

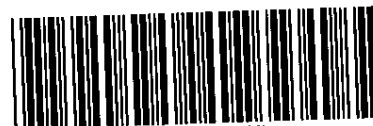
AM10

Notice of administrator's progress report



Companies House

THURSDAY



A05 15/02/2018 #343
COMPANIES HOUSE

ase
use

1 Company details

Company number 06504874

Company name in full Debut Sports & Leisure Limited ✓

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

2 Administrator's name

Full forename(s) Colin

Surname Prescott

3 Administrator's address

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode BS14QP

Country

4 Administrator's name ①

Full forename(s) Andrew

Surname Beckingham

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Leonard Curtis

Street 2nd Floor

40 Queen Square

Post town Bristol

County/Region

Postcode BS14QP

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10

Notice of administrator's progress report


6 Period of progress report

From date	d 1	d 8	m 0	m 7	y 2	y 0	y 1	y 7
To date	d 1	d 7	m 0	m 1	y 2	y 0	y 1	y 8

7 Progress report

☐ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X  X
Signature date	d 1 d 4 m 0 m 2 y 2 y 0 y 1 y 8

**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	Nicola Harcombe
Company name	Leonard Curtis
Address	2nd Floor 40 Queen Square Bristol
Post town	
County/Region	
Postcode	B S 1 4 Q P
Country	
DX	
Telephone	0117 929 4900

**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 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



LEONARD CURTIS
BUSINESS RESCUE & RECOVERY

DEBUT SPORTS & LEISURE LIMITED
(IN ADMINISTRATION)

Registered Number: 06504874

Court Ref: 992 of 2016

High Court of Justice, London

**Registered Office Address: 2nd Floor, 40 Queen Square,
Bristol, BS1 4QP**

**Former Registered Office & Trading Address: Unit 1.9 Paintworks,
Bath Road, Bristol, BS4 3EH**

**Joint Administrators' Fourth Progress Report in Accordance
With Rule 18.3 of the Insolvency (England and Wales) Rules 2016**

Report period
18 July 2017 to 17 January 2018

13 February 2018

Colin Prescott and Andrew Beckingham - Joint Administrators
Leonard Curtis
2nd Floor, 40 Queen Square, Bristol BS1 4QP
Tel: 0117 929 4900 Fax: 0117 927 0000
General email: recovery@leonardcurtis.co.uk
Ref: S29/NFH/D605B/1010

CONTENTS

- 1 Introduction
- 2 Statutory Information
- 3 Joint Administrators' Proposals
- 4 Progress of the Administration
- 5 Investigations
- 6 Joint Administrators' Remuneration and Disbursements
- 7 Estimated Outcome for Creditors
- 8 Matters Still to be Dealt With
- 9 Extensions to the Administration
- 10 Next Report

APPENDICES

- A Summary of Joint Administrators' Approved Proposals
- B Summary of Joint Administrators' Receipts and Payments Account for the current reporting period from 18 July 2017 to 17 January 2018, incorporating a cumulative Account for the entire period of the administration for 2 March 2016 to 17 January 2018.
- C Summary of Joint Administrators' Time Costs incurred within the current reporting period from 18 July 2017 to 17 January 2018.
- D Summary of Joint Administrators' Time Costs for the entire Administration from 2 March 2016 to 17 January 2018, incorporating a Comparison with the Joint Administrators' previous Fees Estimate.
- E Detailed Narrative of Work Performed by the Joint Administrators and their Staff.
- F Summary of Joint Administrators' Expenses for the Period from 18 July 2017 to 17 January 2018, Incorporating details of the cumulative position for the entire period of the Administration and a comparison with the Joint Administrators' Statement of Likely Expenses.
- G Leonard Curtis Policy regarding Fees, Expenses and Disbursements
- H Proof of Debt Form

**STRICTLY PRIVATE AND CONFIDENTIAL
NOT FOR PUBLICATION**

**TO: THE REGISTRAR OF COMPANIES
ALL CREDITORS
ALL MEMBERS**

1 INTRODUCTION

- 1.1 This report has been produced in accordance with The Insolvency Act 1986 and Rules 18.2 – 18.6 of the Insolvency (England and Wales) Rules 2016 to provide Creditors with an update on the progress of the Administration of Debut Sports & Leisure Limited ("the Company") for the period from 18 July 2017 to 17 January 2018. This is the Joint Administrators' Fourth Progress Report to Creditors.
- 1.2 Much of the information contained in this report encompasses the whole period of the Administration. Please be aware, however, that where reference is made to the "the period of this report", this specifically means 18 July 2017 to 17 January 2018, being the period following the date of my last Progress Report.

2 STATUTORY INFORMATION

- 2.1 Colin Prescott and Andrew Beckingham were appointed as Joint Administrators of the Company on 2 March 2016, in the jurisdiction of High Court of Justice, London, Court Reference Number 992 of 2016. The Administration appointment was made by Company Director.
- 2.2 The Joint Administrators are both licensed in the UK by the Institute of Chartered Accountants, under Office Holder Numbers 9056 and 8683 respectively. There have been no change(s) in office-holder(s) since the date of the Administration appointment.
- 2.3 The Administration is being handled by the Bristol office of Leonard Curtis, which is situated at 2nd Floor, 40 Queen Square, Bristol BS1 4QP.
- 2.4 The former registered office and principal trading address of the Company was Unit 1.9 Paintworks, Bath Road, Bristol BS4 3EH. The registered number of the Company is 06504874 and the business traded under its registered name. The Company's registered office was changed to 2nd Floor, 30 Queen Square, Bristol BS1 4ND on 15 March 2016 following the appointment and subsequently changed to 2nd Floor, 40 Queen Square, Bristol BS1 4QP on 3 November 2016.
- 2.5 For the purposes of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 (as amended), it should be noted that during the period in which the Administration Order is in force, any act or function required or authorised under any enactment to be done by the Joint Administrators may be exercised by all or any of the persons holding that office.
- 2.6 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.

