

The Insolvency Act 1986

Administrator's progress report

2.24B

Name of Company MERCHANT HOUSE FINANCIAL SERVICES LIMITED	Company number 04491709
In the High Court of Justice, London [full name of court]	Court case number 1729 of 2013

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

I/We (a) A D Cadwallader & A J Duncan of Leonard Curtis, One Great Cumberland Place,
Marble Arch, London W1H 7LW

administrator(s) of the above company attach a progress report for the period

from

to

(b) Insert dates

(b) 21 March 2013

(b) 6 March 2014

Signed



Joint / Administrator(s)

Dated

24 March 2014

Contact Details:

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

COMPANIES HOUSE

Leonard Curtis

One Great Cumberland Place, Marble Arch, London W1H 7LW

Ref UC/30

Tel 020 7535 7000

DX Number

DX Exchange

have completed and signed this form please send it to the Registrar of Companies at Companies

own Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

THURSDAY



A34J5C6X

A11

27/03/2014

#248

Please ask for
Our ref
Your ref

Urooj Choudhry
L/30/UC/SMER08/1040/1010



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

24 March 2014

TO ALL KNOWN CREDITORS

PRIVATE & CONFIDENTIAL

Dear Sir(s)/Madam

**MERCHANT HOUSE FINANCIAL SERVICES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION)("the Company")**

I write to inform you that in accordance with the proposals approved by creditors ("the proposals") the Company has been moved from Administration into Creditors' Voluntary Liquidation. The appointment of the Joint Administrators has therefore been brought to an end and I was appointed Joint Liquidator together with A J Duncan on 6 March 2014.

A copy of the Joint Administrators' Final Progress report is attached.

Also, in accordance with the proposals, our remuneration as Joint Liquidators is fixed by reference to the time properly given by us and our staff in attending to matters arising in the winding-up. Details of our company's charge out rate and policy regarding staff allocation, support staff and the use of subcontractors are attached. There are also details of the basis upon which we recharge internal disbursements that include an element of allocated costs. This basis is also fixed in accordance with the proposals. Further information may be found in "Guide to Liquidators' Fees". This may be downloaded from www.leonardcurtis.co.uk/resources/creditorsguides or is available from our office free of charge on request.

All enquiries regarding this letter and its enclosures should be addressed to our office in writing. Electronic communications should contain a full postal address.

Yours faithfully
for and on behalf of
MERCHANT HOUSE FINANCIAL SERVICES LIMITED

A D CADWALLADER
Joint Liquidator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

COMPANIES HOUSE



A11

27/03/2014

#218

One Great Cumberland Place
London W1H 7LW

ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS

The following information relating to the policy of Leonard Curtis is considered to be relevant to creditors

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Previous Rates			New Rates	
	Standard	Complex		Standard	Complex
	£	£		£	£
Director	425	531	Director	450	562
Senior Manager	385	481	Senior Manager	410	512
Manager 1	330	413	Manager 1	365	456
Manager 2	285	356	Manager 2	320	400
Administrator 1	230	287	Administrator 1	260	325
Administrator 2	210	262	Administrator 2	230	287
Administrator 3	190	237	Administrator 3	210	262
Administrator 4	135	168	Administrator 4	150	187

The Use of Subcontractors

Details of any subcontractor(s) used are given in the attached report

Professional Advisors

Details of any professional advisor(s) used are given in the attached report. Unless otherwise indicated the fee arrangement for each will be based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements.

The choice of professional advisors will be based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as a "category 1 disbursement". Category 1 disbursements will generally comprise supplies of incidental services specifically identifiable to the case, typically for items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and document storage.

Where we propose to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, documents storage or communication facilities provided by us) they must be disclosed and be authorised by those responsible for approving the liquidator's remuneration. Such expenditure is referred to as a "category 2 disbursement". In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Room Hire	£100
Storage of office files (6 years)	£88.75 per box
Business Mileage	45p a mile



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

**MERCHANT HOUSE FINANCIAL SERVICES LIMITED
(IN CREDITORS' VOLUNTARY LIQUIDATION
AND FORMERLY IN ADMINISTRATION)**

Registered Number: 04491709

**Joint Administrators' Second and Final Progress Report to Creditors
for the period from 21 September 2013 to 6 March 2014**

