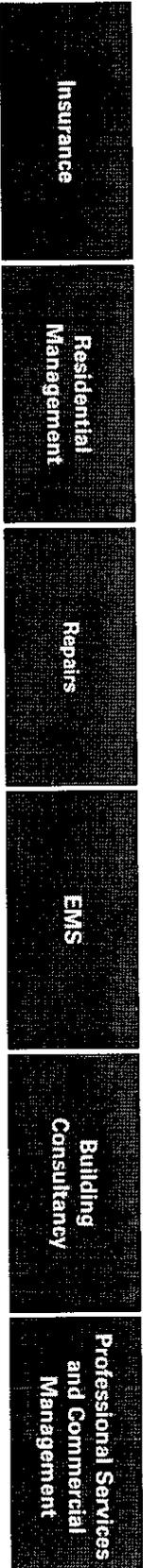


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# Progress of the administrations to date

The administrations continue to be progressed to achieve their statutory purpose and in accordance with the proposals as deemed approved by creditors on 19 July 2008.

## Key trading divisions



## Summary of progress by division since appointment

### *Building Consultancy Division*

- Following the sale of most of these businesses, we are continuing to collect the outstanding trade receivables and certain deferred consideration.

### *Professional Services and Commercial Management Divisions*

- Following the sale of seven business we are continuing to pursue outstanding trade receivables and to deal with trust monies retained within these entities.

### *EG Plc and head office function*

- The disposals to Caley and certain other business sales required that the Administrators maintained a head office function for a period under a transitional services agreement. The central services maintained include IT facilities, human resources, payroll, accounting and other services. The costs of these transitional services, which are shown in the Receipts and Payments Accounts contained in Appendix 2, are being borne by the relevant counterparty. These arrangements were concluded in October 2008 as the transfer of services was complete. The final recharges due to EG plc have been agreed and paid.

### *EMS*

- Following the transfer of certain contracts and 300 employees from EMS to the Repairs Division, we are continuing to pursue outstanding trade receivables.

### *Dormant companies*

- The administrators concluded the administrations of 29 of the dormant subsidiaries in April 2009 and these companies have proceeded to be dissolved.
- The administrators have requested tax clearance in respect of a further 18 dormant companies. Shortly after receipt of this clearance these administrations will also be closed.
- Further investigations are continuing into the affairs of the remaining 18 dormant companies which are delaying the conclusion of these administrations.

# Asset realisations

The majority of receivable balances have been realised although there are still a few active workstreams which represent opportunities to profitably increase floating charge realisations.

## Trade Receivables

- To date, £9.2 million has been recovered from trade receivables.
- Our specialist receivables realisation team has continued to pursue debtor amounts and has exceeded our previous estimate of target realisations (£9.1m). This result has been achieved through the sale of several rump ledgers and the settlement of several legal claims since the last report.
- Forecast realisations are expected to be low from this point onwards as the receivables realisations team has been exiting workstreams which do not represent profitable opportunities leaving only a small number of active workstreams.

## Client account receivables

- [Client account receivables total £2.2 million across four entities and eight separate ledgers. Identifying this client account debt and the managing agents has been a very time consuming process.
- To date, £902,000 has been recovered from this source.
- Client accounts held by a managing agent acting on behalf of the Group were transferred to new managing agents. These accounts included receivables balances of £267,000. Prior to the new managing agents considering payment of this debt, they require the transfer of client account funds from the previous managing agents. In addition, virtually all of this debt is disputed and due to lack of supporting records these issues will be difficult to resolve. This process is anticipated to take a number of months.]
- The Administrators have continued to operate the procedure of contacting clients with the proposal of taking the clients funds held by the Administrators off their hands. The proposal asks for permission to offset any outstanding debts against the client funds. To date, this procedure has result in the collection of £120,000 of debts.

## Intercompany receivables

- Intercompany balances of approximately £1.5 million have now been recovered by the relevant Admincos.

## Asset realisations (cont.)

There are numerous property related matters still to be concluded and property interests to be realised.

### Leasehold and freehold property

- The sale of business agreements included the interest in 78 of the Group's 154 premises. Of these, 11 are still occupied under licence whilst assignments are being sought.
- 65 leases were not included in sale of business agreements and we have agreed surrenders on 15 of these properties. Acceptance of surrender is awaited from the remaining 50 landlords. These properties remain vacant. Landlords are not under any obligation to accept surrender of the leases. Therefore, some ongoing management and maintenance of public liability cover of the properties may be required until the lease liabilities are discharged.
- Agents were unable to secure premiums for any of the leases. Therefore, we are no longer marketing these interests.
- The sale of the Croydon property reported previously completed in May 2009 realising £249,000 in HLR Holdings. The joint administrators continue to seek a purchaser for the long leasehold interest in the Tewkesbury property held by EG plc.

## Asset realisations (cont.)

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Investments have been realised. Deferred consideration from the sale of an Irish building consultancy business remains to be realised.

### Deferred consideration

- As reported previously an additional 230,000 was received for the sale of an Irish building consultancy subsidiary and a further £50,000 has been received in monthly instalments.



# Liabilities

The Administrators forecast that there will be a return to Preferential Creditors of the Operating entities.

