

AM22

Notice of move from administration to creditors' voluntary liquidation



Companies House

THURSDAY



A74P0L63

A24

26/04/2018

#38

COMPANIES HOUSE

1 Company details

Company number 0 4 1 2 3 7 9 5

Company name in full Nupharm Laboratories Limited

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

2 Court details

Court name Newcastle upon Tyne District Registry

Court case number 0 1 1 2 o f 2 0 1 7

3 Administrator's name

Full forename(s) Steven Philip

Surname Ross

4 Administrator's address

Building name/number 1

Street St James' Gate

Post town Newcastle upon Tyne

County/Region

Postcode N E 1 4 A D

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

5 Administrator's name ●

Full forename(s) Allan David

Surname Kelly

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

6 Administrator's address ●

Building name/number 1

Street St James' Gate

Post town Newcastle upon Tyne

County/Region

Postcode N E 1 4 A D

Country

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

7 Appointor/applicant's name

Give the name of the person who made the appointment or the administration application.

Full forename(s) Newcastle upon Tyne District Registry

Surname

8 Proposed liquidator's name

Full forename(s) Steven Philip

Surname Ross

Insolvency practitioner number 9 5 0 3

9 Proposed liquidator's address

Building name/number 1

Street St James' Gate

Post town Newcastle upon Tyne

County/Region

Postcode N E 1 4 A D

Country

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Notice of move from administration to creditors' voluntary liquidation

10 Proposed liquidator's name ●

| | |
|--------------------------------|------------|
| Full forename(s) | Alan David |
| Surname | Kelly |
| Insolvency practitioner number | 9 1 5 6 |

● **Other liquidator**
Use this section to tell us about another liquidator.

11 Proposed liquidator's address ●

| | |
|----------------------|---------------------|
| Building name/number | 1 |
| Street | St James' Gate |
| Post town | Newcastle upon Tyne |
| County/Region | |
| Postcode | N E 1 4 A D |
| Country | |

● **Other liquidator**
Use this section to tell us about another liquidator.

12 Period of progress report

| | | | | |
|-----------|---------|---------|---------|---------|
| From date | d 2 d 6 | m 1 m 0 | y 2 y 0 | y 1 y 7 |
| To date | d 2 d 5 | m 0 m 4 | y 2 y 0 | y 1 y 8 |

13 Final progress report

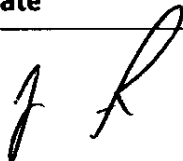
☒ I have attached a copy of the final progress report.

14 Sign and date

Administrator's signature

Signature

X



X

| | | | | |
|----------------|---------|---------|---------|---------|
| Signature date | d 2 d 5 | m 0 m 4 | y 2 y 0 | y 1 y 8 |
|----------------|---------|---------|---------|---------|

AM22

Notice of move from administration to creditors' voluntary liquidation



Presenter information

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

| | |
|---------------|--------------------------------|
| Contact name | Steven Philip Ross |
| Company name | RSM Restructuring Advisory LLP |
| Address | 1 St James' Gate |
| Post town | Newcastle upon Tyne |
| County/Region | |
| Postcode | N E 1 4 A D |
| Country | |
| DX | |
| Telephone | 0191 255 7000 |



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

In the matter of

**Nupharm Laboratories Limited In Administration
(‘the Company’)**

In the Newcastle upon Tyne District Registry no 0112 of 2017

Joint Administrators’ final progress report

25 April 2018

**Steven Philip Ross and Allan David Kelly
Joint Administrators**

**RSM Restructuring Advisory LLP
1 St James’ Gate
Newcastle upon Tyne NE1 4AD
Tel: 0191 255 7000
Email: restructuring.newcastle@rsmuk.com**

Sections

1. Conduct of the administration
2. Assets remaining to be realised
3. Creditors' claims and dividend prospects
4. Receipts and payments summary
5. Joint Administrators' remuneration, expenses and disbursements
6. Creditors' right to information and ability to challenge expenses
7. Closure of the administration

Appendices

- A. Statutory and other information
- B. Dividend information
- C. Summary of receipts and payments
- D. *RSM Restructuring Advisory LLP charging, expenses and disbursements policy*
- E. *RSM Restructuring Advisory LLP Newcastle current charge out and disbursement rates*
- F. Statement of expenses incurred in the period from 26 October 2017 to 25 April 2018
- G. Joint Administrators' time cost analysis for the period from 26 October 2017 to 25 April 2018

This report has been prepared in accordance with insolvency legislation to provide creditors, members and the Registrar of Companies with information relating to the progress of the administration in the period from 26 October 2017 to 25 April 2018. This report should be read in conjunction with any previous reports that have been issued, copies of which are available on request.