3 JOINT ADMINISTRATORS' PROPOSALS

- 3.1 Attached at Appendix A is a summary of the Joint Administrators' approved proposals for achieving one of the three statutory purposes of Administration.
- 3.2 The Joint Administrators' Proposals were deemed approved on 10 May 2016.

3.3 There have been no major amendments to, or deviations from, the Proposals during the course of the Administration.

3.4 The objective of the Administration is to realise property in order to make a distribution to Secured and / or Preferential Creditors. This objective continues to be pursued.

4 PROGRESS OF THE ADMINISTRATION

4.1 Attached at Appendix B is the Joint Administrators' Receipts and Payments account for the period from 18 July 2017 to 17 January 2018, incorporating a cumulative account for the entire Administration from 2 March 2016 to 17 January 2018.

4.2 Stock

Creditors will recall from my previous reports in this matter that an agreement was reached with Southampton Cargo Handling ("SCH") in relation to the Company's non-branded stock whereby, after the application of sales proceeds agreed to discharge enforcement of a lien, total funds of £20,000 were realisable for benefit of the estate, which have been received in full.

A second Agreement was also entered into at this time, for SCH to act as Agent of the Joint Administrators in undertaking sale of the branded and licensed stock outside of the restricted territories. The first £5,000 of realisations in this regard (after again accounting for settlement of the lien to which these goods were subject) is payable to the Administration. Funds are due to be accounted as and when the goods are sold and will therefore follow in due course.

4.3 Stock – 'Nevalboard' Products

The circumstances surrounding the restrictions placed on these products prior to the Joint Administrators' appointment, as well as the challenges in the potential for bringing them to conformity for the purposes of any prospect of onward sale, has been documented in detail in my previous reports in this matter.

Creditors will also recall that an Agreement has been entered into with SCH in this regard, which provides for SCH underwriting the costs the process in bringing the products to conformity, to the extent that this can be achieved and is cost effective to do so. Any final sales proceeds, after deduction of the direct costs incurred in the process, including any tax arising, would be shared between SCH and the Administration estate.

Following initial diagnostic testing, practical works were undertaken on a sample of the boards to address the deficiencies identified and produce working prototype models. Alongside the practical considerations, SCH have undertaken substantial work in relation to compiling technical files and relevant certifications for the Boards.

The re-worked model, schematics and technical files have subsequently been presented to Trading Standards; as a result of these further detailed discussions with Trading Standards and having due regard to the feedback received, further rounds of safety testing are being undertaken, which are anticipated to be completed in the very near future.

SCH and the Joint Administrators remain engaged with Trading Standards on an ongoing basis in relation to various technical and compliance based aspects concerning the products and associated requirements. As has been noted previously, the agreement and subsequent work proceeded with have been undertaken in good faith on the balance of cost / risk assessment and available information; there is no guarantee that conformity can be achieved to the satisfaction of an accredited test house and Trading Standards.

Further information will be circulated to Creditors as matters progress.

4.4 Book Debts

Bibby Financial Services Limited ("Bibby") hold Security by way of fixed and floating charges over the assets of the Company, under the terms of invoice financing facilities provided to the Company.

At the outset of the Administration, the Company's debtor ledger totalled in the region of £813,400 with advances from Bibby amounting to approximately £610,482. The latter value does not take into account interest, termination or other charges which may apply under the terms of the agreement.

As set out in previous reports, a significant portion of the ledger balance comprises accounts with Argos and other group companies which are subject to a number of disputes and potential counterclaims arising as a result of the supply and subsequent issues surrounding the Nevaboard product.

It is anticipated therefore that there will be a substantial shortfall to Bibby in this regard.

Tax Reclaim

- 4.5 The Joint Administrators engaged the Company's former Accountants in relation to a full review of its tax affairs and specifically for the purposes of establishing the availability of any loss reclaim which may be due.

Following an initial review, it was established that there was a positive prospect of a loss reclaim and therefore formal pre-Administration accounts and tax computations were prepared by the Accountants in order to facilitate the same.

The above information was presented to H M Revenue and Customs on completion and I am pleased to report that funds of £50,050 have been realised in this regard.

4.6 Assets Still to be Realised

Ongoing asset realisation matters are detailed above. Based on current information, there are no additional recoveries available outside of those described.

5 INVESTIGATIONS

- 5.1 Following appointment, the Joint Administrators have considered the information acquired in the course of appraising and realising the business and assets of the Company, together with information provided by the Company's directors and its Creditors, in order to identify both potential additional realisations for the estate and what further investigations, if any, might be appropriate. This assessment remains ongoing as part of those asset realisation matters described above.

- 5.2 If any Creditor is aware of any particular matters which they consider require investigation, they should please send full details to this office at the address at the front of this report.

- 5.3 The Joint Administrators have complied with their statutory obligations under the Company Directors Disqualification Act 1986 and the appropriate report has been submitted to the relevant authority.

6 JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS

Pre-Administration Costs

- 6.1 Time charged and expenses incurred by the Joint Administrators and their agents and solicitors in the period prior to their appointment are summarised as follows:

Charged by	Services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
Leonard Curtis Recovery	Initial financial assessment & appointment particulars	£2,863	Nil	N/A	£2,863
DAC Beachcroft LLP	Advice, statutory documentation	£348	Nil	N/A	£348
	Disbursements	£50	Nil	N/A	£50
Francis Wilks & Jones	Advice, statutory documentation & appointment particulars	£780	Nil	N/A	£780
	Disbursements	£61	Nil	N/A	£61
Cerberus Group	Asset valuation, strategy & advice	£1,500	Nil	N/A	£1,500
RSCM Associates Limited	Provision of financial & accounting information	£813	813	Expense of Administration	-

- 6.2 The payment of unpaid pre-administration costs (set out above) as an expense of the Administration is subject to the approval of the appropriate class of Creditors. In this case, it was appropriate for the Joint Administrators to seek the approval of the Secured and Preferential Creditors, full details of which are set out below.