- Secured creditors**
- Distributions to secured creditors total £134 million, against a debt at appointment of £230 million.
- Preferential creditors**
- Preferential creditor claims are forecast to total £487,000. Please refer to the table below for the division between companies:

Preferential creditors						
£000	EG Plc	Building consultancy	ECPS	EMS	ECS	Total
Redundancy payments office (RPO)	18	93	37	103	20	271
Employees	25	101	49	16	20	216
<b>Total</b>	<b>43</b>	<b>194</b>	<b>86</b>	<b>119</b>	<b>40</b>	<b>487</b>

Source: Administrators' and company records.

- Unfortunately, the Administrators still do not anticipate any return to the preferential creditors of EG Plc.
- In April notices of the intention to pay a preferential dividend were circulated to all creditors which the Administrators considered had a preferential debt, namely former employees and the RPO, against Building Consultancy, ECPS and ECS. In August the same notice was circulated to the preferential creditors of EMS.
- The purpose of circulating this notice was to commence the agreement of preferential claims. However, in the cases of ECPS and ECS the Administrators continue to assess the ability of these entities to pay a preferential dividend and due to this uncertainty are not yet in a position to confirm whether a preferential distribution will be made.
- In the case of Building Consultancy all preferential claims have now been agreed and a distribution in full will be made in November 2009.
- The Administrators are currently in the process of agreeing the preferential claims with a view to making a distribution in full before the year end.

## Liabilities (cont.)

The Administrators anticipate that the only return to unsecured creditors will be from the Prescribed Part.

- Prescribed Part**
- The Prescribed Part across the Group is estimated to total £1,327 million based on forecast realisations. Please refer to the table below for the division between companies;
  - The Prescribed Part is a fund set aside for the unsecured creditors of the Group from floating charge funds of approximately 20% of net assets, up to a maximum of £600,000 in each estate.

Prescribed part		EG Plc	Building Consultancy	ECPS	EMS	ECS	HLP/ISGO	Other	Total
<b>£000</b>									
Estimated floating charge assets, net of costs of administration		-	3,800	910	1,514	240		846	7,617
Estimate of Preferential Creditors claims	(43)		(199)	(86)	(119)	(40)		-	(444)
<b>Net property</b>	<b>Nil</b>		<b>3,600</b>	<b>1,134</b>	<b>1,395</b>	<b>200</b>		<b>846</b>	<b>7,173</b>
50% of first £10,000	-		5	5	5	5		5	25
20% of net property in excess of £10,000 up to max prescribed part of £600,000	-		595	225	277	38		167	1,702
<b>Prescribed part</b>	<b>Nil</b>		<b>600</b>	<b>230</b>	<b>282</b>	<b>43</b>		<b>172</b>	<b>1,327</b>

Source: Administrators' estimates.

- These estimates of the Prescribed Part are based on the current view of the estimated outcome in each administration. The Administrators continue to review the outcome for each entity and as realisations increase the actual amount of the Prescribed Part payable, subject to the maximum of £600,000, may well change.

### Unsecured creditors

- On 3 April 2009 the Court granted the Joint Administrators permission to pay a dividend to the unsecured creditors from the Prescribed Parts. Accordingly, the Joint Administrators are in the process of agreeing claims in order to declare a dividend to the unsecured creditors of each relevant entity in due course.
- As advised in the Statement of Administrators' proposals under Paragraph 49, the Administrators do not anticipate there will be any return to unsecured creditors other than via the Prescribed Part.
- As in the case of the preferential distribution it remains uncertain whether there will be sufficient floating charge property to facilitate a return to the unsecured creditors by virtue of a Prescribed Part in the case of ECPS and ECS.
- The administrators are currently in the process of agreeing the unsecured claims of Building Consultancy with a view to distributing the maximum Prescribed Part of £600,000 as soon as possible. Until the total value of claims agreed is known it is not possible to specify the quantum of this dividend.
- In the case of EMS the process of agreeing unsecured claims is in progress. However, as the Prescribed Part has not yet been quantified it is not possible to give an indication as to the likely quantum or timing of this dividend payment at present.

## Other matters

The Administrators continue to reconcile the client account funds and return monies based on proposals circulated to beneficial owners as they are identified.

However, they are now considering alternative methods of returning the remaining funds to clients once and for all.

In total £2.4 million of client funds is still held by the Administrators.

Summary of client accounts under administrators' control		
	Number of clients	£000
<b>Total reported in September</b>	<b>143</b>	<b>3,939</b>
Additional clients identified	42	41
Unattributable client monies	-	620
<b>Total</b>	<b>185</b>	<b>4,600</b>
Interim payments made	49	(676)
Final payments made	92	(1,473)
Debts offset	23	(121)
Interest accumulated	-	90
<b>Remaining balances to be handed over</b>	<b>-</b>	<b>2,420</b>

Source: Joint Administrator and client records.

### Client money

- Since the last report the Joint Administrators and their staff have performed additional reconciliation work on the client accounts which has enabled us to allocate funds to specific clients.
- £4.6 million of client funds were held in HBOS and RBS bank accounts across over 350 client accounts. Of this over £2.0 million has been returned to clients to date relating to 185 active accounts.

