

The Insolvency Act 1986

Administrator's progress reportName of Company
Incahoot LimitedCompany number
06635483In the High Court of Justice, Chancery Division, Companies
Court, London

[full name of court]

Court case number
8315 of 2014(a) Insert full name(s) and
address(es) of
administrator(s)I (a) Kenneth William Touhey of Insolvency and Recovery Limited, Chapelworth House, 2nd
Floor, 1 Chatsworth Road, Worthing, West Sussex, BN11 1LY

Administrator of the above Company attach a progress report for the period

from

to

(b) 19 November 2014

(b) 18 May 2015

(b) Insert dates

Signed


Administrator

Dated

15/6/15

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

Insolvency and Recovery Limited

Vanessa Blackwell/Kimberley Reid

Tel 01903 239313

DX Number

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



A49QJBIZ

A13

17/06/2015

#180

COMPANIES HOUSE

WEDNESDAY



**Insolvency and
Recovery
Limited**

**INCAHOOT LIMITED
("the Company" or "Incahoot")
(IN ADMINISTRATION)**

Registered Number: 06635483

Administrators' First Progress Report

For the period from 19 November 2014 to 18 May 2015

Pursuant to Rule 2.47(1) of the Insolvency Rules 1986 as amended

**IRL
Chapelworth House
1 Chatsworth Road
Worthing
BN11 1LY
Tel 01903 239313 Fax 01903 219975**

Contents

- 1 Introduction
- 2 Administrator's Report and Statement of Proposals
- 3 Progress of the Administration
- 4 Investigations
- 5 Recovery Prospects for Creditors and the Prescribed Part
- 6 Administrator's Receipts and Payments' Account
- 7 Pre-Administration Costs
- 8 Administrator's Remuneration and Expenses
- 9 Creditors' Rights
- 10 EC Regulation
- 11 Conclusion and Ending of the Administration
- 12 Next Report

Appendices

- A Statutory Information and Form 2 24B
- B Summary of Administrator's Receipts and Payments for the period 19 November 2014 to 18 May 2015 and Administrator's trading account from 19 November 2014 to 13 March 2015
- C Estimated Outcome Statement as at the date of the report, 15 June 2015
- D Administrators' Time Costs and Disbursements from 19 November 2014 to 18 May 2015
- E IRL Charge Out Rates and Disbursements Policy

1. INTRODUCTION

- 1 1 We refer to the appointment of Ken Touhey of Insolvency and Recovery Limited ("IRL"), Chapelworth House, 1 Chatsworth Road, Worthing, West Sussex BN11 1LY as Administrator ("Administrator") of Incahoot Limited ("the Company")
- 1 2 The Administrator was appointed on the 19 November 2014 by the Directors of the Company pursuant to Paragraph 22 of Schedule B1 to the Act
- 1 3 The Court Reference is High Court of Justice, Chancery Division, Companies Court, London, number 8315 of 2014
- 1 4 The purpose of this report is to provide Creditors with details of the progress of the Administration for the reporting period being 19 November 2014 to 18 May 2015, in accordance with Rule 2 47(1) of the Insolvency Rules 1986 ("the Rules")
- 1 5 This report should be read in conjunction with the Proposals dated 13 January 2015
- 1 6 Statutory Information is attached at Appendix A

2. ADMINISTRATOR'S REPORT AND STATEMENT OF PROPOSALS

- 2 1 In accordance with Paragraph 51 of Schedule B1 to the Act a Creditors meeting was held on 28 January 2015 and the Administrators Proposals were approved
- 2 2 As advised in the Proposals, the Administrator 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 (if (a) and (b) cannot be achieved)
 - c) Realising property in order to make a distribution to one or more secured or preferential creditors
- 2 3 In accordance with Paragraph 49(2) of Schedule B1 to the Act the Administrator notes the following
 - In our opinion, objective (a) was not possible as a significant cash injection for working capital was required and neither the Shareholders, Directors nor any 3rd Party were able to provide further funding to enable the Company to be rescued as a going concern
 - Objective (b) and (c) were pursued and we are pleased to report that the Company's business and assets were sold to Manx Incahoot Limited, further details are included within this report