Joint Administrators' Remuneration

- 6.3 The basis of the Joint Administrators' remuneration may be fixed either as a percentage of the value with which they have to deal ('a percentage basis'), as a set amount, or by reference to time properly given by the Joint Administrators and their staff in attending to matters as set out in a Fees Estimate. A combination of these bases may be fixed, with different bases being fixed in respect of different things done by the Joint Administrators. Additionally, where a percentage basis is fixed, different percentages may be fixed in respect of different things done by the Joint Administrators.
- 6.4 In the circumstances of this case, the Joint Administrators elected to propose that their remuneration be fixed by reference to time properly spent by them and their staff, as set out in a fees estimate.
- 6.5 The Joint Administrators have previously advised that they do not anticipate that the Company has sufficient property to enable a distribution to be made to Unsecured Creditors, aside from any potential funds arising from the application of the prescribed part provisions.
- 6.6 In such circumstances, responsibility for approving the basis of the Joint Administrators' remuneration lies with the Creditors' Committee (if there is one); or if none (or the Committee does not make the requisite determination), either: each Secured Creditor of the Company, or where the Joint Administrators intend to make a distribution to Preferential Creditors, each Secured Creditor of the Company and a majority (in value) of the Preferential Creditors who choose to vote on the remuneration resolution.
- 6.7 Creditors have not opted to form a Committee in this matter and therefore, given the circumstances of this case, it was appropriate for the Joint Administrators to seek approval from each Secured Creditor and the majority in value of the Preferential Creditors.
- 6.8 On 2 February 2017, the Secured Creditor, together with the requisite majority of Preferential Creditors, passed the following resolutions by way of correspondence, in relation to the unpaid pre-Administration costs (as referred to above) and the basis of the Joint Administrators' remuneration and disbursements:

- 1 Under Rule 2.106 of the Insolvency Rules 1986 (as amended) and in the absence of a Creditors' Committee, the remuneration of the Joint Administrators be fixed by reference to time properly spent by them and their staff in attending to matters as set out in the Fees Estimate (for an amount not exceeding £125,010).
 - 2 That unpaid pre-administration costs may be paid as an expense of the Administration.
 - 3 That the basis of the recharge of the joint Administrators' category 2 disbursements be fixed by reference to the rates set out in their Para 49 report and that they be authorised to be reimbursed such disbursements as and when funds permit.
 - 4 That the basis of the recharge of the Joint Administrators' category 2 disbursements be fixed by reference to the rates set out in their Para 49 report and that they be authorised to be reimbursed such disbursements as and when funds permit.
- 6.9 The Joint Administrator's time costs for the period of this report, as well as the cumulative position for the entire period of the Administration, are summarised below:

	Hours No.	Rate / hr £	Total value of time £
Time previously reported	458.9	369.87	169,735.50
Time incurred in the period of this report	64.9	417.73	27,111.00
Total Administrators' time costs	523.8	375.80	196,846.50

- 6.10 The time charged by the Joint Administrators for the period of this report amounts to £27,111.00. This represents 64.9 hours at an average rate of £417.73 per hour. A summary of time costs incurred in the current period is attached at Appendix C. A summary of time costs for the entire period of the administration to date, incorporating a comparison with time costs as set out in the Joint Administrators original Fees estimate, is attached at Appendix D. The remuneration drawn by the Joint Administrators to date totals £20,000 plus VAT.
- 6.11 You will note time costs incurred to date exceed the time as set out in the Fees Estimate by £71,836.50. The area where significant variance has occurred relates to ongoing asset realisation matters, which is attributable to the protracted negotiations and issues reported in administering a sale of the Company's stock, as well as the substantial work undertaken and documented in progressing matters relating to the Nevaboard products.
- 6.12 Costs have also exceeded estimates in relation to ongoing statutory and general administration of the case, which has arisen given the extended period of the Administration, similarly in respect of the category entitled 'liabilities' which includes dealing with ongoing updates, enquiries and correspondence with Creditors and Stakeholders. I would reiterate that the ongoing work continues to be undertaken in the interest of and for the benefit of the Administration estate and its Creditors.
- 6.13 Further information is also provided at Appendix E, which sets out a detailed description of work undertaken attributable to each category of time costs and an explanation of why it was necessary for that work to be performed.
- 6.14 The Administration is not yet complete and therefore further time costs will be incurred in dealing with this matter. The Joint Administrators do not consider that it is appropriate to ask the relevant body of Creditors to provide approval to draw any sums in the excess of the Fees Estimate at this stage, although should circumstances change the joint Administrators will revert back to Creditors accordingly. The above is therefore provided for information purposes only.
- 6.15 Creditors can access further information on Administrator's Fees in "A Creditors Guide to Administrators' Fees" which may be downloaded from: <http://www.leonardcurtis.co.uk/resources/Creditorguides>.

If you would prefer this to be sent to you in hard copy please contact Nicola Harcombe of this office on 0117 929 4900.

- 6.16 Creditors will recall that the Joint Administrators' have previously circulated a 'Statement of Likely Expenses' in this matter.

Expenses are separated into the following categories:

- (i) Standard Expenses: this category includes expenses payable by virtue of the nature of the Administration process and / or payable in order to comply with legal or regulatory requirements.
- (ii) Case Specific Expenses: this category includes expenses likely to be payable by the Joint Administrators in carrying out their duties in dealing with issues arising in a particular case. Also included within this category are costs that are directly referable to the Administration but are not paid to an independent third party (and which may include an element of allocated costs).

These are known as "Category 2 disbursements" and are subject to the approval by the appropriate class of Creditor. As set out in detail above, the relevant bodies of Creditors have resolved to approve the basis of recharge in this regard.