## Costs of administrations

### Costs of administrations

- The costs of the administrations paid to date are set out in the attached Receipts and Payments Accounts (see Appendix 2).
- The Administrators' time costs for the period from 20 September 2008 to 21 April 2009 are attached to this report (see Appendix 3).
- The basis for the Administrators' remuneration has been approved by the Banks and has been drawn for the period to 19 September 2008 in accordance with Rule 2.106(5b).
- Also in accordance with Rule 2.106 (5b) of the Insolvency Rules 1986, where there is a dividend to preferential creditors in a particular entity, a simple majority of these creditors voting is also required to approve the basis of the Administrators' remuneration drawn from that estate. This approval has been obtained.
- Administrators' remuneration of £5,425,944 has been drawn for the period to 19 September 2008 and further remuneration will be drawn as approved.

## Comments on Appendices

### **Appendix 1: Statutory information**

- In accordance with IR86, the prescribed statutory information is provided.

### **Appendix 2: Administrators' receipts and payments account**

- The Administrators' receipts and payments account for the period from 14 April 2008 to 13 October 2008 and from 14 October 2008 to 21 April 2009 is included. The figures on the account are shown net of VAT.
- Please note, receipts and payments accounts are provided only for those entities where transactions have occurred, all entities with nil accounts are omitted.

### **Appendix 3: Analysis of Administrators' time costs**

- Schedules detailing the Administrators' time costs from 20 September 2008 to 13 April 2009 are included in this report. These details have recently been provided to the Banks and their approval has been requested.

### **Appendix 4: Company classification**

- Companies defined as Parent, Operating entities and Dormant companies.

### **Appendix 5: Form 2.31B, notices of extension of the period of administration**

- Formal notice of the extension of the initial period of the administration.

# Appendix 1

## Statutory information



## Statutory information

Statutory information		Ethnaceous Group Plc	Alexander Millar Kitching Limited	Balancegrove Homes Limited	Dunlop Heywood Lorenz Executive Board Limited
Company number	3732607	4937795	1638228	4203468	
Date of incorporation	15 March 1999	20 October 2003	27 May 1992	23 April 2001	
Registered office	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	
Trading names					
Court	High Court of Justice	High Court of Justice	High Court of Justice	High Court of Justice	
Court reference	3014/08	3086/08	3064/08	3090/08	
EU regulation	Main proceedings	Main proceedings	Main proceedings	Main proceedings	
Administrators	Myles Halley and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	
Date of appointment	14 April 2008	14 April 2008	14 April 2008	14 April 2008	
Appointor	Directors	Directors	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (No shares in the Companies are held by the Directors)	Nigel Peter Davis (30,927 – personal shareholding) Nicholas Rodney Lowther Fry (20,000 – personal shareholding) The Lord David Charles Poole Lord Edward Timothy Razzall CBE (9,400 – controlled company) Dominic Lavelle Timothy John Redburn	N Davis D Lavelle	D Lavelle	NP Davis D Lavelle	
Secretary (No shares in the Companies are held by the Secretary)	Robin Simon Johnson	RS Johnson	JMS Bellis	JMS Bellis	

## Statutory information (cont.)

Statutory information			
Company name	Dunlop Heywood Residential Limited	Entente Consulting Limited	Entente Group Limited
Company number	4406008	4755906	4755903
Date of incorporation	28 March 2002	7 May 2003	7 May 2003
Registered office	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB
Trading names			
Court	High Court of Justice	High Court of Justice	High Court of Justice
Court reference	3109/08	3087/08	3115/2008
EU regulation	Main proceedings	Main proceedings	Main proceedings
Administrators	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker
Date of appointment	14 April 2008	14 April 2008	14 April 2008
Appointor	Directors	Directors	Directors
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors (No shares in the Companies are held by the Directors)	N Davis D Lavelle	D Lavelle	D Lavelle
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson
			JMS Bellis, RS Johnson
			Erinaceous Commercial Services Limited
Company number			2506860
Date of incorporation			25 May 1990
Registered office			8 Salisbury Square, London, EC4Y 8BB
Trading names			Egan Lawson Harman Healy Mainguld Erinaceous Auctions
Court			High Court of Justice
Court reference			3117/2008
EU regulation			Main proceedings
Administrators			Richard Philpott and Jim Tucker
Date of appointment			14 April 2008
Appointor			Directors
Para 100(2) statement			All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors (No shares in the Companies are held by the Directors)			N Davis D Lavelle
Secretary (No shares in the Companies are held by the Secretary)			JMS Bellis, RS Johnson