3. PROGRESS OF THE ADMINISTRATION

- 3 1 The manner in which the affairs and business of the Company have been managed since the appointment of the Administrator is detailed below
- 3 2 Details of asset recoveries should be read in conjunction with the Estimated Outcome Statement ("EOS") at Appendix C and with the Administrator's proposals dated 13 January 2015

Trading

- 3 3 The Company continued to trade under the control of the Administrator for the period 19 November 2014 to 13 March 2015
- 3 4 We enclose at Appendix B, the Administrator's trading account for this period. We can confirm apart from one payment due to the telephone Company, all trading costs have been paid

Facility

- 3 5 As previously reported, in order to ensure the continuity of the business activities, the Administrator secured a loan of £40,000 from four of the Shareholders. The purpose of the loan was to provide working capital to fund the necessary ongoing costs associated with continued trading
- 3 6 The terms of the loan were agreed that subject to successful recoveries, a premium of 25% (irrespective of the date of repayment) would be attached to the repayment of the loan to reflect the risks of this unsecured lending
- 3 7 Although outside of the reporting period, on 20 May 2015, the Administrator was in a position to repay £40,000 to the Shareholders. No repayment was made in respect of the interest element of the loan as the Administrator is waiting to finalise the trading expenses, agree the final post appointment VAT return and also establish the quantum of the deferred consideration that we expect to receive

Sale of the Business

- 3 8 Upon appointment, the Administrator prepared sales particulars and identified parties that might be interested in acquiring the business as a going concern
- 3 9 A summary of the Company's activities was circulated to all of these parties requesting that they sign a Non-Disclosure agreement if they required further information
- 3 10 As at the date of the proposals, four interested parties were reviewing the additional information
- 3 11 In January 2015, offers were made by two of the interested parties and one of the offers was accepted by the Administrator subject to the purchaser demonstrating that he had the funds to complete the sale
- 3 12 However, despite further protracted correspondence and telephone calls made to the purchaser's solicitors, no information or comfort was given to the Administrator
- 3 13 On 13 February 2015, the Administrator reluctantly disregarded the purchaser as a serious buyer of the business
- 3 14 The Administrator then approached the second interested party and again subject to evidence of funding by the purchaser, and due diligence carried out by the purchaser, their offer was accepted on 16 February 2015
- 3 15 We are pleased to report that on 13 March 2015, the Company's business and assets were sold to Manx Incahoot Limited ("MIL")

3 16 The consideration for the purchase of the Company's business and assets comprised as follows -

	£
Business and Assets	23,000
Computer Equipment	500
Office furniture and Equipment	1,500
Commission Payments from Inspire	76,000
	<u>101,000</u>

3 17 In addition to the above, it was agreed that MIL also pay the deferred consideration comprising of 10% of total revenue received by MIL from any pipeline clients in respect of sales or services prior to the second anniversary of the completion date (13 March 2017) capped at £100,000

3 18 A schedule of pipeline clients was included within the sales agreement and the deferred consideration is due on a quarterly basis

3 19 The first quarterly accounts are due on 13 June 2015 and as at the date of this report, we are awaiting a copy. The amount to be realised in respect of the deferred consideration is unknown and dependent on the turnover of MIL.