- 6.17 A copy of the Joint Administrators' initial Statement of Expenses, together with comparative details of expenses incurred during the current reporting period and confirmation as to whether those amounts are paid or unpaid is set out at Appendix F.
- 6.18 You will note that, in general, the nature and value of standard expenses incurred to date fall within those anticipated within the original statement of expenses. You will note that case specific expenses, in particular Solicitors fees, exceed the original estimates, being as a result of the ongoing legal assistance necessitated in the realisation of stock assets and respective agreements required, as well as legal, technical and others issues in progressing matters surrounding the Nevaboard products.
- 6.19 Attached at Appendix G is additional information in relation to the firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rate by staff grade. Please note that the firm's charge-out rates were changed on 6 January 2014.
- 6.20 Further guidance may be found in "A Creditors' Guide to Administrators' Fees" which may be downloaded from: <https://www.r3.org.uk/what-we-do/publications/professional/fees>
- 6.21 If you would prefer this to be sent to you in hard copy please contact Nicola Harcombe of this office on 0117 929 4900.
- 6.22 A Secured Creditor, an Unsecured Creditor with the concurrence of at least 5% in value of the Unsecured Creditors, or any Unsecured Creditor with the permission of the Court, may request further information regarding remuneration or expenses (other than pre Administration costs) by submitting their written requests. A request, or an application to Court for permission, must be made (or filed with the Court) within 21 days of receipt of this report.
- 6.23 A Secured Creditor, an Unsecured Creditor with the concurrence of At least 10% in value of the Unsecured Creditors, or an Unsecured Creditor or the permission of the court, may apply to Court, if they believe the remuneration charged or expenses incurred by the Joint Administrators to be excessive or the basis fixed for the Joint Administrators' remuneration to be inappropriate. Any application should be made within 8 weeks of receipt of this report.

7 ESTIMATED OUTCOME FOR CREDITORS

7.1 Secured Creditors

Bibby Financial Services Limited ("Bibby")

Bibby hold security by way of fixed and floating charges over the assets of the Company under a Charge dated 3 July 2015. It is understood that the indebtedness to Bibby at the date of appointment, excluding interest and charges, totalled £610,482.

HSBC Bank Plc ("HSBC")

HSBC provided banking facilities to the Company. HSBC hold security by way of fixed and floating charges over the assets of the Company under Charges dated 10 July 2014, 3 June 2013 and 30 May 2013. At the date of appointment, the consolidated position as to the Company's accounts totalled £3,023 DR.

HSBC Invoice Finance (UK) Limited ("HSBCIF")

HSBCIF hold a Charge comprising fixed and floating charges over the assets of the Company under a Charge dated 14 June 2013. It is understood that this relates to historic facilities operated by the Company, where no liability remains outstanding.

Priority Agreement

It is understood that the Charges referred to are subject to a Priority Agreement, which provides that the Charge granted in favour of Bibby ranks in priority to that of HSBC in respect of non vesting debts and stock. In all other respects, HSBC are entitled to priority.

The outcome for Secured Creditors in this matter is wholly dependent upon ongoing matters described earlier within in this report.

7.2 Preferential Claims

Preferential claims represent those of employees' entitlements, relating to arrears of wages and holiday pay, within prescribed statutory thresholds.

The calculated preferential entitlements in relation to arrears of wages and holiday pay in this matter total £7,564. The availability of a return to Preferential Creditors is dependent on the outcome of ongoing asset realisation matters referred to above.

7.3 Prescribed Part

The Insolvency Act 1986 provides that, where a Company has created a Floating Charge after 15 September 2003, the Administrator must make a prescribed part of the company's net property available to the Unsecured Creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of Unsecured Claims.

The availability of a prescribed part fund in this case is dependent upon those ongoing matters described above.

7.4 Unsecured Non-Preferential Claims

Based on current information, it is considered unlikely that there will be sufficient funds available to enable a distribution to Unsecured Creditors, beyond any potential prescribed part fund. Creditors should however continue to submit details of their claims using the statement of claim form attached at Appendix H.

8 MATTERS STILL TO BE DEALT WITH

8.1 Matters still to be dealt with before conclusion of the Administration include the following

- The realisation of the remaining assets, as detailed in section 4;
- Conclusion of investigation matters as detailed above;
- Defrayment of unpaid remuneration and expenses.
- Agreement of creditor claims & distributions to the secured / preferential creditors / prescribed part fund where available and appropriate.

9 EXTENSIONS TO THE ADMINISTRATION

- 9.1 The appointment of Administrators ordinarily ceases to have effect at the end of the period of one year from the date of their appointment.
- 9.2 Creditors will recall from my last detailed report in this matter, that in the circumstances of this case, it was considered necessary and appropriate to extend the Joint Administrators' term of office by a period of twelve months in order to advance and seek to conclude those ongoing asset realisation matters as described above and in addition allow the Joint Administrators to determine the appropriate exit route from the Administration.
- 9.3 In the circumstances of this case, consent to a twelve-month extension of the administration was required from the following categories of Creditor:
- each Secured Creditor of the Company; and
 - Preferential Creditors, whose debts amount to more than 50% of the preferential debts of the Company, disregarding debts of any Creditor who does not respond to an invitation to give or withhold consent.
- 9.4 On 2 February 2017, the Secured Creditors', together with the requisite majority Preferential Creditors, resolved by way of correspondence, to approve that the Joint Administrators' term of office be extended for a period of twelve months to 1 March 2018.
- 9.5 Given that there are various matters which remain ongoing as detailed earlier in this report, a further extension is now required from the Court to enable the same to be concluded. Accordingly, an Application for an extension of the Administration for a period of 12 months has recently been filed and a hearing date has been set for 26 February 2018 for the Court to consider the request. The outcome of the hearing will be reported to Creditors in due course.

If the Court extension is granted, the revised date at which the Administration will come to an end is 1 March 2019. The Company will then move either to dissolution or to creditors' voluntary liquidation as appropriate.

The Joint Administrators will be discharged from liability immediately upon their appointment as Administrators ceasing to have effect.

10 NEXT REPORT

- 10.1 The Joint Administrators are required to provide a progress report which must be delivered within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised.

If you wish to discuss the issues raised in this report or require any additional information, please contact this office.