24 March 2014

Leonard Curtis
One Great Cumberland Place, Marble Arch,
London W1H 7LW
Tel 020 7535 7000 Fax 020 7723 6059
solutions@leonardcurtis.co.uk
Ref L/30/UC/SMER06/1010

CONTENTS

- 1 Statutory Information
- 2 Steps taken during the Administration and Progress to Date
- 3 Achieving the Purpose of Administration
- 4 Joint Administrators' Remuneration and Disbursements
- 5 Pre-Administration Costs
- 6 Creditors' Rights
- 7 Extension of Administration
- 8 Further Assets to be Realised
- 9 Other Relevant Information and Outcome for Creditors
- 10 Ending the Administration

APPENDICES

- A Joint Administrators' Proposals as Approved
- B Final Summary of Joint Administrators' Receipts and Payments from 21 March 2013 to 6 March 2014
- C Final Summary of Joint Administrators' Time Costs from 21 March 2013 to 6 March 2014
- D Additional Information in Relation to the Policy of Leonard Curtis Regarding Fees and Disbursements
- E Notice of Move from Administration to Creditors' Voluntary Liquidation

TO: ALL CREDITORS, THE COURT AND THE REGISTRAR OF COMPANIES

1 STATUTORY INFORMATION

- 1.1 I was appointed Joint Administrator of Merchant House Financial Services Limited ("the Company") together with A J Duncan and M C Healy ("Mr Healy") on 21 March 2013. Both Mr Duncan and I are licensed in the UK by the Institute of Chartered Accountants in England and Wales. Mr Healy is licensed in the UK by the Insolvency Practitioners Association. The appointment of the Joint Administrators ("the Joint Administrators") was made by Mr Nigel Love of The Comms Centre, Darnell Way, Northampton NN3 6RW a director of the Company.
- 1.2 The Administration proceedings are under the jurisdiction of the High Court of Justice under Court reference number 1729 of 2013.
- 1.3 In accordance with paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 ("the Act"), the function of the Joint Administrators may be exercised by either or any, acting jointly or alone. Mr Healy has now left Leonard Curtis and was removed by Order of the High Court dated 22 November 2013. Under the terms of the Order, all creditors of the Company have permission to apply to Court within 28 days of the date of this report for the purposes of applying to vary or discharge the terms of the Order insofar as it affects the Company's estate. Mr Healy has not been replaced, A J Duncan and I will continue as office-holders.
- 1.4 The Company's registered office was changed from The Comms Centre, Darnell Way, Northampton NN3 6RW to One Great Cumberland Place, Marble Arch, London W1H 7LW following our appointment. The registered number is 04491709.
- 1.5 On 10 April 2013 the Joint Administrators sent a statement of proposals to all creditors of the Company. A meeting of creditors was held on 30 April 2013 at which these proposals, attached at Appendix A, were approved. There have been no major amendments to, or deviations from, those proposals.
- 1.6 The Company's main centre of operations is based in the UK. The EC Regulation on Insolvency Proceedings applies and the proceedings are main proceedings under the Regulation.

2 STEPS TAKEN DURING THE ADMINISTRATION AND PROGRESS TO DATE

- 2.1 This report should be read in conjunction with the Joint Administrators' previous reports dated 10 April and 14 October 2013.
- 2.2 Sale of Business**
- 2.2.1 As previously reported, the business and assets of the Company were sold to Aspire Financial Management Limited ("Aspire") for £100,000 plus deferred consideration, comprising 33% of the trail commission.
- 2.2.2 The initial £100,000 sale consideration was received in full on 21 March 2013, the date of completion.
- 2.2.3 Aspire have also agreed to make a contribution towards our costs, of £100,000. This will be paid in two equal instalments of £50,000 on the first and second anniversary of completion date. The first instalment was due and received on 21 March 2014, following the period of this report.
- 2.2.4 As previously advised in our report dated 14 October 2013, the trail payment date will only be activated once the allowed deductions, the Joint Administrators' costs, the secured liabilities, the Appointed

Representative ("AR") Debt owed under the AR agreement (but not the AR Damages) and an amount equivalent to the value of the prescribed part, have been paid

- 2.2.5 We are receiving regular reports on each quarter date to enable us to continue to monitor the position. To date, a trail payment date has not been activated, so no monies have yet fallen due.

2.3 Furniture and Equipment

As previously reported, £7,992 of the initial consideration was apportioned to the furniture and equipment across the five leasehold premises.

