

The Insolvency Act 1986

Administrator's progress report

Name of Company

Capital Project Consultancy Limited

Company number

05159354

In the

High Court of Justice, Chancery Division,
Companies Court

Court case number

7239 of 2011

We

Geoffrey Paul Rowley

FRP Advisory LLP

10 Fumival Street

London

EC4A 1YH

Philip Lewis Armstrong

FRP Advisory LLP

10 Fumival Street

London

EC4A 1YH

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


From

16 August 2011

To

15 February 2012

Signed


Joint Administrator

Dated

9th March 2012**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

Geoffrey Paul Rowley

FRP Advisory LLP

10 Fumival Street

London

EC4A 1YH

DX Number

020 3005 4000

DX Exchange

When you have completed and signed this form, please send it to the Registrar of Companies at -
Companies House, Crown Way, Cardiff CF14 3UZ DX 33050 Cardiff

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09/03/2012

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COMPANIES HOUSE



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**TO ALL MEMBERS AND ALL KNOWN
CREDITORS**

your ref

our ref C1300LON

date 9 March 20112

please ask for. Dominic.Roberts

Dear Sir/Madam

**CAPITAL PROJECT CONSULTANCY LIMITED
(IN ADMINISTRATION) ("THE COMPANY")**

1. Introduction

1.1 Further to my appointment as Joint Administrator of the above Company on 16 August 2011, I provide my progress report on this administration for the period 16 August 2011 to 15 February 2012 ("the period") in accordance with Rule 2.47 of the Insolvency Rules 1986.

1.2 The following information is attached:

- Appendix A - Statutory information about the Company and the Administrators.
- Appendix B - Administrators' receipts & payments account, including accrued expenses to date.
- Appendix C - Schedule of Administrators' time costs to date and the Administrators' charge out rates.
- Form 2.24B - Formal Notice of the Administrators' progress report.

2. The Administration

2.1 The appointment of the Joint Administrators took place on 16 August 2011. The appointment was by Court Order following an application by Venture Finance, qualifying floating charge holders, under Paragraph 14 of Schedule B1 to the Insolvency Act 1986.

2.2 Previously, on 12 July 2011 a notice of intention to appoint an Administrator had been presented by the Directors of the Company to the High Court of Justice under Paragraph 22 of Schedule B1 to the Insolvency Act 1986. A second notice of intention was presented to the High Court of Justice on 22 July 2011 by the Directors of the Company under Paragraph 22 of Schedule B1 to the Insolvency Act 1986

2.3 The objectives of the administration were:-

- A To rescue the Company as a going concern, failing which
- B. To achieve 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), failing which
- C. To realise property in order to make a distribution to one or more secured or preferential creditors.

2.4 It is already apparent that purposes a) and b) cannot be achieved as the business and assets of the Company have been sold and as a result it is expected that there will be insufficient funds available

for a distribution to unsecured creditors, other than by way of the prescribed part. As a result it is envisaged that objective c) of the Administration will be achieved.

- 2.5 The Administrator proposals were deemed to have been approved by creditors on 24 October 2011.
- 2.6 The appointment of the Joint Administrators included a declaration that during the period of the administration they may act jointly or severally as the Administrators of the Company
- 2.7 Statutory information about the Company and the Administrators is attached as Appendix A.

3.1 Appointment of the Administrators and the Sale of Certain Business and Assets

- 3.1 The sale of the business and assets to CPC Project Services LLP ("the Purchaser"), registration number OC366907, was completed on 16 August 2011, by way of a pre-packaged sale shortly after the Company entered Administration.
- 3.2 The total sale consideration was £169k with £115k paid on completion and a further £54k of deferred consideration due over a period of nine months. £35k of the deferred consideration has been received outside of the period of this report and therefore is not shown in the receipts and payments account. The remaining £19k is to be paid in monthly installments over the next 3 months.
- 3.3 The Purchaser's Directors have personally guaranteed the deferred consideration and all sums due to the Administrators. The Administrators have also taken a debenture over the Purchasing entity.
- 3.4 A breakdown of the consideration is detailed as follows:

Asset	Consideration
The Goodwill (Including the Intellectual Property, the Work in Progress, the Name and the Contracts)	£161,000.00
The Equipment	£8,000.00
Total	£169,000.00

- 3.5 This transaction is not part of a wider transaction and there are no options or buy back conditions.
- 3.6 Venture Finance has provided an invoice discounting facility to the Purchaser.
- 3.7 The debtor ledger at the date of appointment stood at circa £261k with £236k having been collected to date. The Purchaser is collecting the debtor ledger on behalf of the Company for a 7.5% collection fee. The Purchaser has also provided a warrant for any shortfall in the debtor collections. Additionally a debtor Hulse Limited entered administration on 16 September 2011 and as such the sums of £14,280 owed to the Company are now considered irrecoverable.
- 3.8 The sum of £21k due to the Company is held on trust by Griffins, a firm of insolvency practitioners, in relation to a debtor collection fee. This asset was not part of the sale purchase agreement and remains outstanding.
- 3.9 A copy of the Joint Administrators' receipts and payment account, including accrued expenses to date is attached as Appendix B.

4. Outcome for Secured Creditor

- 4.1 Venture Finance's debt was secured by a fixed and floating charge created on 23 September 2004 and security over the Company's book debts. R Capital also has a fixed and floating charge created on 6 August 2004.
- 4.2 Venture Finance were owed c. £81k as at the date of appointment including termination fees and costs against a ledger of c. £261k. Venture Finance have since been repaid in full and a surplus of c. £155k has been received by the administration.
- 4.3 At the date of appointment R Capital claimed outstanding debts of circa £269k. To date R Capital have been repaid £175k, of which £75k of the above total is not shown in the receipts and payments account as this payment fell outside the period of this report. It is anticipated that R Capital will suffer a shortfall in this regard.

5. Outcome for Preferential Creditors

- 5.1 Preferential creditors comprise employees' entitlements capped at £800 in respect of unpaid wages and any unpaid holiday pay. To date the Insolvency Services preferential claim for monies paid to the employees is £4,676.02 and employees' outstanding preferential claims total £2,877.18. It is anticipated that preferential creditors will be paid in full.

6. Outcome for Unsecured Creditors & Prescribed Part

- 6.1 The Administrators have considered the possibility of a prescribed part, that proportion of the assets set aside for unsecured creditors under S176A of the Insolvency Act 1986. A prescribed part is appropriate where there is a floating charge dated after 15 September 2003. The floating charge is dated 23 September 2004 therefore a prescribed part will be appropriate.
- 6.2 The statement of affairs indicates that, subject to costs, a dividend may become available to unsecured creditors by way of the prescribed part. However it is not possible to ascertain the quantum of funds available to unsecured creditors at this stage as the final realisations and costs of the Administration are yet to be determined.

7. Administrators' Remuneration

7.1 Pre-Administration Costs Charged or Incurred by the Administrators

- 7.1.1 The Company resolved to pay FRP Advisory LLP on a time costs basis for assisting with marketing the business for sale, negotiating the sale and purchase agreement and the placing of the Company into administration. The sum of £30,000.00 plus VAT relating to pre-administration remuneration and disbursements of £81.44 plus VAT remain outstanding.
- 7.1.2 In addition to the sums disclosed in my previous report relating to pre-administration expenses the sum of £2,000.00 plus VAT was also incurred as a pre-administration expense. This expense was in relation to legal advice provided by Dundas and Wilson regarding the lease at the Company's former premises in Glasgow.
- 7.1.3 Authority and ratification of payment of the pre-administration remuneration and expenses has been sought from the Secured and Preferential Creditors. To date we are awaiting authority from the Secured Creditor.

7.2 Administrators' Post Appointment Remuneration

- 7.2.1 Turning to our own costs in this matter, our remuneration as Administrators is based on computerised records of all time spent on the administration of this case. Matters dealt with during

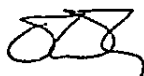
the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of 6 minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm's support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge out rates are reviewed at least annually, details of FRP Advisory LLP charge out rates are included at Appendix C.