Yours faithfully

For and on behalf of

DEBUT SPORTS & LEISURE LIMITED



COLIN PRESCOTT
JOINT ADMINISTRATOR

Colin Prescott and Andrew Beckingham are authorised to act as insolvency practitioners in the UK by the Institute of Chartered Accountants in England and Wales under office holder numbers 9056 and 8683, respectively

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

SUMMARY OF JOINT ADMINISTRATORS' APPROVED PROPOSALS

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 take any action they consider necessary with a view to the approval of a Company Voluntary Arrangement ("CVA") or Scheme of Arrangement in relation to the Company.
3. 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 Colin Prescott and Andy Beckingham be appointed Joint Liquidators of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them. NB. 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.
4. Alternatively, if appropriate, the Joint Administrators apply to Court under Para 65 (3) of Schedule B1 to the Insolvency Act 1986 (as amended) for permission to make a distribution to the unsecured Creditors within the Administration.
5. 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 file a Notice with the Registrar of Companies that the Company should be dissolved.
6. The Joint Administrators investigate and, if appropriate, pursue any claims that they or the Company may have against any directors or former directors, other third parties, officers or former officers, advisers or former advisers of the Company.
7. The Company may be placed into compulsory liquidation in circumstances where assets are still to be realised or investigations concluded yet there will be no return to unsecured Creditors. In these circumstances it is further proposed that Colin Prescott and Andy Beckingham be appointed Joint Liquidators of the Company and that where Joint Liquidators are proposed any act required or authorised to be done by the Joint Liquidators may be exercised by both or either of them.
8. The Joint Administrators shall do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Insolvency Act 1986, as they consider desirable or expedient to achieve the statutory purpose of the Administration.

APPENDIX B

**SUMMARY OF JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT FOR THE PERIOD FROM
18 JULY 2017 to 17 JANUARY 2018, INCORPORATING A CUMULATIVE ACCOUNT FOR THE PERIOD
2 MARCH 2016 TO 17 JANUARY 2018**

	Estimated to realise £	Transactions Previously reported £	Transactions This period £	Cumulative £
RECEIPTS				
ASSETS SPECIFICALLY PLEDGED				
Factored Book Debts	Uncertain	Nil	Nil	Nil
TOTAL	Uncertain	Nil	Nil	Nil
ASSETS SUBJECT TO LIEN				
Stock – Location 1	139,942	40,000.00	Nil	40,000.00
Less: proceeds to Lien Holder:	(60,058)	(20,000.00)	Nil	(20,000.00)
Stock – Location 2	(136,817)	Nil	Nil	Nil
Stock – Location 3	(8,725)	Nil	Nil	Nil
TOTAL	(5,600)	20,000.00	Nil	20,000.00
FLOATING CHARGE ASSETS				
Office Equipment	Nil	Nil	Nil	Nil
VAT Refund	4,295	116.97	Nil	116.97
Deposit Interest Gross	-	1.64	8.53	10.17
Sundry Receipts	-	111.50	Nil	111.50
Terminal Loss Tax Recovery	-	Nil	50,050.78	50,050.78
TOTAL	4,295	230.11	50,059.31	50,289.42
PAYMENTS				
Statutory Advertising		80.55	Nil	80.55
Solicitors' Fees and Expenses		Nil	20,000.00	20,000.00
Bordereau Fee		135.00	Nil	135.00
Storage Charges		268.30	207.20	475.50
Administrators Fees		Nil	20,000.00	20,000.00
Administrators Disbursements		377.32	5.28	382.60
Mail Redirection		160.00	Nil	160.00
AML Checks		5.00	Nil	5.00
Software Licence		87.00	Nil	87.00
Document Download		42.00	14.00	56.00
Accountants Fees		2,300.00	2,937.50	5,237.50
IT Equipment & Rental		566.60	Nil	566.60
TOTAL		4,021.77	43,163.98	47,185.75
Represented by:				
Current Account		15,748.34	(683.01)	15,065.33
VAT Paid/Received		Nil	8,498.34	8,498.34
VAT Control Account		460.00	(920.00)	(460.00)
BALANCE IN HAND		15,208.34	6,895.33	23,103.67

APPENDIX C

SUMMARY OF JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD FROM
18 JULY 2017 TO 17 JANUARY 2018

	Director		Senior Manager		Manager 2		Administrator 4		Total		Average Hourly Rate £
	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	Units	Cost £	
Statutory & Review	57	2,565.00	23	943.00	12	384.00	-	-	92	3,892	423.04
Receipts & Payments	8	360.00		-	35	1,120.00	2	30.00	45	1,510	335.56
Assets	383	17,235.00	8	328.00	-	-	5	75.00	396	17,638	445.40
Liabilities	4	180.00		-	66	2,112.00	8	120.00	78	2,412	309.23
General Administration	27	1,215.00	3	123.00	3	96.00	-	-	33	1,434	434.55
Post Appointment Credits Mtngs	5	225.00		-	-	-	-	-	5	225	450.00
Total	484	21,780.00	34	1,394.00	116	3,712.00	15	225.00	649	27,111.00	
Average Hourly Rate (£)		<u>450.00</u>		<u>410.00</u>		<u>320.00</u>		<u>150.00</u>		<u>417.73</u>	

All Units are 6 minutes

DEBUT SPORTS & LEISURE LIMITED -- IN ADMINISTRATION

APPENDIX D

SUMMARY OF JOINT ADMINISTRATORS' TOTAL TIME COSTS TO DATE INCORPORATING A COMPARISON WITH THE JOINT ADMINISTRATORS' APPROVED FEE ESTIMATE