2.4 Leasehold Premises

The Company held four leasehold premises. Prior to the move from Administration to liquidation we had written to the landlords to request informal surrenders of the leases and are awaiting responses. Should the landlords not agree to the surrenders, we will arrange to disclaim the leases in the liquidation.

2.5 Secured Creditors

As previously advised, as at the date of appointment, Aspire assumed liability for the outstanding amounts due to the secured creditors: Allied Dunbar Assurance plc, The Clarkson Hill Group and Tenet.

2.6 Preferential Claims

The only claims that would be preferential are those of employees in respect of unpaid wages and holiday pay.

In this case all employees were transferred to the purchaser under the Transfer of Undertakings (Protection of Employment) Regulations 2006 following the sale of the business to Aspire. Therefore we do not expect there to be any preferential claims.

2.7 Investigations

- 2.7.1 We have complied with our statutory obligations under the Company Directors Disqualification Act 1986 and a report has been submitted to the appropriate authority.

- 2.7.2 We have carried out enquiries that we considered to be proportionate to the circumstances of the case. After completing these we were of the opinion that there were no matters that might lead to recoveries for the estate and that no further investigation was appropriate.

- 2.8 Attached as Appendix B is a final summary of the Joint Administrators' receipts and payments account for the period of the Administration from 21 March 2013 to 6 March 2014. This shows what assets of the Company were realised and for what value and what payments were made to creditors or others.

- 2.9 It also shows details of expenses incurred and paid during the period of this report. No expenses have been incurred but not paid.

- 2.10 No monies were paid to unsecured creditors by virtue of the application of Section 176A of the Act (prescribed part).

3 ACHIEVING THE PURPOSE OF ADMINISTRATION

- 3 1 As advised in our previous report dated 10 April and 14 October 2013, the Joint Administrators must perform their functions with the purpose of achieving one of the following objectives
- (a) rescuing the Company as a going concern, or (if this cannot be achieved)
 - (b) achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration), or
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors
- 3 2 We are obliged to perform our functions in the interests of the Company's creditors as a whole and, where the objective of the Administration is to realise property in order to make a distribution to secured or preferential creditors, we have a duty not to unnecessarily harm the interests of the creditors as a whole
- 3 3 The first objective was not achieved as there were insufficient funds and assets to enable the Company to be rescued as a going concern
- 3 4 The second objective, namely achieving a better result for creditors as a whole than would be likely if the Company were wound up, has been achieved. If the Company had been placed into liquidation, as opposed to Administration, the business would have ceased to trade, resulting in no value for goodwill and crystallising employee claims. Additionally, the sale included the novation of Tenet's appointed representative agreement which has reduced unsecured claims as there will be no damages claims for breach of contract
- 3 5 As objective (b) has been achieved, it is not necessary to consider the third option
- 3 6 The Administration was financed by monies received from asset realisations

4 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

- 4 1 In accordance with the resolution passed at the meeting of creditors held on 30 April 2013, the Joint Administrators' remuneration was fixed and payable by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration
- 4 2 As advised in their previous report dated 14 October 2013, the Joint Administrators' time costs at 20 September 2013 were £69,967. Thereafter further costs of £21,219 were incurred. The total costs are summarised at Appendix C and comprise 283.5 hours at an average rate of £321.64 per hour. In accordance with the approval given, £24,000 has been paid on account of these costs. Costs have been incurred in the following main areas of activity

- **Statutory and Review**

This includes time spent dealing with all statutory matters, including the preparation of the directors' conduct report

- **Assets**

Time has been spent in dealing with the sale of the business to Aspire. It also includes time spent corresponding with the purchaser regarding updates to monitor the position of the trail payments

- **Liabilities**

Considerable time was spent in dealing with creditors' correspondence, including written and telephonic enquiries. Additional time was also incurred in corresponding with the employees and HM Revenue & Customs.

- **Post Appointment Creditor Reporting**

Time has been spent in the compilation of reports to creditors and preparing supporting documentation.