- 7.2.2 Details of the time charged to this case to date, analysed between the different types of work undertaken, during the period of this report (and also since appointment) are set out in Appendix C.
- 7.2.3 The Administrators' disbursements are a recharge of actual costs incurred by the administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP Advisory at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursement incurred during the period of this report are set out in Appendix C.
- 7.2.4 The Administrators' remuneration after the date of appointment will be drawn from the Company assets and it is proposed that it will be charged on a time cost basis. The basis of the Administrators' remuneration will be agreed with the Secured Creditor. In the event that the Secured Creditor is repaid in full then an appropriate resolution was included within the Joint Administrators proposals which were deemed to have been approved on 24 October 2011.
- 7.2.5 Creditors have a right to request further information from the Administrators under Rule 2.48A of the Insolvency Rules 1986 and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under Rule 2.109 of the Insolvency Rules 1986. Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisor.com/fees-guide.html> and select the one for administrations. Alternatively a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of 8 weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.
- 7.2.6 The Administrators' fees for dealing with the assets subject to the fixed charge will be agreed with the Secured Creditors and will be drawn on a time cost basis

Also attached is Form 2.24B, formal notice of the Administrators' Progress report.

If you have any queries about this report or the progress of the administration, please do not hesitate to contact Dominic Roberts at this office

Yours faithfully
For and on behalf of
Capital Project Consultancy Limited



Geoff Rowley
Joint Administrator

Licensed in the United Kingdom by the Insolvency Practitioners Association

The Joint Administrators act as agents of the Company and without personal liability.

The affairs, business and property of the Company are being managed by Geoffrey Paul Rowley and Philip Lewis Armstrong who were appointed Joint Administrators on 16 August 2011.

Appendix A

Capital Project Consultancy Limited

Statutory Information

ADMINISTRATION DETAILS:

Date of notice of intention to appoint Administrators presented to Court:

12 July 2011 and 22 July 2011
(by the Directors of the Company).

Date of notice of intention to appoint Administrators presented to Court: by the qualifying charge holder:

16 August 2011

Holder of Qualifying Floating Charge	Date of consent
Venture Finance	15 August 2011
R Capital	16 August 2011

Names of Joint Administrators:

Geoffrey Paul Rowley and
Philip Lewis Armstrong

Address of Joint Administrators:

FRP Advisory
10 Furnival Street
London
EC4A 1YH

The appointment of the Joint Administrators included a declaration that they are acting jointly or severally as Administrators of the Company.

Date of appointment of Administrators:

16 August 2011

Court in which administration proceedings were brought.

High Court of Justice, Chancery
Division, Companies Court.

Court reference number:

7239 of 2011

Application for administration order made by:

Venture Finance

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

Statutory Information

COMPANY DETAILS:

Other trading names:	CPC
Date of incorporation:	22 June 2004
Company number:	05159354
Registered office:	10 Funnival Street London EC4A 1YH
Previous registered office:	Fountain House 130 Fenchurch Street London EC3M 5DJ
Business address:	Fountain House 130 Fenchurch Street London EC3M 5DJ
Directors:	Mr Timothy Barber Mr Steven Mole Ms Minam Thorne Mr Peter Ward
Company Secretary:	RJP Secretaries Limited

The Directors and Company Secretary have the following shareholdings in the Company:-

Name	Shares	Type	Percentage shareholding (of A & B shares)
Mr Timothy Barber	5600	B	28.6
Mr Steven Mole	5600	B	28.6

Extracts from the financial statements available are summarised below:-

Period Ended	Turnover £'000	Gross Profit £'000	Net Profit/ (Loss) £'000	Dividend paid £'000	P & L a/c c/fwd £'000
30.11.2009	8,778	2,205	36	36	300
30.11.2008	10,169	3,157	231	Nil	300
30.11.2007	8,849	2,351	38	Nil	(67)
30.11.2006	4,818	1,773	284	Nil	(105)