	Director		Senior Manager		Manager 1		Manager 2		Administrator 1		Administrator 4		Total		Variance											
	Units	Cost	Estimated	Actual as at 17.1.2018	Units	Cost	Estimated	Actual as at 17.1.2018	Units	Cost	Estimated	Actual as at 17.1.2018	Units	Cost	Estimated	Actual as at 17.1.2018										
Statutory & Review	5	225.00	-	2,790.00	-	25	1,025.00	280	10,220.00	448	16,352.00	70	2,240.00	91	2,912.00	30	780.00	-	-	385	13,465.00	656	23,659.00	10,394.00		
Receipts & Payments	5	225.00	-	350.00	-	3	123.00	5	182.50	3	109.50	65	2,080.00	118	3,776.00	-	-	-	2	30.00	75	2,487.50	134	4,986.50	1911.00	
Insurance	-	-	-	-	-	-	-	2	73.00	5	182.50	30	960.00	31	992.00	-	-	-	-	-	32	1033.00	36	1174.50	141.50	
Assets	409	18,000.00	-	43,850.00	-	45	1,845.00	1,200	43,800.00	1859	67,853.50	20	640.00	14	448.00	-	-	-	5	75.00	1,620	62,440.00	2883	113,871.50	51,431.50	
Liabilities	20	900.00	-	1,305.00	-	9	369.00	20	730.00	41	1,495.50	250	8,000.00	523	16,736.00	-	-	-	8	120.00	290	9630.00	610	20,026.50	10,396.50	
Debiture Holder	10	450.00	-	900.00	-	-	-	10	385.00	7	255.50	-	-	-	-	-	-	-	-	20	815.00	27	1155.50	340.50		
General Administration	55	2,475.00	-	3,915.00	-	23	943.00	180	6,570.00	287	10,475.50	94	3,008.00	125	4,000.00	-	-	-	-	329	12,053.00	522	19,033.50	7,280.50		
Pre-Appr Cards Meetings	10	450.00	-	450.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10	450.00	10	450.00	0.00		
Appointment	5	225.00	-	225.00	-	-	-	-	-	-	-	11	352.00	11	352.00	-	-	-	-	16	577.00	16	577.00	0.00		
Planning & Strategy	10	450.00	-	450.00	-	-	-	20	730.00	19	853.50	-	-	-	-	-	-	-	-	30	1180.00	29	1143.50	-36.50		
Post Appointment Cards Mings	20	900.00	-	2,025.00	-	-	-	-	-	-	-	56	1,792.00	56	1,792.00	-	-	-	-	76	2,692.00	101	3,617.00	1125.00		
Investigations	15	675.00	-	450.00	-	-	-	35	1,277.50	43	1,569.50	50	1,800.00	128	4,096.00	-	-	-	-	100	3,552.50	181	6115.50	2,563.00		
Case Specific	-	-	-	-	-	-	-	-	-	13	474.50	-	-	-	-	-	-	-	-	-	0.00	13	474.50	474.50		
LEGAL SERV - Preparation	15	675.00	-	450.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15	675.00	10	450.00	225.00		
Strategy & purpose evaluation	95	4,275.00	-	-	-	-	-	180	6,570.00	-	-	-	-	-	-	-	-	-	-	275	1,084.50	0	0.00	-1,084.50		
Preparation of documents	15	675.00	-	-	-	-	-	-	-	-	-	20	640.00	-	-	-	-	-	-	35	1,315.00	0	0.00	-1,315.00		
Chargeholder	40	1,800.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40	1,800.00	0	0.00	-1,800.00		
Total	720	32,400.00	1268	56,970.00	-	105	4,305.00	1932	70,518.00	2725	99,482.50	666	21,312.00	1097	35,104.00	30	780.00	30	780.00	15	225.00	3,348	125,010.00	5238	196,846.50	71936.50
Average Hourly Rate (£)		450.00		450.00			410.00		365.00		365.00		320.00		320.00		280.00		280.00		150.00		373.39		375.80	

All units are 6 minutes

Joint Administrators' Fourth Progress Report
13 February 2018

DESCRIPTION OF TIME SPENT BY CATEGORY

Statutory and Review

This category of activity encompasses work that the Joint Administrators have undertaken for both statutory and case management purposes during the period covered by this report. Whilst this work will not directly result in any monetary value for creditors, it serves to ensure that the case is managed efficiently and resourced appropriately, which will be of benefit to all creditors. The work to be carried out under this category will comprise the following:

- Case management reviews. These reviews are carried out periodically throughout the life of the case. In the early stages of the case this has involved weekly team meetings to discuss and agree case strategy and a month 1 review by the firm's Compliance team to ensure that all statutory and best practice matters have been dealt with appropriately. As the case progresses, as a minimum reviews are carried out at three monthly and six monthly intervals to ensure that the case is progressing as planned.
- Allocation of staff, management of staff, case resourcing and budgeting. In general, efforts have been made to keep case costs to a minimum where possible. This case has necessitated ongoing attendance by senior members of staff in some areas, given the complexities surrounding the unique nature of the Company's business and property including intellectual property rights, and high level negotiations with suppliers and interested parties.
- Review of time costs data to ensure accurate posting of time and to ensure compliance with Statement of Insolvency Practice 9;
- Review of work carried out by more junior members of staff to ensure quality of work and adherence to standards, legislation and best practice;
- The team is required under the Company Directors' Disqualification Act 1986 to review the Company's records and consider information provided by Creditors on the conduct of the all directors involved in the Company during the three years leading up to the insolvency. This will result in the preparation and submission of statutory returns or reports on all directors to the Insolvency Service. Evidence of unfit conduct can result in directors being disqualified for periods of up to 15 years;
- Review of directors' sworn statement of affairs and filing of document at Companies House in accordance with statutory requirements.

Receipts and Payments

Although this category of work will not necessarily result in a direct financial benefit for Creditors, expending time on the Company's Receipts and Payments is an essential part of the administration of the case. During the period covered by this report, the Joint Administrators have expended time in closely monitoring case bank accounts, (which is essential to ensure that bank interest is maximised where possible); ensuring that estate expenses are properly managed and kept to a minimum and ensuring that amounts payable to Creditors are identified and distributed promptly.

Further work has included the following:-

- Managing estate expenses including reconciliation, agreement and payment ongoing holding costs and services.
- Opening of case bank account.
- Management of case bank account to ensure compliance with relevant risk management procedures;
- Regular review of case bank account by senior member of staff to ensure that fixed and floating charge assets have been properly identified and prescribed part funds have been set aside where appropriate.
- Preparation of periodic receipts and payments accounts for inclusion in statutory reports.
- The timely completion of all post appointment tax and VAT returns by the Joint Administrators, as required by law.

Insurance, Bonding and Pensions

The Joint Administrators are obliged to comply with certain statutory requirements when conducting their cases. Some of these requirements are in place to protect company assets (see insurance and bonding matters below), whilst requirements in respect of company pensions schemes are there to protect the pension funds of Company Employees.