## Statutory information (cont.)

Statutory information					
Company name	Ethaceous Commercial Property Services Limited	EP2 Management Resources Limited	Francis Graves Limited	Graves Holdings Limited	Haywards Property Services (Kennedy Haywards) Limited
Company number	2540610	4984641	1410842	3393444	2579250
Date of incorporation	18 September 1990	4 December 2003	22 January 1979	26 June 1997	1 February 1991
Registered office	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB	8 Salisbury Square, London, EC4Y 8BB
Trading names	NAL Ethaceous Ethaceous Commercial Property Management Dunlop Haywards PPH Commercial Douglas Duff CPAM Commercial Property Asset Management Ethaceous Facilities Management Painter Salter Egan Lawson				
Court	High Court of Justice	High Court of Justice	High Court of Justice	High Court of Justice	High Court of Justice
Court reference	3071/08	3102/08	3047/08	3050/08	3043/08
EU regulation	Main proceedings	Main proceedings	Main proceedings	Main proceedings	Main proceedings
Administrators	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker
Date of appointment	14 April 2008	14 April 2008	14 April 2008	14 April 2008	14 April 2008
Appointor	Directors	Directors	Directors	Directors	Directors
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office
Directors (No shares in the Companies are held by the Directors)	RD Collins NP Davis	N Cuckson D Lavelle	D Lavelle	D Lavelle	D Lavelle
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	JMS Bellis	JMS Bellis	JMS Bellis, RS Johnson

## Statutory information (cont.)

Statutory information		Haywards Property Services (WMS Haywards) Limited	JSSP Limited	Lea Valley Business Centres Limited	Millar Kitching Limited	Millar Kitching Management (Bloomsbury) Limited	Millar Kitching Management (Services) Limited
Company name	Haywards Property Services (WMS Haywards) Limited	JSSP Limited	Lea Valley Business Centres Limited	Millar Kitching Limited	Millar Kitching Management (Bloomsbury) Limited	Millar Kitching Management (Services) Limited	
Company number	3820980	4237439	4216987	2597396	2987437	3221801	
Date of incorporation	6 August 1999	19 June 2001	15 May 2001	2 April 1991	7 November 1994	9 July 1996	
Registered office	8 Salisbury Square, London, EC4Y 8BB						
Trading names							
Court	High Court of Justice						
Court reference	3084/08	3054/08	3229/08	3156/08	3051/08	3067/08	
EU regulation	Main proceedings						
Administrators	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker		Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	
Date of appointment	14 April 2008						
Appointor	Directors	Directors	Directors	Directors	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (No shares in the Companies are held by the Directors)	H McGeever K Hackney D Lavelle	H McGeever D Lavelle	D Lavelle N Davis	N Davis D Lavelle BW Mortimer	N Davis D Lavelle	N Davis D Lavelle	
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis	JMS Bellis	JMS Bellis, RS Johnson				

## Statutory information

Statutory information		Miller Kitching Management Limited	Palmer Satter Limited	Taskfine Management Limited	Harnett Healy Limited	Mauguid Limited	Etrineous Managed Services Limited
Company number	2657058	3259939	2522711	2977186	2009113	1166863	
Date of incorporation	24 October 1991	7 October 1996	16 July 1990	10 October 1994	11 April 1986	16 April 1974	
Registered office	8 Salisbury Square, London, EC4Y 8BB						
Trading names						Eurcal Services	
Court	High Court of Justice						
Court reference	3070/08	3229/08	3032/08	3119/2008	3035/08	3058/08	
EU regulation	Main proceedings						
Administrators	Richard Philpott and Jim Tucker	Richard Hill and Jim Tucker					
Date of appointment	14 April 2008						
Appointor	Directors	Directors	Directors	Directors	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (No shares in the Companies are held by the Directors)	NP Davis D Lavelle	N Davis D Lavelle	NP Davis D Lavelle	NP Davis	NP Davis	N Davis	
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis, RS Johnson	JMS Bellis	JMS Bellis	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	

## Statutory information (cont.)

Statutory information		Erineaceous Property Services Limited		Interior Furniture Services Limited		Morrison Street Management Limited	
Company name	ISGO Limited	CPM Lettings Limited	Erineaceous Property Services Limited	H.L.R. Holdings Limited	Interior Furniture Services Limited	Morrison Street Management Limited	
Company number	3645790	5125388	3142678	4192518	3774511	4081262	
Date of incorporation	7 October 1998	11 May 2004	2 January 1996	2 April 2001	20 May 1999	2 October 2000	
Registered office	8 Salisbury Square, London, EC4Y 8BB						
Trading names							
Court	High Court of Justice						
Court reference	3096/08	3112/08	3092/08	3015/08	3126/08	3129/08	
EU regulation	Main proceedings						
Administrators	Richard Hill and Jim Tucker	Richard Philippott and Jim Tucker	Richard Philippott and Jim Tucker	Richard Philippott and Jim Tucker	Richard Philippott and Jim Tucker	Richard Philippott and Jim Tucker	
Date of appointment	14 April 2008						
Appointor	Directors	Directors	Directors	Directors	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (No shares in the Companies are held by the Directors)	D Lavelle	D Lavelle Erineaceous Property Limited	NP Davis D Lavelle	NP Davis D Lavelle	D Lavelle	CPM Asset Management Limited D Lavelle	
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis, RS Johnson	JMS Bellis	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	JMS Bellis, RS Johnson	JMS Bellis	