Commissions

3 20 During the period of trading, £14,751.12 was received in respect of commissions

3 21 As advised, MIL purchased the contract that the Company had with Inspire in respect of commissions for the sum of £76,000

Cash at Bank

3 22 At the date of the appointment, the Company had cash at bank available to the Administrator amounting to £14,330

3 23 An additional £195.62 was realised on 12 February 2015 in relation to funds received into the Company bank account after the Administrators appointment

3 24 These funds were utilised by the Administrator as working capital to fund Administration trading

Book Debts

3 25 At the date of appointment, there were two realisable book debts in the sum of £4,196, both of which have been collected. The remaining book debts in the sum of £32,353 are uncollectable and should have been written off prior to appointment

3 26 We would advise that there are no other assets owned by the Company to recover

4. INVESTIGATIONS

4 1 The Administrator has complied with his statutory obligation to file a report with The Department of Business, Innovation and Skills ("DBIS") regarding the conduct of all Directors of the Company that held office in the three years prior to the Administration. The content of this report is confidential

4 2 If Creditors have any additional information regarding the conduct of the Directors which they feel should be brought to the attention of the Administrator of any concerns regarding the way in which

the Company's business has been conducted or information on potential recoveries for the Administration, they should provide full details to us in writing

- 4 3 Please note all correspondence and calls will be dealt with confidentially

5. RECOVERY PROSPECTS FOR CREDITORS AND THE PRESCRIBED PART

Secured Creditor

- 5 1 A debenture in favour of Stephen Patrick Thornton and Richard Keith Timmins dated 10 March 2011 is registered with Companies House
- 5 2 We have been advised that the debenture was repaid in full in 2013 and has since been deregistered with the Registrar of Companies
- 5 3 There are no other Secured Creditors in relation to this matter

Preferential Creditors

- 5 4 Preferential Claims were estimated at £7,021 as per the Proposals, however following the sale of the Business, there are no Preferential Creditors as the employees were transferred under TUPE regulations
- 5 5 The purpose of TUPE is to protect employees if the business in which they are employed changes hands. In effect TUPE is to move employees and any liabilities associated with them from the old employer to the new employer by operation of law

Prescribed Part

- 5 6 Pursuant to Section 176A of The Insolvency Act 1986 (as amended), a Prescribed Part of the Company's net assets should be set aside for the benefit of the Unsecured Creditors. This reduces the funds that would otherwise be made available to any Secured Creditor under Floating Charges created after 15 September 2003
- 5 7 The basis of the calculation is detailed below
- 50% of the first £10,000 of the net property, and
20% of the remaining net property to a maximum of £600,000
- 5 8 Prescribed part is calculated on the Company's net property which is defined as assets available for distribution to Preferential Creditors (after costs) less payment to Preferential Creditors
- 5 9 The calculation of the Prescribed Part is not applicable as there are no floating charge Creditors in this matter

Unsecured Non-Preferential Creditors

- 5 10 According to the Company's books and records, Unsecured Creditors totalled £480,867 as at the date of Administration
- 5 11 As at the date of this report, Unsecured Creditors' claims submitted total £180,083

- 5 12 As per the Proposals, it was reported that should the Administrator be in a position to distribute a dividend to the Unsecured Creditors, the level of distribution would be wholly dependent on the realisations made
- 5 13 As you will note from the Estimated Outcome Statement at Appendix C, asset realisations are lower than originally anticipated and therefore it is uncertain whether there will be a dividend to the Unsecured Creditors in the Administration

6. ADMINISTRATOR'S RECEIPTS AND PAYMENTS ACCOUNT

- 6 1 Attached as Appendix B is a summary of our Receipts and Payments Account for the period 19 November 2014 to 18 May 2015 which we trust is self-explanatory
- 6 2 As at the date of this report, we are holding funds of £7,670 94 Following the six month anniversary, repayment of £40,000 has been made to the Shareholders and the Administrators fees and legal fees have been drawn

7. PRE-ADMINISTRATION COSTS

- 7 1 The Pre-Administration costs are defined in the Insolvency rules as fees, charges and expenses incurred by the Administrator or his firm, or another person qualified to act as an Insolvency Practitioner, before the Company entered Administration but with a view to its doing so
- 7 2 Pre-appointment time costs total £6,960 A detailed time cost analysis showing the pre appointment time costs incurred by category and staff grade was enclosed with the Proposals
- 7 3 The resolution for the approval of pre-appointment time costs was approved at the meeting of Creditors held on 28 January 2015
- 7 4 The Administrator's pre-appointment fees have been drawn in full