This report has been prepared solely to comply with the statutory requirements of the relevant legislation. It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the company. Any estimated outcomes for creditors are illustrative and may be subject to significant change.

Neither the Administrators nor RSM Restructuring Advisory LLP accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this proposal.

1 Conduct of the administration

The costs incurred to date and those expected to be incurred in dealing with the matters below in the subsequent liquidation are set out in detail at Section 5.

1.1 The administrators' proposals

The Administrators proposals are detailed below:

The Administrators should continue to:

- realise the company's chattel assets in the most appropriate and cost effective manner, ie via auction or private sale with the assistance of Lambert Smith Hampton;
- liaise with hire purchase / lease companies to maximise realisations for the benefit of creditors overall;
- realise any other assets of the Company in the most appropriate method to maximise realisations for the benefit of creditors.

The Administrators should continue to investigate and, if appropriate, pursue any claims that they or the Company may have against any director or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.

The Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to an early distribution of the available assets in an economic manner.

The Administrators be authorised to make such application to court for directions as they consider appropriate with a view to achieving the purposes of the administration or their proposals.

The Company exits the administration by way of Creditors Voluntary Liquidation. If any asset is identified (including redress from a mis-sold interest rate hedging product) as a result of which it is anticipated that a distribution will be made to unsecured creditors, which is not a prescribed part distribution, then the Company shall exit administration by Creditors' Voluntary Liquidation. Should funds not permit the exit of the Administration via Creditors Voluntary Liquidation the Company will exit Administration via dissolution.

That Steven Philip Ross and Allan David Kelly of RSM Restructuring Advisory LLP, 1 St James' Gate, Newcastle upon Tyne NE1 4AD be appointed Joint Liquidators of the Company following the cessation of the administration and the Joint Liquidators will have the power to act jointly and severally.

For creditors to consider whether to appoint a Creditors' Committee to assist the Administrators and subsequent Joint Liquidators.

In the event that a Creditors' Committee is not established, the Administrators be discharged from liability in respect of any action of theirs as Administrators immediately following their cessation to act as Administrators.

In the event that a Creditors' Committee is not established, then in accordance with the fee estimate provided to creditors at Appendix K to these proposals the Administrators shall be authorised to draw their remuneration based upon time costs limited to the sum of £72,363 (plus VAT).

In the event that a Creditors' Committee is not established, the Administrators shall be authorised to draw 'category 2' disbursements as an expense of the administration at the rates prevailing at the time the cost is incurred, current details of which are attached at Appendix I. In the event that the administration exits by way of liquidation and the administrators are appointed liquidators, such resolution shall be treated as being passed in the liquidation.

Creditors are also asked to consider the following resolutions in relation to the outstanding pre-administration costs detailed at paragraphs 9.11 and 9.12 below and at Appendix O.

In the event that a Creditors' Committee is not established, the Administrators shall be authorised to draw their outstanding pre-appointment remuneration and disbursements as set out in Appendix O, in the sum of £4,856.50 (plus VAT), such disbursements to include 'category 2 disbursements' at the rates prevailing at the time the cost was incurred, current details of which are attached at Appendix I.

In the event that a Creditors' Committee is not established, the Administrators shall be authorised to discharge the outstanding pre-appointment expenses as set out in Appendix O, in the sum of £Nil (plus VAT).

I can advise that there has been no revisions or deviations to the original proposals.

The statutory purpose (b) to achieve a better result for the Company's creditors as a whole than would be likely of the Company were wound up (without first being in Administration) has been achieved.