**Capital Project Consultancy Limited
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments
To 15 February 2012**

	Notes	Fixed Charge £	Floating Charge £	Total £
RECEIPTS				
Goodwill	(1)	107,000 00		107,000 00
Book Debts	(2)		155,678 48	155,678.48
Furniture & Equipment			8,000 00	8,000.00
Cash at Bank			602 21	602 21
Bank Interest		20.66	110 74	131 40
		107,020.66	164,391.43	271,412.09
PAYMENTS				
Chargeholder	(3)	80,000.00	20,000 00	100,000.00
Legal Fees	(4)	15,259.31		15,259.31
Insurance of Assets			407.04	407 04
Statutory Advertising			76.50	76 50
Bank Charges - Floating			16 74	16 74
Vat Receivable		3,032.06	15 30	3,047 36
		98,291.37	20,515.58	118,806.95
Balances in Hand		8,729.29	143,875.85	152,605.14
		107,020.66	164,391.43	271,412.09

Notes

- 1 A total of £161k is due in relation to Goodwill £107k was received on completion A further £35k of deferred consideration has been received but is not shown in this account as it falls outside the period covered by this report A further £19k of deferred consideration is due
- 2 This relates to the surplus of Fixed Charge book debts received from Venture Finance
- 3 A total of £175k has been paid to the Secured Creditor £75k falls out side the period of this report and hence is not shown in this account
- 4 The Legal Fees paid relate to pre appointment legal work carried out in relation to the appointment of the Administrators and the sale of the business and assets and were deducted directly from the sale proceeds by the solicitor.

Accrued Expenses at 15 February 2012

	Notes	
Legal Fees	(a)	2,000 00
Legal Fees	(b)	5,294 50
Pre-Administration Remuneration	(c)	30,000.00
Pre-Administration Disbursements	(c)	81.44
Joint Administrators Remuneration	(d)	39,300.00
Joint Administrators Disbursements	(d)	463 46
	Total	77,139.40

Notes

- (a) Dundas & Wilson (pre-admin expense)
- (b) Post completion outstanding legal costs
- (c) Unpaid pre-administration remuneration and disbursements
- (d) Unpaid Joint administrators remuneration and disbursements

APPENDIX C

Capital Project Consultancy Limited (In Administration) Analysis of time costs for the period 16 August 2011 to 15 February 2012

TIME COSTS

Classification of Work	Partner	Manager	Other Professional	Support	Total Hours	Total Cost £	Average Hourly Rate
Administration and Planning							
Admin & Planning		0.25	11.10		11.35	2,108.75	185.79
Case Accounting				1.45	1.45	281.00	193.79
Productive Time		5.50			5.50	2,172.50	395.00
Case Accounting - General				4.90	4.90	896.00	182.86
General Administration			10.50		10.50	1,837.50	175.00
Asset Realisation							
Asset Realisation	1.00	5.75	21.20		27.95	6,476.25	231.71
Freehold/Leasehold Property			0.70		0.70	122.50	175.00
Creditors							
Unsecured Creditors		1.25	19.80		21.05	3,985.00	189.31
Secured Creditors	0.30		0.50		0.80	236.00	295.00
Employees			10.35		10.35	1,755.00	169.57
Preferential Creditors			1.20		1.20	210.00	175.00
Unsecured Creditors - TAX/VAT			0.60		0.60	105.00	175.00
Landlord			2.70		2.70	472.50	175.00
Statutory Compliance							
Statutory Compliance		11.00	31.50		42.50	9,992.50	235.12
Statutory Compliance - General		1.00	5.10		6.10	1,287.50	211.07
Statutory Reporting/ Meetings	1.00		10.00		11.00	2,245.00	204.09
Appointment Formalities			4.20		4.20	1,035.00	246.43
Employees							
Employees		0.25	18.70		18.95	3,292.50	173.75
Legal and Litigation							
Legal / Litigation		2.00			2.00	790.00	395.00
GRAND TOTAL	2.30	27.00	148.15	6.35	183.80	39,300.50	220.18

DISBURSEMENTS

Description	Cost (£)
Delivery	14.10
Postage	167.66
Sundries/General	281.70
Total Disbursements	463.46

CHARGE OUT RATES

Grade	£/h
Partner	300-500
Manager	150-350
Other senior professionals	85-250
Assistants and support staff	60-250