8. ADMINISTRATORS' REMUNERATION AND EXPENSES

- 8 1 At the meeting of Creditors held on 28 January 2015, the following resolution was approved
- "That the basis of the Administrator's remuneration be fixed by reference to the time properly given by the Administrator and his staff in attending to matters in the Administration and that he be authorised to draw fees on account of time costs incurred, as and when funds permit"
- 8 2 However it was agreed between the Administrator and the Directors of the Company that the post appointment fees should be capped at £50,000 plus VAT and disbursements
- 8 3 The Administrator's total time costs for the period from 19 November 2014 to 18 May 2015 amount to £76,358 75 representing 298 15 hours, at an average hourly charge out rate of £256 11 A schedule of our time costs incurred to date is attached at Appendix D
- 8 4 During the reporting period we have not drawn any remuneration however we can confirm that £40,000 has since been drawn on account of total fees of £50,000
- 8 5 For the period, time costs totalling £26,358 75 will be written off as will any additional time incurred in connection with closing the Administration
- 8 6 A description of the routine work undertaken in the Administration was detailed in the Proposals

- 8 7 Details of the Administrators' charge out rates and policy regarding re-charge of disbursements are attached at Appendix E Further information may also be found in 'Guide to Administration Fees' This is available from our office free of charge on request or may be downloaded from <http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/creditors-guide-administrators-fees-final.pdf>
- 8 8 Specific expenditure relating to the Administration of a particular case is recoverable without approval and is referred to as 'Category 1 disbursements'
- 8 9 The following Category 1 disbursements have been incurred and paid from the estate since our appointment

Name	Type of Expense	Expense Incurred and Paid £	Future Estimated Expenses £
Courts Advertising	Statutory Advertising	150 00	300 00
Case Management Fee	Insolvency Software	110 00	0 00
Gatwick Hilton Hotel	Room Hire	100 00	0 00
Willis Group	Insurance	216 91	0 00
Willis Group	Specific Bond	528 00	0 00

- 8 10 On this assignment we have incurred category 2 expenses of £282 55 which is in relation to postage and printing and £168 10 in relation to travel

Professional Fees

- 8 11 DMH Stallard was instructed by the Administrator to assist with the legalities of selling the business and its assets
- 8 12 DMH Stallard was instructed on a time cost basis calculated at the firms' standard charge out rates We confirm that the DMH Stallard have been paid of £10,970 plus VAT for assisting with the sale of the business

9. CREDITORS RIGHTS

- 9 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 Administrator provides further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report
- 9 2 Within 14 days of receipt of the request, we must provide all of the information asked for, except so far as we 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

We must also give reasons for not providing all of the information

- 9 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 Administrators' remuneration, the

remuneration charged or the expenses incurred by the Administrators as set out in this progress report are excessive

10. EC REGULATION

- 10 1 It is the Administrator's opinion that the EC Regulation applies and these proceedings are main proceedings as defined in Article 3 of the EC Regulation. The centre of main interest of the Company is in the UK.

11. CONCLUSION AND ENDING OF THE ADMINISTRATION

- 11 1 As at the date of this report, the Administrator has not confirmed whether the Company will be placed into Creditor's Voluntary Liquidation or Compulsory Liquidation.
- 11 2 This decision is dependent on the quantum of the deferred consideration expected from MIL and whether it is sufficient recoveries to enable a distribution to Unsecured Creditors.
- 11 3 As described earlier, the first quarterly accounts are due and upon receipt, the Administrator will make a decision on the best course of action for the case.
- 11 4 The sum of £3,000 has been retained as a provision for legal costs should the Administrator decide to place the Company into Compulsory Liquidation.
- 11 5 Should the Company be placed into Creditors' Voluntary Liquidation, the £3,000 will be distributed to the loan creditors in respect of interest due.