Whilst there is no direct financial benefit to Company Creditors in dealing with these, close control of case expenditure is crucial to delivering maximum returns to the appropriate class of Creditor.

- Review to identify any pre-appointment insurance claims.
- Periodic review of insurance requirements over physical assets, to minimise costs to the estate:
- Calculation and request of Joint Administrators' bond in accordance with the Insolvency Practitioners' Regulations 2005. A Bond is a legal requirement on all administrations and is essentially an insurance policy to protect Creditors against the fraud or dishonesty of the Insolvency Practitioner. The bond is calculated by reference to the value of assets which are estimated before costs to be available to Unsecured Creditors.
- Periodic review of bonding requirements to ensure that Creditors are appropriately protected. The bond is reviewed upon each large receipt of monies into the case and also at three month intervals in accordance with best practice:
- Review to identify any pension scheme or related issues, including reviewing financial records and checks with the Pension Protect Fund and Auto Enrolment Service. Following verification, no pension scheme has been identified.

Assets

- Detailed reconciliation of stock held at various locations.
- Review rights, title and legalities relating to branded / licenced stock
- Detailed negotiations with storage providers.
- Attending to purported liens / third party claims.
- Preparations and coordination of marketing particulars, enquiries from interested parties.
- Meetings with interested parties.
- Liaising with Agents and Legal Advisors.
- Nevaboard products; meetings and detailed correspondence with Trading Standards, legal advisors and specialists.
- Detailed enquiries, substantial research and technical review and advice.
- Numerous meetings with stakeholders and interested parties.
- Protracted ongoing negotiations with Stakeholders.
- Negotiations including detailed terms and contractual particulars with interested parties.
- Invoicing, documents, ongoing monitoring of Agency Agreement and stock sales outside of the licenced territories.
- Ongoing monitoring, review, input and correspondence pertaining to the reworking of the Nevaboard products.

Liabilities

The Joint Administrators have expended time in dealing with matters of both a statutory and non-statutory nature in dealing with the Company's liabilities during the period covered by this report:-

Statutory

- Processing of claims from the Company's creditors – at this stage claims are being registered in anticipation of a future dividend albeit no formal adjudication will take place until a return becomes available to that class of Creditor.

- Processing of claims from the Company's employees – attending to matters immediately following redundancy, communicating with employees and assisting with the claims process including the provision of information and correspondence with the Redundancy Payments Office.
- Preparation, review and submission of pre-appointment tax and VAT returns.
- Preparation and submission of periodic progress reports to creditors.

Non-statutory

- Dealing with enquiries from the Company's creditors including lien claimants and storage facilitators.
- Dealing with correspondence and enquiries from the Company's employees

General Administration

The Joint Administrators have taken the following action with regards to General Administration of the case during the period covered by this report:

- General planning matters;
- Setting up and maintaining the Joint Administrators' records;
- Arranging collection and storage of company records; and
- Dealing with general correspondence and communicating with directors and shareholders.

Appointment

- Statutory notifications to Creditors and other interested parties following the administrators' appointment as required by law;
- Preparation of case plan; and
- Formulation of case strategy, including recording of any strategic decisions.

Post Appointment Creditors' Meetings

- Preparation of Joint Administrators' Proposals for achieving a statutory purpose of the administration;
- Preparation of Fees Estimate and Statement of Likely Expenses as required by the Insolvency Rules 1986 (as amended); and
- Convening a meeting by correspondence to agree Fees Estimate with appropriate body of Creditors;
- Reporting on outcome of voting.

Investigations

- Collecting and reviewing the Company's records.
- Conducting initial investigations into the Company's affairs/records to identify the possibility of further realisations and enable the submission of returns due under the Companies Directors Disqualification Act 1986.

APPENDIX F

**SUMMARY OF JOINT ADMINISTRATORS' EXPENSES
FOR THE PERIOD FROM 18 JULY 2017 TO 17 JANUARY 2018 &
FOR THE ENTIRE ADMINISTRATION FROM 2 MARCH 2016 TO 17 JANUARY 2018
INCORPORATING A COMPARISON OF THE JOINT ADMINISTRATORS'
STATEMENT OF LIKELY EXPENSES**

Standard Expenses

Type	Description	Estimated Amount £	Costs previously reported £	Costs incurred in the period of this report £	Cumulative £	Amount Paid	Amount Unpaid
AML Checks	Electronic client verification	5	5	Nil	5	5	Nil
Bond Fee	Insurance bond	135	135	Nil	135	135	Nil
Company Searches	Companies House Information	10	Nil	Nil	Nil	Nil	Nil
Document Hosting	Hosting of documents for Creditors	14	42	14	56	56	Nil
Software Licence Fee	Case management system licence fee	87	87	Nil	87	87	Nil
Statutory Advertising	Advertising	237	81	Nil	81	81	Nil
Storage Costs	Storage of books and records	300	268	207	475	475	Nil
Post redirection	Redirection of post	160	160	Nil	160	160	Nil
	Total standard expenses	948	778	221	999	999	Nil

APPENDIX F (cont...)

Case Specific Expenses

Type	Description	Estimated Amount	Costs previously reported	Costs incurred in the period of this report	Cumulative	Amount Paid	Amount Unpaid
		£	£	£	£	£	£
Agents' Fees	Costs of valuing and realising assets	5,000	tbc	tbc	tbc	-	tbc
Legal Fees	Costs of appointed solicitors	25,000	49,302	14,029	63,331	20,000	43,331
Staff Mileage	Category 2 disbursement requiring specific Creditor / committee approval	30	72	Nil	72	72	Nil
Staff Expenses	Category 1 disbursement	Nil	311	Nil	311	311	Nil
Accountants Fees	Costs of reviewing tax affairs, preparation of accounts & CT computations	Nil	2,300	Nil	2,300	2,300	Nil
RSCM	Provision of accounting information, update & reconciliation of sage accounts, assistance to accountants re tax affairs	Nil	2,125	813	2,938	2,938	Nil
IT Support	IT Support	-	577	Nil	577	577	Nil
	Total case specific expenses	30,030	54,687	14,842	69,529	26,198	69,529

LEONARD CURTIS POLICY REGARDING FEES, EXPENSES AND DISBURSEMENTS

The following Leonard Curtis policy information is considered to be relevant to creditors:

Staff Allocation and Charge Out Rates

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 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 as set out in a fees estimate, 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 insolvency practitioner reserves 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:

6 Jan 2014 onwards	Standard £	Complex £
Director	450	562
Senior Manager	410	512
Manager 1	365	456
Manager 2	320	400
Administrator 1	260	325
Administrator 2	230	287
Administrator 3	210	262
Administrator 4	150	187
Support	0	0

Office holders' remuneration may include costs incurred by the firm's in-house legal team, who may be used for non-contentious matters pertaining to the insolvency appointment.