- 4.3 Details of our company's charge out rates and policy regarding recharge of disbursements, staff allocation, support staff and the use of subcontractors are attached at Appendix D. Further guidance may be found in "Guide to Administrators' Fees". This is available from our office free of charge or may be downloaded from www.leonardcurtis.co.uk/resources/creditorsguides.
- 4.4 Creditors also approved the basis upon which the Joint Administrators recharge internal disbursements that include an element of allocated costs or payments to outside parties in which we or our company have an interest. These are known as Category 2 costs and the basis of the calculation of their recharge is also attached at Appendix D. Specific expenditure relating to the administration of a particular case is recoverable without approval and is referred to as "category 1 disbursement". Category 1 disbursements will generally comprise items such as identifiable telephone calls, postage, case advertising, invoiced travel and properly reimbursed expenses incurred by personnel in connection with the case. Also included will be services specific to the case where these cannot practically be provided internally such as printing, room hire and storage.
- 4.5 In this case the following Category 2 costs were incurred during the period of this report and, where shown, reimbursed to the Joint Administrators:

Type	Incurred £	Paid £	Unpaid £
Internal photocopying @ 10p per copy	66.70	56.10	10.60
General stationery, postage, telephone etc @ £100 per 100 creditors/members or part thereof	-	-	-
Room hire @£100 per meeting	-	-	-
Storage of office files (6 years) £88.75 per box	-	-	-
Business mileage @45p per mile	-	-	-
Other	-	-	-
Total	66.70	56.10	10.60

Insofar as these expenses remain unpaid they will be met as costs of the CVL to which the Company is now subject.

- 4.6 On this assignment the Joint Administrators used the following professional advisors, including subcontractors:

Name of Professional Advisor	Service Provided	Basis of Fees
Charles Russell LLP	Legal Advice	Time Cost
AgentCite Limited	Valuation Services	Time Cost
Gill Salisbury PR	PR Services	Time Cost

5 PRE-ADMINISTRATION COSTS

The pre-administration costs were summarised in the Joint Administrators' reports dated 10 April and 14 October 2013

6 CREDITORS' RIGHTS

6 1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report

6 2 Within 14 days of receipt of the request, the Joint Administrators must provide all of the information asked for, except so far as they consider that -

- i) the time or cost of preparation of the information would be excessive, or
- ii) disclosure of the information would be prejudicial to the conduct of the Administration or might reasonably be expected to lead to violence against any person, or
- iii) we are subject to an obligation of confidentiality in respect of the information

The Joint Administrators must also give reasons for not providing all of the information

6 3 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to Court on the grounds that the basis fixed for the Joint Administrators' remuneration, the remuneration charged or the expenses incurred by the Joint Administrators as set out in this progress report are excessive

7 EXTENSION OF ADMINISTRATION

7 1 The appointment of the Joint Administrators ceases to have effect at the end of the period of one year beginning with the date on which it takes effect

7 2 However, it is possible to extend the period of the Joint Administrators' term of office for a specified period not exceeding six months with the consent of creditors

7 3 In this case the Joint Administrators did not seek an extension

8 FURTHER ASSETS TO BE REALISED

The only further assets to be realised are trail payments that have not yet fallen due, as detailed in paragraph 2 2 4 We are also awaiting payment of the remaining £50,000 costs payment from Aspire, which will fall due on 21 March 2015

9 OTHER RELEVANT INFORMATION AND OUTCOME FOR CREDITORS

- 9.1 Based on current information, the Joint Administrators think that there will be sufficient funds to be passed to a Liquidator to enable a dividend, or dividends, to be declared to ordinary unsecured creditors. At the present time we cannot say when or how much these will be.
- 9.2 As mentioned above, there are no preferential claims.

10 ENDING THE ADMINISTRATION

- 10.1 The automatic deadline for the Administration to end is 20 March 2014.
- 10.2 The Company has now been moved from Administration to CVL and formal notice, attached as Appendix E, was registered by the Registrar of Companies on 6 March 2014.
- 10.3 With effect from this date the appointment of the Joint Administrators ceased and the appointment of A J Duncan and myself as Joint Liquidators became effective.
- 10.4 Also, in accordance with the resolutions passed at the meeting of creditors held on 30 April 2013, the Joint Administrators were discharged from liability in respect of any action(s) of theirs as Joint Administrators with effect from this date.
- 10.5 The Joint Liquidators' remuneration and recharge of Category 2 costs will be payable on the same basis as fixed in the Administration.