## Statutory information (cont.)

Statutory information		People Resourcing Limited	Square Mile Real Estate Services Limited	The Hanover Park Group Limited	Ethnaceous Consultancy Services Limited	John Nolan Associates Limited	Leach Rhodes Walker CDM Limited
Company number	2040364	3997848	2339059	2660273	2785304	3069336	
Date of incorporation	24 July 1986	19 May 2000	25 January 1989	5 November 1991	1 February 1993	16 June 1995	
Registered office	8 Salisbury Square, London, EC4Y 8BB						
Trading names				Dearle & Henderson Francis Graves Leach Rhodes Walker Monaghans Nolan Associates Rose Project Services Dunlop Haywards Building Consultancy			
Court	High Court of Justice						
Court reference	3091/08	3107/2008	3097/08	3036/08	3088/08	3038/08	
EU regulation	Main proceedings						
Administrators	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker	Richard Hill and Jim Tucker	Richard Hill and Jim Tucker	Richard Hill and Jim Tucker	
Date of appointment	14 April 2008						
Appointor	Directors	Directors	Directors	Directors	Directors	Directors	
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	
Directors (No shares in the Companies are held by the Directors)	D Lavelle	D Lavelle	D Lavelle	N Davis	NP Davis	D Lavelle	
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis, RS Johnson						

## Statutory information (cont.)

Statutory information		Leach Rhodes Walker Limited		LRW Interior Design Limited		Mesh Media Limited		Monaghans Holdings Limited		Deacon Insurance Services (Holdings) Limited		GOS Worldwide Limited	
Company name		Leach Rhodes Walker Limited		LRW Interior Design Limited		Mesh Media Limited		Monaghans Holdings Limited		Deacon Insurance Services (Holdings) Limited		GOS Worldwide Limited	
Company number	687340	2248107	5293320	4213370	2396152	5102009							
Date of incorporation	29 March 2008	26 April 1988	22 November 2004	9 May 2001	11 May 1998	14 April 2004							
Registered office	8 Salisbury Square, London, EC4Y 8BB												
Trading names													
Court	High Court of Justice												
Court reference	3103/08	3040/08	3085/08	3131/08	3099/08	3122/08							
EU regulation	Main proceedings												
Administrators	Richard Hill and Jim Tucker	Richard Philpott and Jim Tucker	Richard Philpott and Jim Tucker										
Date of appointment	14 April 2008												
Appointor	Directors	Directors	Directors	Directors	Directors	Directors							
Para 100(2) statement	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office	All functions or acts to be carried out by the Joint Administrators are to be exercised by all or any one or more of the persons for the time being holding that office							
Directors (No shares in the Companies are held by the Directors)	NP Davis D Lavelle	D Lavelle	D Lavelle	D Lavelle	NP Davis	NP Davis D Lavelle							
Secretary (No shares in the Companies are held by the Secretary)	JMS Bellis, RS Johnson												

# Appendix 2

## Receipts and payments account



## Receipts and payments account

## Receipts and payments as at 13 October 2009

£000	EG Plc	Erinaceous Consultancy Services Ltd	ECPS	ECS	EMS	Dormant subsidiaries	Group Consolidated
<b>Receipts</b>							
Leasehold property	950,002	-	3	2	1	242,947	1,192,955
Goodwill	202	227,515	9	21,509	5	-	249,240
Shares and investments	126,361,557	4	-	-	19,085	496,761	126,877,407
Furniture and equipment	3,185	164,987	-	28,488	3	-	313,399
Intragroup funding	3,400,000	-	-	-	-	-	3,400,000
Motor vehicles	-	-	-	10,000	-	-	10,000
Stock/WIP	-	394,425	65,328	20,282	1	-	480,036
Trade debtors	26,775	3,959,120	2,151,601	680,277	1,942,993	-	8,760,766
Other debtors	729,404	70,333	529,885	-	234,668	-	1,564,290
Cash at bank	1,361	12,099	254,788	47,702	7,903	-	323,853
Pre-paid rent	113,673	74,496	16,779	-	-	-	204,948
Recharge of trading/payroll costs	6,906,160	-	-	-	-	-	6,906,160
VAT payable	1,225,828	13,037	938	12,299	-	27,967	1,252,102
Bank interest	104	48,586	39,796	6,128	40,634	-	163,215
Other receipts	277,065	71,959	146,771	11,976	29,428	738,093	1,275,292
<b>Total receipts</b>	<b>139,995,316</b>	<b>5,036,561</b>	<b>3,322,634</b>	<b>838,663</b>	<b>2,274,721</b>	<b>1,505,768</b>	<b>152,973,663</b>
<b>Payments</b>							
Trading costs - see following pages for detail	8,894,633	490	141,144	-	-	-	9,036,267
Distribution to secured creditor (including sale of Caley businesses)	129,648,055	2,600,000	398,177	-	526,723	452,328	133,625,283
Legal and professional costs	923,800	-	-	-	-	-	923,800
Distribution to secured creditor (advisors' fees)	1,269,608	150,232	126,167	137,340	98,192	31,061	1,812,600
Administrators fees	3,003,277	484,701	1,254,028	298,434	385,505	-	5,425,945
Administrators expenses	55,390	8,541	6,141	4,841	4,226	-	79,139
Debt collection	496	59,889	30,312	100	-	-	90,797
Agents/valuers fees	59,994	-	-	-	-	-	59,994
Sundry expenses	362,170	90,810	9,842	1,576	40,484	7,033	511,915
Irrecoverable VAT	40,350	-	-	-	-	-	40,350
VAT receivable	870,712	158,229	240,988	74,770	75,452	5,345	1,425,496
Bank charges	176,490	476	863	-	51	2,394	180,264
<b>Total payments</b>	<b>145,304,975</b>	<b>3,553,368</b>	<b>2,207,662</b>	<b>517,061</b>	<b>1,130,633</b>	<b>498,151</b>	<b>153,211,850</b>
<b>Cash in hand/(Bank funding utilised)</b>	<b>(5,309,659)</b>	<b>1,483,193</b>	<b>1,114,972</b>	<b>321,602</b>	<b>1,144,088</b>	<b>1,007,617</b>	<b>(238,187)</b>