1.2 Realisation of assets

The Joint Administrators are obliged to realise and get in the Company's property and maximise realisations. In some cases this does not result in sufficient realisations to result in a financial benefit to creditors, after taking into account the costs and expenses of realisation and dealing with the legislative requirements of administering the case. Details of the realisations made are set out below, with information relating to dividends, if any, contained within Appendix B.

There have been no further realisations within the current reporting period.

1.2.1 Property related matters

As you are aware due to the size and volume of equipment it was not physically possible or cost effective to remove the plant and equipment from site to market for sale. With the landlords permission an online auction was held with assets being collected directly from site during the week commencing 19 June 2017.

The annual rent was £130,000 per annum. The site was vacated by 30 June 2017 and the keys were returned to the Landlord on 11 July 2017. It was estimated that the likely rent payable for the period of occupation would be £23,472.16. An invoice has been requested for the period of occupation from 26 April 2017 to 11 July 2017. However, during this period there has been a change in landlords.

The current landlord is Threadneedle Pensions Limited and their agents are Workman LLP ("Workman"). Workman have advised that they will raise an invoice for 1 June 2017 to 11 July 2017. This has not been received and a further request for the invoice has been made.

The landlord would not agree to a surrender of the lease. However, they have agreed to hold keys as access to the premises by the Administrators is no longer required. The Administrators use and period of occupation of the premises ended on 11 July 2017. Any other claims the landlord may have against the Company under or in connection with the lease will rank as an unsecured claim.

JLT were instructed to maintain insurance. The premium has been finalised in relation to sale of the assets. Public Liability insurance will be maintained until the property has been disclaimed.

The proposed exit of the Administration is Creditors Voluntary Liquidation ("CVL"). Once the Company is in CVL arrangements will be made for the lease to be disclaimed.

Muckle LLP ("Muckle") were instructed to deal with Workman regarding the lease and a possible surrender. Muckle has incurred costs of £1,701.00 plus VAT which have been paid.

I will attempt to contact the former landlords for an invoice for rent for the period of 26 April 2017 to 31 May 2017.

Estimated utility bills have been received in excess of £14k. As the company did not trade in Administration and as the premises were not occupied, the estimates received seem excessive. I have been in correspondence with the utility company and requested actual meter readings on several occasions in an attempt to try and resolve this issue. I am still waiting for final bills. The original estimate for utility costs was £6,000.

Following a receipt of a non-domestic rates bill for £6,233 a month, I contacted the local council who agreed an exemption allowance due to the fact that the Company is in Administration.

The outstanding property issues will be finalised in the CVL, prior to a distribution being made to unsecured creditors.

1.2.2 Claim for compensation for mis-selling of Interest Rate Hedging Product ("IRHP")

Investigations have been made into the mis-selling of interest rate hedging products and confirmation

has been received that no such products were sold to the Company.

1.3 Connected party transactions

There have been no connected party transactions within the current reporting period.

1.4 Administration and planning

Certain aspects of the work that the Joint Administrators undertake are derived from the underlying legal and regulatory framework for cases of this nature. This work, which does not usually result in any direct financial benefit to creditors, is a necessary part of complying with both the legislative and best practice responsibilities arising in such cases, and ensuring that the case is managed efficiently and effectively. It includes matters such as:

- Periodic case reviews, ongoing case planning and strategy
- Maintaining and updating computerised case management records
- Dealing with routine correspondence not attributable to other categories of work
- Ongoing consideration of ethical and anti-money laundering regulations
- General taxation matters, including seeking tax clearance from HMRC
- Preparation of receipts and payments accounts, maintenance of cashing records
- Preparing, reviewing and issuing final report to creditors and other parties
- Filing of final documentation at Companies House, Court and other relevant parties
- General administrative matters in relation to closing the case

2 Assets remaining to be realised

There are no assets remaining to be realised.

3 Creditors' claims and dividend prospects

Details of the dividends paid to creditors, including the amount under the prescribed part, if any are shown in Appendix B.

No distribution has been made to ordinary unsecured creditors in the administration: the intention is that a distribution will be made by any subsequently appointed Liquidator, who will agree creditors' claims in due course, initially by reference to the proofs of debt lodged by creditors themselves.