12. NEXT REPORT

- 12 1 The Administrator anticipates that the Administration will be finalised before the anniversary of the Appointment date and therefore it is anticipated that the final report will be distributed prior to 19 November 2014.
- 12 2 If you require further information or assistance, please do not hesitate to contact this office.

For and on behalf of
Incahoot Limited



Ken Touhey
Administrator

Ken Touhey of IRL, Chapelworth House, 1 Chatsworth Road, Worthing, BN11 1LY was appointed Administrator on 31 October 2014, to manage the affairs, business and assets of the Company. All enquiries and correspondence should be addressed to the Joint Administrators at Chapelworth House, 1 Chatsworth Road, Worthing, BN11 1LY. Telephone number 01903 239313.

Kenneth William Touhey is licensed to act as Insolvency Practitioner in the UK by the Institute of Chartered Accountants in England & Wales.

The Administrator acts as agent of the Company without personal liability.

APPENDIX A

STATUTORY INFORMATION AND FORM 2.24B

Statutory Information

Date of Incorporation 2 July 2008

Registered Number 06635483

Company Directors

Name of Director	Appointed on	Resigned on
John Evans	15/01/09	
Stephen Thornton	23/12/09	
Richard Timmins	21/01/10	
Roy Edward Ellingsen	06/07/08	06/04/14

Shareholders

The Company's authorized, issued and fully paid up share capital is as follows

676,604 New Ordinary Shares at 50p each
325,713 Ordinary Shares at £1 00 each
11,111 Preferred Ordinary Shares at £1 each

Trading Address

Fordbrook Business Centre
Marlborough Road
Pewsey
Wiltshire
SN9 5NU

Registered Office

Current:
Chapelworth House
1 Chatsworth Road
Worthing
BN11 1LY

Formerly:
Office 404
Albany House
324 Regent Street
London
W1B 3HH

Summary of Outstanding Registered Charges and Debentures

Debenture **Stephen Patrick Thornton and Richard Keith Timmins**
Created 10 March 2011

Short Particulars: Fixed and Floating Charges over the undertaking

The Administrator has been advised that the debenture has been repaid in full in 2013.

The Insolvency Act 1986

Administrator's progress reportName of Company
Incahoot LimitedCompany number
06635483In the High Court of Justice, Chancery Division, Companies
Court, London
[full name of court]Court case number
8315 of 2014(a) Insert full name(s) and
address(es) of
administrator(s)I (a) Kenneth William Touhey of Insolvency and Recovery Limited, Chapelworth House, 2nd
Floor, 1 Chatsworth Road, Worthing, West Sussex, BN11 1LY

Administrator of the above Company attach a progress report for the period

from

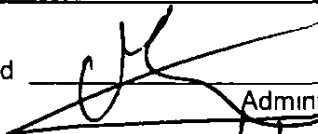
to

(b) 19 November 2014

(b) 18 May 2015

(b) Insert dates

Signed



Administrator

Dated

15/6/15

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

Insolvency and Recovery Limited

Vanessa Blackwell/Kimberley Reid

Tel 01903 239313

DX Number

DX Exchange

Companies House receipt date barcode

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

APPENDIX B

SUMMARY OF ADMINISTRATOR'S RECEIPTS AND PAYMENTS FROM 19 NOVEMBER 2014 TO 18 MAY 2015 AND ADMINISTRATION TRADING ACCOUNT FOR THE PERIOD 19 NOVEMBER 2014 TO 13 MARCH 2015