Creditors requiring further information should contact our office, in writing. Electronic communications should also contain a full postal address.

for and on behalf of
MERCHANT HOUSE FINANCIAL SERVICES LIMITED



A D CADWALLADER
former Joint Administrator

Licensed in the UK by the Institute of Chartered Accountants in England and Wales

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

**JOINT ADMINISTRATORS' PROPOSALS APPROVED
AT A MEETING OF CREDITORS HELD ON 30 April 2013**

It is proposed that

- 1 The Joint Administrators continue to manage the business, affairs and property of the Company in such a manner as they consider expedient with a view to achieving the statutory purposes of the Administration
- 2 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation. It is further proposed that A D Cadwallader and A J Duncan be appointed Joint Liquidators of the Company. Any act required or authorised under any enactment to be done by the liquidator is to be done by all or any one or more of the persons for the time being holding the office in question. Creditors may nominate a different person as the proposed Liquidator, provided that the nomination is made after receipt of these proposals and before the proposals are approved.
- 3 In the event that there are no monies remaining to be distributed to creditors and as soon as all matters relating to the Administration have been completed, the Joint Administrators will file a Notice with the Registrar of Companies that the Company should be dissolved.
- 4 In the event that options 2 and 3 are not appropriate, the Joint Administrators take whatever action(s) they deem appropriate to end of the Administration.

APPENDIX B

Final Summary of Joint Administrators' Receipts and Payments
from 21 March 2013 to 6 March 2014

	Statement of Affairs	Previously reported		This Period 21/09/13 to 6/03/14		
		Fixed	Floating	Fixed	Floating	
	£	£	£	£	£	£
RECEIPTS						
Goodwill	1	1 00	-	-	-	1 00
Intellectual Property	1	1 00	-	-	-	1 00
Furniture and Equipment	7,992	-	7,992 00	-	-	7,992 00
Book Debts	1	-	1 00	-	-	1 00
Intangible Assets	92,000	-	92,000 00	-	-	92,000 00
Adviser Contracts	1	-	1 00	-	-	1 00
Benefit (subject to burden) of employee claims	1	-	1 00	-	-	1 00
Trail Income	1	-	1 00	-	-	1 00
Other Income	1	-	1 00	-	-	1 00
Database	1	-	1 00	-	-	1 00
Consideration re Trail income	1,173,172	-	-	-	-	-
Balance at Bank	389	-	-	-	-	-
	<u>1,273,561</u>	<u>2 00</u>	<u>99,998 00</u>	<u>-</u>	<u>-</u>	<u>100,000 00</u>
Rates Refunds		-	710 16	-	-	710 16
Licence Fee		-	1,721 12	-	-	1,721 12
Sundry Receipts		-	27 90	-	45 91	73 81
Deposit Interest Gross		-	27 48	-	11 66	39 14
		<u>2 00</u>	<u>102,484 66</u>	<u>-</u>	<u>57 57</u>	<u>102,544 23</u>
PAYMENTS						
Bordereau Fee		-	549 99	-	-	549 99
Rent		-	1,721 12	-	-	1,721 12
Sundry Expenses and Disbursements		-	184 46	-	14 00	198 46
Other Professional Fees		-	1,227 54	-	-	1,227 54
Postage and Photocopying		-	128 82	-	30 69	159 51
Storage Charges		-	357 75	-	1 00	358 75
Solicitors' Fees and Expenses		-	10,828 70	-	1,258 00	12,086 70
IT Licence Fee		-	75 00	-	-	75 00
Statutory Advertising		-	169 20	-	-	169 20
Pre-Appointment Costs		-	57,156 00	-	-	57,156 00
Joint Administrators' Remuneration - on account		-	24,000 00	-	-	24,000 00
		<u>-</u>	<u>96,398 58</u>	<u>-</u>	<u>1,303 69</u>	<u>97,702 27</u>
Balances in Hand		<u>2 00</u>	<u>6,086 08</u>	<u>-</u>	<u>(1,246 12)</u>	<u>4,841 96</u>

Merchant House Financial Services Limited
(In Administration)

Final Summary of Joint Administrators' Time Costs from 21 March 2013 to 6 March 2014