The Joint Administrators are obliged to deal with a number of matters in relation to creditors to comply with both the legislative and best practice requirements in relation to the case and to ensure creditors are kept informed. Creditors will only derive an indirect financial benefit from this work on cases where a dividend has been paid or is due to be paid in the subsequent liquidation. It includes such matters as:

- Preparation and issue of progress reports and associated documentation
- Maintenance of schedules of preferential and unsecured creditors' claims
- Dealing with correspondence and telephone calls
- Where necessary, consideration of creditors' claims; acceptance or rejection of claims and complying with legislative obligations in relation to adjudication of creditors' claims generally for voting and, if applicable, dividend purposes
- Review of creditor claim supporting documentation
- Calculation and payment of dividend(s) to one or more classes of creditors.

4 Receipts and payments summary

The Administrators' receipts and payments for the period from 26 October 2018 are attached. Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

5 Joint Administrators' remuneration, expenses and disbursements

5.1 Authority for remuneration, disbursements and expenses

The Joint Administrators' remuneration was approved on 06 July 2017 by the general body of creditors on the following basis.

On the basis of time costs limited to the sum of £72,363 (plus VAT) in accordance with the fee estimate attached to the Joint Administrators' proposals.

The Joint Administrators cannot draw more than this amount without obtaining the further approval of the general body of creditors.

The general body of creditors also approved the drawing of category 2 disbursements on 06 July 2017.

5.2 Remuneration incurred and drawn in the period from 26 October 2017 to 25 April 2018 and since appointment

Sums drawn, both in respect of the current period of the report, and since appointment, in accordance with the relevant approvals set out above, are detailed in the attached receipts and payments account.

The Joint Administrators are required to report remuneration 'charged' in the period. This reflects the time charged to the case for any category of work where remuneration has been approved on a time cost basis. The Joint Administrators can only draw remuneration based on time costs, that has been approved in accordance the fee estimate(s), as set out above.

The Joint Administrators have incurred time costs of £16,066.00 in the current period. An analysis of time incurred in the period is attached.

Since the date of appointment, the Joint Administrators have incurred time costs totalling £50,487.50. Of this, a total of £50,487.50 (plus VAT) has been paid.

Fees drawn are within the estimated amount approved by the relevant approving body and no further increase will be sought.

5.3 Expenses and disbursements

Details of all the Joint Administrators' expenses (which include category 1 and category 2 disbursements) incurred during the period of the report are shown in the attached Statement of Expenses. Expenses paid in the period, along with cumulative figures, are shown in the attached receipts and payments account. Details of the current rates are attached.

5.3.1 Other professional costs and expenses ("Category 1")

Whilst professional costs are not subject to approval by the relevant approving body, all professional costs are subject to review before being paid.

Muckle LLP solicitors, have been retained as legal advisors in view of their general experience and expertise in these matters. They have provided advice on property issues. Their remuneration has been agreed on the basis of their standard hourly charge-out rates, plus VAT and disbursements. During the current reporting period they have submitted invoices totalling £1,701.00 plus VAT which have been paid.

JLT have provided Insurance.

The quantum of the expenses incurred to date is in line with the estimate provided to creditors on 19 June 2017.

5.4 Costs to closure

It is proposed that the Company will exit the administration by Creditors Voluntary Liquidation. I anticipate that I will incur additional costs to closure of £825.00 in completing final check lists, submitting the final progress reports and updating IP records.

6 Creditors' right to information and ability to challenge expenses

In accordance with the provisions of the relevant legislation creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors (including that creditor) or the permission of the court, may apply to court that

the remuneration charged, the basis fixed or expenses incurred by the administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

A Guide to Administrators Fees, which provides information for creditors in relation to the remuneration of Creditors' an Administrator, can be accessed at <http://rsm.insolvencypoint.com> under 'general information for creditors'. A hard copy can be requested from my office by telephone, email or in writing.

7 Closure of the administration

The Joint Administrators will bring the administration to a close by Creditors Voluntary Liquidation.

Should you require any further information please do not hesitate to contact me.