Subcontractors

Where we subcontract out work that could otherwise be carried out by the office holder or his/her staff, this will be drawn to the attention of creditors in any report which incorporates a request for approval of the basis upon which remuneration may be charged. An explanation of why the work has been subcontracted out will also be provided.

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.

Expenses

We are required to provide creditors with an estimate of the expenses we expect to be incurred in respect of an assignment and report back to them on actual expenses incurred and paid in our periodic progress reports. There are two broad categories of expenses: standard expenses and case specific expenses. These are explained in more detail below:

- a) **Standard Expenses** – this category includes expenses which are payable in order to comply with legal or regulatory requirements and therefore will generally be incurred on every case. They will include.

DEBUT SPORTS & LEISURE LIMITED – IN ADMINISTRATION

Type	Description	Amount																								
AML checks	Electronic client verification in compliance with the Money Laundering Regulations 2007	£5.00 plus VAT per individual																								
Bond / Bordereau fee	Insurance bond to protect the insolvent entity against and losses suffered as a result of the fraud or dishonesty of the IP	£10.00 to £1,200.00 dependent on value of assets within case																								
Company searches	Extraction of company information from Companies House	£1.00 per document unless document can be accessed via the free service																								
Document hosting	Hosting of documents for creditors/shareholders	<table> <tr> <th>Type</th><th>First 100</th><th>Every addtl 10</th></tr> <tr> <td>ADM</td><td>£14.00</td><td>£1.40</td></tr> <tr> <td>CVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>MVL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CPL</td><td>£7.00</td><td>£0.70</td></tr> <tr> <td>CVA</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>BKY</td><td>£10.00</td><td>£1.00</td></tr> <tr> <td>IVA</td><td colspan="2">£10 p.a. or £25 for life of case</td></tr> </table>	Type	First 100	Every addtl 10	ADM	£14.00	£1.40	CVL	£7.00	£0.70	MVL	£7.00	£0.70	CPL	£7.00	£0.70	CVA	£10.00	£1.00	BKY	£10.00	£1.00	IVA	£10 p.a. or £25 for life of case	
Type	First 100	Every addtl 10																								
ADM	£14.00	£1.40																								
CVL	£7.00	£0.70																								
MVL	£7.00	£0.70																								
CPL	£7.00	£0.70																								
CVA	£10.00	£1.00																								
BKY	£10.00	£1.00																								
IVA	£10 p.a. or £25 for life of case																									
Post re-direction	Redirection of post from Company's premises to office-holders' address	0-3 months £185.00 3-6 months £275.00 6-12 months £445.00																								
Software Licence fee	Payable to software provider for use of case management system	£87.00 plus VAT per case																								
Statutory advertising	Advertising of appointment, notice of meetings etc. - London Gazette - Other	£83.02 plus VAT per advert Dependent upon advert and publication																								
Storage costs	Costs of storage of case books and records	£5.07 plus VAT per box per annum plus handling charges																								

- b) Case-specific expenses – this category includes expenses (other than office-holders' fees) which are likely to be payable on every case but which will vary depending upon the nature and complexity of the case and the assets to be realised. They will include:

Type	Description	Amount
Agents' fees	Costs of appointed agents in valuing and realising assets	Time costs plus disbursements plus VAT
Debt Collection fees	Costs of appointed debt collectors in realising debts	Generally agreed as a % of realisations plus disbursements plus VAT
Legal fees	Costs of externally appointed solicitors. Will generally comprise advice on validity of appointment, drafting of sale contracts, advice on retention of title issues and advice on any reviewable transactions.	Time costs plus disbursements plus VAT
Other disbursements	See disbursements section below	See disbursements section below

Disbursements

Included within both of the above categories of expenses are disbursements, being amounts paid firstly by Leonard Curtis on behalf of the insolvent entity and then recovered from the entity at a later stage. These are described as Category 1 and Category 2 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 (excl. mileage), and equivalent costs reimbursed to the office holder or his or her staff. Category 1 disbursements may be drawn without prior approval.
- 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)	£81.25 per box
Business mileage	45p per mile

Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration.

Proof of Debt – General Form
Relevant date: 2 March 2016

Name of Company in Administration:

Debut Sports & Leisure Limited

Company registered number:

06504874

1. Name of creditor (if a company, provide registration number)

2. Correspondence address of creditor (including email address)

3. Total amount of claim (£) at relevant date (include any Value Added Tax)

4. If amount in 3 above includes outstanding uncapitalised interest, state amount (£)

5. Details of how and when the debt was incurred (if you need more space attach a continuation sheet to this form)

6. Details of any security held, the value of the security and the date it was given

APPENDIX H (cont)

7. Details of any reservation of title claimed in respect of goods supplied to which the debt relates

--

8. Details of any document by reference to which the debt relates

--

9. Signature of creditor (or person authorised to act on the creditor's behalf)

--

10. Date of signing:

--

11. Address of person signing (if different from 2 above)

--

12. Name in BLOCK LETTERS

--

13. Position with, or relation to, creditor

--

Notes:

1. There is no need to attach them now but the office-holder may ask you to produce any document or other evidence which is considered necessary to substantiate the whole or any part of the claim, as may the chairman or convenor of any qualifying decision procedure.
2. This form can be authenticated for submission by email by entering your name in block capitals and sending the form as an attachment from an email address which clearly identifies you or has been previously notified to the office-holder. If completing on behalf of the company, please state your relationship to the company.