Source: Administrators records



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**Receipts and payments account (cont.)**

Receipts and payments as at 13 October 2009 – trading payments							
€000	EG Plc	Erinaceous Consultancy Services Ltd	ECPS	ECS	EMS	Dormant subsidiaries	Group Consolidated
<b>Payments</b>							
Labour	7,642	-	-	-	-	-	7,642
Direct expenses	22	-	-	-	-	-	22
Sub contractors	206	-	78	-	-	-	284
Consumable	1	-	-	-	-	-	1
Rent	313	-	59	-	-	-	372
Heat and light	37	-	-	-	-	-	37
Telephone/telex/fax	235	-	-	-	-	-	235
Repairs and maintenance	6	-	-	-	-	-	6
Water rates	2	-	-	-	-	-	2
Travel	5	-	1	-	-	-	6
Insurance	346	-	-	-	-	-	346
IT costs	25	-	-	-	-	-	25
Professional fees	2	-	-	-	-	-	2
Stationery and postage	44	-	-	-	-	-	44
Sundry expenses	9	-	3	-	-	-	12
<b>Total payments</b>	<b>8,895</b>	-	<b>141</b>	-	-	-	<b>9,037</b>

Source: Administrators' records.

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# Appendix 3

Administrators' time costs from 20 September 2008 to 13 April 2009



# Appendix 3

## Administrators' time costs

### EG Plc and subsidiaries (in administration) – consolidated

Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	41.8	126.2	206.9	374.9	125,018.00	333.44
Sale of business	5.0	33.8	611.6	650.4	173,794.00	267.22
Assets realisation	15.2	25.5	26.4	67.1	27,107.00	403.98
Failovers	70.2	23.5	0.5	94.2	49,039.00	520.58
Debtor collection	48.6	429.7	1387.3	1,865.6	543,219.50	291.18
Property	4.8	126.5	11.8	143.1	56,799.50	396.92
Calley support	13.0	163.1	247.5	423.6	133,297.50	314.68
Employees	2.5	88.8	407.3	498.6	130,958.75	262.65
Tax and VAT	18.1	233.9	429.6	681.6	186,643.00	273.85
Client money and cashiering	4.2	520.8	595.1	1,120.1	337,832.00	301.61
Creditors and claims	33.8	96.1	348.0	477.9	132,473.00	277.21
Investigations	18.2	20.3	99.8	138.3	40,043.00	289.54
Report to creditors	-	51.6	171.7	223.3	58,790.85	263.34
<b>Total hours</b>	<b>275.4</b>	<b>1,939.8</b>	<b>4543.4</b>	<b>6,758.6</b>	<b>1,995,015.10</b>	<b>295.2</b>
<b>Total cost £</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Average rate per hour £</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements description</b>						
Travel					12,415.12	
Accommodation and food					2,400.43	
Telecoms					14.82	
Bordereau and Court fees					-	
Subcontracted staff					152.34	
Other					-	
<b>Total disbursements £</b>					<b>14,982.71</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

EG Plc (In administration)						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	40	96.7	175.93	313	104,684.50	334.85
Sale of business	3	3.5	4.58	11	4,446.00	401.26
Assets realisation	13	12.5	19	45	18,690.00	420.00
Fairfoaks	70.2	-	-	70	38,829.00	553.12
Debtor collection	34.1	32	64.5	131	48,015.00	367.65
Property	2.8	108	11.5	122	47,448.00	387.96
Caley support	13	162.1	206	381	128,580.00	337.39
Employees	1.5	45.2	313.25	360	93,903.25	260.88
Tax and VAT	18.1	233.9	421.05	673	184,771.00	274.53
Client money and cashiering	4	63.4	95.2	163	48,181.00	296.32
Creditors and claims	28.6	45	291.73	365	94,970.50	259.96
Investigations	17.3	20.3	83	121	35,199.00	291.87
Report to creditors	-	43	101.1	144	38,279.85	265.65
<b>Total hours</b>	<b>245.6</b>	<b>865.60</b>	<b>1,786.84</b>	<b>2,898</b>	<b>-</b>	<b>-</b>
<b>Total cost £</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>885,997.10</b>	<b>305.72</b>
<b>Average rate per hour £</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>305.72</b>
<b>Disbursements description</b>						
Travel					8,842.12	
Accommodation and food					953.10	
Telecoms					14.82	
Borderau and Court fees					-	
Subcontracted staff					-	
Other					-	
<b>Total disbursements £</b>					<b>9,810.04</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