Steven Philip Ross
RSM Restructuring Advisory LLP
Joint Administrator

Steven Philip Ross is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Allan David Kelly is licensed to act as an Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England and Wales
Insolvency Practitioners are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment

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

Appendix A

Statutory and other information

| Company information | |
|------------------------|--|
| Company name: | Nupharm Laboratories Limited |
| Company number: | 04123795 |
| Date of incorporation: | 12 December 2000 |
| Trading name: | Nupharm Laboratories Limited |
| Trading address | 2b Newtech Square, Deeside, Clwyd, CH5 2NT |
| Principal activity: | Manufacture of pharmaceutical products and medicaments |
| Registered office: | RSM Restructuring Advisory LLP, 1 St James' Gate, Newcastle upon Tyne, NE1 4AD |

| Administration information | | |
|--|--|--|
| Joint Administrators: | Steven Philip Ross and Allan David Kelly | |
| Date of appointment: | 26 April 2017 | |
| Appointor: | Directors | |
| Date and details of extension | None | |
| Exit route: | Creditors' Voluntary Liquidation | |
| Correspondence address & contact details of case manager | Kelly Allison 0191 255 7000 RSM Restructuring Advisory LLP, 1 St James' Gate, Newcastle upon Tyne NE1 4AD | |
| Name, address & contact details of Joint Administrators | Primary Office Holder Steven Philip Ross RSM Restructuring Advisory LLP 1 St James' Gate Newcastle upon Tyne NE1 4AD 0191 2557000 IP Number: 9503 | Joint Office Holder: Allan David Kelly RSM Restructuring Advisory LLP 1 St James' Gate Newcastle upon Tyne NE1 4AD 0191 2557000 IP Number: 9156 |

Appendix B

Dividend information

| Dividend | Owed* | Paid to date | Estimated future prospects |
|---|------------|--------------|-----------------------------------|
| Secured creditor – Lloyds Bank Plc | Nil | N/A | N/A |
| Preferential creditors | Nil | N/A | N/A |
| Unsecured creditors | £4,535,282 | NIL | Small dividend to be paid via CVL |
| Estimated net property | N/A | | |
| Estimated prescribed part available for unsecured creditors | N/A | | |

* Per Statement of Affairs

Appendix C

Receipts and Payments Abstract: 1091273 - Nupharm Laboratories Limited In Administration

Bank, Cash and Cash Investment Accounts: From: 26/10/2017 To: 25/04/2018

| SOA Value £ | 26/10/2017 to 25/04/2018 | | Total to 25/04/2018 | |
|----------------|--|-------------|---------------------|-------------|
| | £ | £ | £ | £ |
| | POST APPOINTMENT TRADING | | | |
| 0.00 | Trading Deficit | (847.08) | (847.08) | (847.08) |
| | | | | |
| | ASSET REALISATIONS | | | |
| 0.00 | Bank Interest Gross | 68.05 | 79.98 | |
| 231.00 | Cash at Bank on Appointment | 0.00 | 0.00 | |
| 500.00 | Intellectual Property | 0.00 | 0.00 | |
| 0.00 | Other Current Assets | 0.00 | 2,500.00 | |
| 125,000.00 | Plant and Machinery | 0.00 | 204,446.00 | |
| | | | | |
| | | 68.05 | | 207,025.98 |
| | COST OF REALISATIONS | | | |
| 0.00 | Agents / Valuers Fees | 0.00 | (18,499.04) | |
| 0.00 | Appointee Fees | (37,487.50) | (50,487.50) | |
| 0.00 | Corporation Tax | (15.20) | (15.20) | |
| 0.00 | Disbursement: Postage | (36.59) | (99.49) | |
| 0.00 | Disbursement: Property Maintenance | 0.00 | (720.00) | |
| 0.00 | Disbursement: Specific Bond | 0.00 | (85.00) | |
| 0.00 | Disbursement: Statutory Advertising | 0.00 | (84.60) | |
| 0.00 | Disbursement: Website Charge | 0.00 | (8.00) | |
| 0.00 | Insurance | (1,279.00) | (1,279.00) | |
| 0.00 | Legal Fees | (1,701.00) | (1,701.00) | |
| 0.00 | Pre Appointment Fees | 0.00 | (4,856.50) | |
| 0.00 | Sundry Costs | 0.00 | (70.00) | |
| | | | | |
| | | (40,519.29) | | (77,905.33) |
| | UNSECURED CREDITORS | | | |
| (4,380,959.00) | Associated Creditors | 0.00 | 0.00 | |
| (2,651.00) | HM Revenue and Customs | 0.00 | 0.00 | |
| (155,454.50) | Trade and Expense Creditors | 0.00 | 0.00 | |
| | | | | |
| | | 0.00 | | 0.00 |
| | EQUITY | | | |
| (20,000.00) | Ordinary | 0.00 | 0.00 | |
| | | | | |
| | | 0.00 | | 0.00 |
| (4,433,333.50) | | (41,298.32) | | 128,273.57 |
| | REPRESENTED BY | | | |
| | Current Account - cash funds available to Liquidator | | 125,871.07 | |
| | VAT Receivable (Payable) - to be reclaimed by the Liquidator | | 2,402.50 | |
| | | | | 128,273.57 |
| | | | | 128,273.57 |