	Director		Senior Manager		Manager 2		Administrator 1		Administrator 2		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	150	6,395 00	12	464 50	103	2,942 50	4	92 00	126	2,748 00	395	12,642 00	320 05
Receipts & Payments			2	77 00	22	627 00	-	-	77	1,635 00	101	2,339 00	231 58
Insurance					2	57 00			-		2	57 00	285 00
Assets	250	10 792 50			70	1 995 00	-	-	31	669 00	351	13,456 50	383 38
Liabilities	285	12 160 00			193	5 514 50	-	-	99	2,099 00	577	19,773 50	342 69
Landlords	89	3,820 00			73	2 091 00	-	-	43	969 00	205	6 880 00	335 61
Debtenture Holder	55	2,337 50			10	285 00	-	-	-		65	2,622 50	403 46
General Administration	12	510 00	2	77 00	78	2,244 00	-	-	190	4,072 00	282	6,903 00	244 79
Appointment	15	637 50	-	-	32	912 00	-	-	-		47	1,549 50	329 68
Post Appointment Creditor Reporting	59	2 507 50	30	1,155 00	308	8,778 00	19	437 00	135	2,877 00	551	15,754 50	285 93
Investigations	133	5 715 00			113	3,220 50			13	273 00	259	9 208 50	355 54

Average Hourly Rate (£)

All Units are 6 minutes

428 20

385 54

285 52

230 00

214 87

321 64

Summary of Joint Administrators' Time Costs from 21 September 2013 to 6 March 2014

	Director		Senior Manager		Administrator 2		Total		Average
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Hourly Rate £
Statutory & Review	8	360 00	3	118 00	77	1,719 00	90	2,261 00	251 22
Receipts & Payments	-	-	2	77 00	56	1,194 00	58	1 271 00	219 14
Assets	106	4 672 50			13	291 00	130	5,277 00	405 92
Liabilities	29	1 280 00			26	566 00	61	2 031 00	332 95
Landlords	15	675 00			33	759 00	51	1 530 00	300 00
General Administration	-	-	2	77 00	99	2,161 00	107	2,430 00	227 10
Post Appointment Creditor Reporting	-	-	7	269 50	72	1,554 00	139	3,533 50	254 21
Investigations	60	2,612 50		-	13	273 00	73	2 885 50	395 27

Average Hourly Rate (£)

All Units are 6 minutes

440 37

386 79

218 95

299 14

APPENDIX D**ADDITIONAL INFORMATION IN RELATION TO THE POLICY OF LEONARD CURTIS REGARDING FEES AND DISBURSEMENTS**

The following information relating to the policy of Leonard Curtis is considered to be relevant

Staff Allocation and Support Staff

We take an objective and practical approach to each assignment which includes active director involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. Time spent by secretarial and other support staff on specific case related matters, e.g. report despatching, is not charged.

Where it has been agreed by resolution of the secured and/or preferential creditors, a creditors' committee or creditors generally, that the office holders' remuneration will be calculated by reference to the time properly given by the office holders and their staff in attending to matters arising in the appointment, then such remuneration will be calculated in units of 6 minutes at the standard hourly rates given below. In cases of exceptional complexity or risk, the office holders reserve the right to obtain authority from the appropriate body of creditors that their remuneration on such time shall be charged at the higher complex rate given below.

With effect from 6 January 2014 the following hourly charge out rates apply to all assignments undertaken by Leonard Curtis

	Previous Rates			New Rates	
	Standard £	Complex £		Standard £	Complex £
Director	425	531	Director	450	562
Senior Manager	385	481	Senior Manager	410	512
Manager 1	330	413	Manager 1	365	456
Manager 2	285	356	Manager 2	320	400
Administrator 1	230	287	Administrator 1	260	325
Administrator 2	210	262	Administrator 2	230	287
Administrator 3	190	237	Administrator 3	210	262
Administrator 4	135	168	Administrator 4	150	187

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holders or their staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. Unless otherwise indicated the fee arrangement for each is based on hourly charge out rates, which are reviewed on a regular basis, together with the recovery of relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

Disbursements

- a) Category 1 disbursements. These are costs where there is specific expenditure directly referable both to the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses and equivalent costs reimbursed to the office holder or his or her staff.
- b) Category 2 disbursements. These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage. In the event of charging for category 2 disbursements the following items of expenditure are recharged on this basis and are believed to be in line with the cost of external provision:

Internal photocopying	10p per copy
General stationery, postage, telephone etc	£100 per 100 creditors/ members or part thereof
Storage of office files (6 years)	£88.75 per box
Room hire	£100
Business mileage	45p per mile