ECPS (in administration)						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	-	1	-	1.00	460.00	460.0
Sale of business	2	2	606	609.50	156,010.00	256.0
Assets realisation	2	11	7	19.80	7,255.00	366.4
Fairfoaks	-	17	-	16.50	7,590.00	460.0
Debtor collection	5	81	430	515.60	136,114.00	264.0
Property	-	-	-	-	-	-
Calley support	-	-	42	41.50	4,367.50	105.0
Employees	-	3	18	20.10	5,136.00	255.5
Tax and VAT	-	-	1	0.80	176.00	220.0
Client money and cashiering	-	291	44	335.10	136,190.00	406.4
Creditors and claims	-	20	16	35.75	11,665.50	326.3
Investigations	-	-	-	0.10	26.00	260.0
Report to creditors	-	-	10	10.25	2,665.00	260.0
<b>Total hours</b>	<b>9</b>	<b>424</b>	<b>1,173</b>	<b>1,606.00</b>	<b>467,645.00</b>	<b>291.19</b>
<b>Total cost £</b>	-	-	-	-	<b>467,645.00</b>	-
<b>Average rate per hour £</b>	-	-	-	-	-	<b>291.19</b>
<b>Disbursements description</b>						
Travel					1,550.10	
Accommodation and food					630.05	
Telecoms					-	
Borderau and Court fees					-	
Subcontracted staff					-	
Other					-	
<b>Total disbursements £</b>					<b>2,180.15</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment, but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

ECS (in administration)						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	1.0	1.0	10.0	12.0	2,340.00	195.0
Sale of business	-	1.0	-	1.0	460.00	460.0
Assets realisation	-	-	-	-	-	-
Fairlocks	-	-	-	-	-	-
Debtor collection	5.1	57.5	147.5	210.1	67,283.00	320.2
Property	2.0	-	-	2.0	1,050.00	525.0
Calley support	-	-	-	-	-	-
Employees	-	-	23.5	23.5	4,960.00	211.5
Tax and VAT	-	-	1.8	1.8	360.00	200.0
Client money and cashiering	-	48.5	68.9	117.4	31,844.00	271.2
Creditors and claims	-	7.0	10.5	17.5	5,340.00	305.1
Investigations	0.5	-	0.2	0.7	372.00	531.4
Report to creditors	-	2.5	16.6	19.1	5,075.00	266.4
<b>Total hours</b>	<b>8.6</b>	<b>117.5</b>	<b>278.9</b>	<b>405.0</b>	-	-
<b>Total cost £</b>	-	-	-	-	<b>119,084.00</b>	-
<b>Average rate per hour £</b>	-	-	-	-	-	<b>294.0</b>
<b>Disbursements description</b>						
Travel					285.00	
Accommodation and food					121.24	
Telecoms					-	
Borderreau and Court fees					-	
Subcontracted staff					-	
Other					-	
<b>Total disbursements £</b>					<b>406.24</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

Erinaceous Consultancy Services Ltd (in administration)						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	0.3	16.9	3.7	20.9	8,729.50	417.7
Sale of business	-	27.8	1	28.8	12,878.00	447.2
Assets realisation	0.2	0.5	-	0.7	358.00	511.4
Fairfoaks	-	-	0.5	0.5	100.00	200.0
Debtor collection	1.1	167.2	396.1	564.4	169,847.50	300.9
Property	-	-	0.3	0.3	31.50	105.0
Caley support	-	-	-	-	-	-
Employees	-	0.5	11.7	12.2	2,538.50	208.1
Tax and VAT	-	-	2	2	460.00	230.0
Client money and cashiering	-	59.6	90.4	150	40,359.00	269.1
Creditors and claims	-	13	6.6	19.6	7,284.50	371.7
Investigations	-	-	0.1	0.1	26.00	260.0
Report to creditors	-	3.5	18.8	22.3	5,970.00	267.7
<b>Total hours</b>	<b>1.6</b>	<b>289</b>	<b>531.2</b>	<b>821.8</b>	<b>248,582.50</b>	<b>302.49</b>
<b>Total cost £</b>	-	-	-	-	-	-
<b>Average rate per hour £</b>	-	-	-	-	-	-
<b>Disbursements description</b>						
Travel					633.40	
Accommodation and food					391.55	
Telecoms					-	
Borderreau and Court fees					-	
Subcontracted staff					-	
Other					-	
<b>Total disbursements £</b>					<b>1,024.95</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