Profit and Loss (Trading): 1091273 - Nupharm Laboratories Limited In**From: 26/10/2016 To: 25/04/2018 (Accrual Basis)**

| | |
|---|-----------------|
| | £ |
| Post Appointment Sales (Trading) | 0.00 |
| Cost of Goods Sold | 0.00 |
| Trading Expenditure | |
| Utilities | (847.08) |
| Total Trading Expenditure: | (847.08) |
| Net Trading Income: | (847.08) |
| Net Income: | (847.08) |

Company has not traded in Administration - Utility costs associated with property

Appendix D

RSM Restructuring Advisory LLP charging, expenses and disbursements policy

Charging policy

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time.
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators.
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate.
- Time is recorded in 6-minute units at the rates prevailing at the time the work is done.
- The current charge rates for RSM Restructuring Advisory LLP Newcastle are attached.
- Time billed is subject to Value Added Tax at the applicable rate, where appropriate.
- It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it.
- RSM Restructuring Advisory LLP's charge out rates are reviewed periodically.

Expenses and disbursements policy

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate.
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to the relevant approving party, but do not require approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 1' disbursements.
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) or payments to outside parties that the firm or any associate has an interest, require the approval of the relevant approving party prior to being drawn from the insolvency estate. These are known as 'category 2' disbursements.
- A decision regarding the approval of category 2 disbursements at the rates prevailing at the time the cost is incurred to RSM Restructuring Advisory LLP Newcastle will be sought from the relevant approving party in accordance with the legislative requirements.
- General office overheads are not re-charged to the insolvency estate as a disbursement.
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of the relevant approving party.
- Expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate, where appropriate.

Appendix E

RSM Restructuring Advisory LLP Newcastle current charge out and disbursement rates

| Hourly charge out rates | Rates at commencement | Current rates |
|---------------------------------|-----------------------|------------------|
| | £ | £ |
| Partner | 385.00 to 485.00 | 385.00 to 485.00 |
| Directors / Associate Directors | 275.00 to 330.00 | 275.00 to 330.00 |
| Manager | 215.00 to 275.00 | 215.00 to 275.00 |
| Assistant Managers | 230.00 | 230.00 |
| Administrators | 145.00 to 215.00 | 145.00 to 215.00 |
| Support staff | 78.00 to 127.00 | 78.00 to 127.00 |

| Category 2 disbursement rates | |
|-------------------------------|---|
| Internal room hire | £100 per hour |
| Subsistence | £25 per night (from 3 rd September 2013) |
| Travel (car) | 42.5p per mile (from 1 April 2011) |
| 'Tracker' searches | £10 per case |

Appendix F

Statement of expenses incurred in the period from 26 October 2017 to 25 April 2018

| Expenses (excluding category 2 disbursements) Type and purpose | Incurred in period | |
|---|--------------------|---------------|
| | Paid £ | Unpaid £ |
| Appointee disbursements: | | |
| Insurance | 1,279.00 | Nil |
| Legal fees | 784.00 | 196.00 |
| Postage | 36.59 | Nil |
| | | |
| Sub Total | 2,099.59 | 196.00 |
| | | |
| Category 2 disbursements | | |
| Recipient, type and purpose | | |
| None | Nil | Nil |
| | | |
| Sub Total | Nil | Nil |
| | | |
| Total | 2,491.59 | Nil |

NOTE: The amounts paid in the period are shown in the attached receipts and payments account. Invoices may have been paid in a period after that in which they were incurred.