EMS (in administration)						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	-	3	4	7	2,330.00	332.9
Sale of business	-	-	-	-	-	-
Assets realisation	-	1.5	-	1.5	690.00	460.0
Fairroads	-	-	-	-	-	-
Debtor collection	-	82	307.1	389.1	106,655.00	274.1
Property	-	-	-	-	-	-
Cailey support	-	-	-	-	-	-
Employees	-	26.8	33.1	59.9	17,318.00	289.1
Tax and VAT	-	-	0.4	0.4	80.00	200.0
Client money and cashiering	-	37.8	74.7	112.5	29,216.00	259.7
Creditors and claims	-	8.8	18.4	27.2	8,091.50	297.5
Investigations	-	-	12	12	3,020.00	251.7
Report to creditors	-	2.5	16.05	18.55	4,975.00	268.2
<b>Total hours</b>	-	<b>162.4</b>	<b>465.75</b>	<b>628.15</b>	-	-
<b>Total cost £</b>	-	-	-	-	<b>172,375.50</b>	<b>274.42</b>
<b>Average rate per hour £</b>	-	-	-	-	-	-
<b>Disbursements description</b>						
Travel					634.60	
Accommodation and food					36.49	
Telecoms					-	
Borderreau and Court fees					-	
Subcontracted staff					-	
Other					-	
<b>Total disbursements £</b>					<b>971.09</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Freshfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

## Administrators' time costs (cont.)

EG Plc (in administration) – dormant subsidiaries						
Time description	Partner/Director	Management	Administration	Total hours	Total cost £	Average rate per hour £
Statutory and planning	0.5	7.6	13.3	21.4	6,474.00	302.5
Sale of business	-	-	-	-	-	-
Assets realisation	-	-	0.6	0.6	114.00	190.0
Fairfoaks	-	7.0	-	7.0	2,520.00	360.0
Debtor collection	3.5	10.5	41.8	55.8	15,305.00	274.3
Property	-	18.5	-	18.5	8,270.00	447.0
Calcy support	-	1.0	-	1.0	360.00	360.0
Employees	1.0	13.8	8.2	23.0	7,103.00	308.8
Tax and VAT	-	-	3.5	3.5	796.00	227.4
Client money and cashiering	0.2	20.2	222.1	242.5	52,042.00	214.6
Creditors and claims	5.2	2.8	4.5	12.5	5,121.00	409.7
Investigations	0.4	-	4.4	4.8	1,400.00	291.7
Report to creditors	-	0.1	8.9	9.0	1,826.00	202.9
<b>Total hours</b>	<b>10.8</b>	<b>81.5</b>	<b>307.3</b>	<b>399.6</b>	<b>101,331.00</b>	<b>253.58</b>
<b>Total cost £</b>	-	-	-	-	-	-
<b>Average rate per hour £</b>	-	-	-	-	-	-
<b>Disbursements description</b>						
Travel					169.90	
Accommodation and food					268.00	
Telecoms					-	
Borderau and Court fees					-	
Subcontracted staff					152.34	
Other					-	
<b>Total disbursements £</b>					<b>590.24</b>	

Note: All staff who have worked on this assignment, including support staff, have charged time directly to the assignment and are included in the above analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

The administration covered 73 companies, including one head office function. Each administration was staffed by either a senior manager or manager and an appropriate number of administrators. A central team was established which dealt with sale of businesses, debtor collection, tax, pensions and statutory issues.

Fishfields LLP, Ashursts LLP and Lawrence Graham LLP solicitors, all reputable firms experienced in insolvency matters, were appointed to deal with all legal matters arising in the administration. Detailed breakdowns were received in respect of fees paid to them.

Source: Administrators' records.

# Appendix 4

## Company classifications



## Company classifications

Company classifications	
<b>Parent</b>	
Erinaceous Group Plc	
<b>Operating entities</b>	
Erinaceous Consultancy Services Limited	
Erinaceous Commercial Property Services Limited	
Erinaceous Managed Services Limited	
Erinaceous Commercial Services Limited	
HLR Holdings Limited	
ISGO Limited	
<b>Dormant companies</b>	
Alexander Millar Kitching Limited	
Balancegrove Homes Limited	
CPM Lettings Limited	
Deacon Insurance Services (Holdings) Limited	
Dunlop Heywood Lorenz Executive Board Limited	
Dunlop Heywood Residential Limited	
Entente Consulting Limited	
Entente Group Ltd	
EP2 Management Resources Ltd	
Erinaceous Property Services Limited	
Francis Graves Ltd	
GOS Worldwide Limited	
Graves Holdings Ltd	
H P S Property Limited	
Harman Healy Limited	
Haywards Property Services (Kennedy Haywards) Ltd	
Haywards Property Services (WMS Haywards) Ltd	

Company classifications (cont.)	
<b>Dormant companies (cont.)</b>	
Interior Furniture Services Limited	
John Nolan Associates Ltd	
JSSP Ltd	
Lea Valley Business Centres Limited	
Leach Rhodes Walker CDM Limited	
Leaf ID Limited (Previously: LRW Interior Design Limited)	
Leaf Mesh Limited (Previously: Mesh Media Limited)	
Leaf One Limited (Previously: Leach Rhodes Walker Limited)	
Mainguild Limited	
Millar Kitching Limited	
Millar Kitching Management (Bloomsbury) Limited	
Millar Kitching Management (Services) Limited	
Millar Kitching Management Limited	
Monaghans Holdings Limited	
Morrison Street Management Limited	
Painter Salter Limited	
People Resourcing Limited	
Square Mile Real Estate Services Limited	
Taskline Management Limited	
The Hanover Park Group Limited	

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# Appendix 5

Form 2.31B, notice of extension of the period of administration



**Notice of extension of the initial period of administration**

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