Appendix G

Joint Administrators' time cost analysis for the period from 26 October 2017 to 25 April 2018

| Period | Hours Spent | Partners | Directors / Associate Directors | Managers | Assistant Managers | Administrators | Assistants & Support Staff | Total Hours | Total Time Costs | Average Rates |
|-------------------------------------|-------------|------------|---------------------------------|----------|--------------------|----------------|----------------------------|-------------|------------------|---------------|
| Administration and Planning | | | | | | | | | | |
| Case Management | | 0.00 | 0.00 | 0.00 | 0.00 | 1.70 | 0.70 | 2.40 | £ 316.50 | 131.88 |
| Closure | 7.50 | | 6.50 | 0.00 | 0.00 | 17.10 | 0.00 | 31.10 | £ 8,542.00 | 274.66 |
| Receipts and Payments | 0.00 | | 1.00 | 0.00 | 0.00 | 3.20 | 0.00 | 4.20 | £ 899.50 | 214.17 |
| Tax Matters | 0.00 | | 1.00 | 0.00 | 0.00 | 3.20 | 0.00 | 4.20 | £ 890.50 | 212.02 |
| Total | 7.50 | | 8.50 | 0.00 | 0.00 | 25.20 | 0.70 | 41.90 | £ 10,648.50 | 254.14 |
| Realisation of Assets | | | | | | | | | | |
| Assets - general/other | | 0.00 | 0.00 | 0.00 | 0.00 | 0.80 | 0.00 | 0.80 | £ 172.00 | 215.00 |
| Chattels | 0.00 | | 0.00 | 0.00 | 0.00 | 0.30 | 0.00 | 0.30 | £ 64.50 | 215.00 |
| Land and Property | 0.00 | | 0.20 | 0.00 | 0.00 | 2.90 | 0.00 | 3.10 | £ 678.50 | 218.87 |
| Total | 0.00 | | 0.20 | 0.00 | 0.00 | 4.00 | 0.00 | 4.20 | £ 915.00 | 217.86 |
| Creditors | | | | | | | | | | |
| Other Creditor Meetings and Reports | | 0.00 | 7.50 | 0.00 | 0.00 | 8.80 | 0.40 | 16.70 | £ 3,986.50 | 238.71 |
| Secured Creditors | 0.00 | | 0.00 | 0.00 | 0.00 | 1.20 | 0.00 | 1.20 | £ 258.00 | 215.00 |
| Unsecured Creditors | 0.00 | | 0.00 | 0.00 | 0.00 | 1.20 | 0.00 | 1.20 | £ 258.00 | 215.00 |
| Total | 0.00 | | 7.50 | 0.00 | 0.00 | 11.20 | 0.40 | 19.10 | £ 4,502.50 | 235.73 |
| Total Hours | | 7.50 | 16.20 | 0.00 | 0.00 | 40.40 | 1.10 | 65.20 | £ 16,066.00 | 246.41 |
| Total Time Cost | | £ 3,750.00 | £ 4,455.00 | £ 0.00 | £ 0.00 | £ 7,773.00 | £ 88.00 | £ 16,066.00 | | |
| Total Hours | | 7.50 | 16.20 | 0.00 | 0.00 | 40.40 | 1.10 | 65.20 | £ 16,066.00 | 246.41 |
| Total Time Cost | | £ 3,750.00 | £ 4,455.00 | £ 0.00 | £ 0.00 | £ 5,073.00 | £ 88.00 | £ 16,066.00 | | |
| Average Rates | | 0.00 | 275.00 | 0.00 | 0.00 | 125.57 | 80.00 | 246.41 | | |