APPENDIX B

**Incahoot Limited - In Administration
Administrator's Abstract of Receipts & Payments**

From 19 November 2014 To 18 May 2015

S of A £	As Previously Reported	19/11/14 to 18/05/15	Total £
RECEIPTS			
NIL Loan for trading	NIL	40,000 00	40,000 00
NIL Computer Equipment	NIL	500 00	500 00
9 Book Debts	NIL	4,330 50	4,330 50
NIL Cash at Bank	NIL	14,525 42	14,525 42
NIL Sales Commissions - Inspire	NIL	90,751 12	90,751 12
11,388 Directors Loans	NIL	NIL	NIL
3,000 Furniture & Equipment	NIL	1,500 00	1,500 00
NIL Sale of Business & Assets	NIL	23,000 00	23,000 00
14,397	NIL	174,607 04	174,607 04
PAYMENTS			
Sub Contractors	NIL	1,668 00	1,668 00
Wages & Salaries	NIL	30,553 46	30,553 46
Rents	NIL	4,959 66	4,959 66
Travel	NIL	168 10	168 10
Telephone	NIL	4,747 17	4,747 17
Insurance	NIL	216 91	216 91
IT Payments	NIL	2,544 24	2,544 24
Trading Expenses for Employees	NIL	366 31	366 31
Document Download	NIL	16 80	16 80
Legal Fees	NIL	10,970 00	10,970 00
Statutory Advertising	NIL	150 00	150 00
PAYE & NI	NIL	12,663 30	12,663 30
Meeting Room Cost	NIL	100 00	100 00
Accountancy Fees	NIL	366 00	366 00
Vat Receivable	NIL	117 09	117 09
Specific Bond	NIL	528 00	528 00
Case Management Fee	NIL	110 00	110 00
	NIL	70,245 04	70,245 04
CASH IN HAND			
	NIL	104,362 00	104,362 00

INCAHOOT LIMITED - IN ADMINISTRATION
TRADING ACCOUNT FOR THE PERIOD 19 NOVEMBER 2014 TO 13 MARCH 2015

	Payments made to date £	Future Payments from 01/03/15 to 13/03/15 £	Total £
Expenses			
Wages and Salaries	30,553 46	0 00	30,553 46
Sub Contractors	1,668 00	0 00	1,668 00
Rent	4,959 66	0 00	4,959 66
Travel	168 10	0 00	168 10
Telephone & Internet	7,291 41	79 00	7,370 41
Sundry Expenses	366 31	0 00	366 31
PAYE/NIC	12,663 30	0 00	12,663 30
Payroll fees	366 00	0 00	366 00
	<u>58,036 24</u>	<u>79 00</u>	<u>58,115 24</u>

APPENDIX C

ADMINISTRATOR'S ESTIMATED OUTCOME STATEMENT AS AT 15 JUNE 2015

Incahoot Limited - In Administration
Estimated Outcome Statement as at 15 June 2015

	Receipts & Payments to date	Estimated Future Realisations/ Costs	Estimated Final Outcome	Receipts & Payments as at 18 May 2015 (reporting period)
	£	£	£	£
Non-Specifically Pledged Assets				
Intangible Asset (Estimated)	23,000	0	23,000	23,000
Sales Commissions - Inspire (Estimated)	90,751	0	90,751	90,751
Deferred Consideration	0	Uncertain	0	0
Cash at Bank	14,573	0	14,573	14,525
Book Debts and Commissions	4,283	Uncertain	4,283	4,331
Computer Equipment	500	0	500	500
Office Equipment	1,500	0	1,500	1,500
Loan from Shareholders	40,000	0	40,000	40,000
Output VAT		0	0	0
	<u>174,607</u>	<u>0</u>	<u>174,607</u>	<u>174,607</u>
Estimated Costs of Administration				
Administrators Remuneration Pre- Appointment	(6,960)	0	(6,960)	0
Administrators Remuneration Post- Appointment	(40,000)	(10,000)	(50,000)	0
Administrators Disbursements	(1,404)	(374)	(1,778)	(1,122)
Legal Fees Post - Appointment	(10,970)	0	(10,970)	(10,970)
Estimated Legal Fees re Compulsory Liquidation	0	Uncertain	0	0
Administrator's Trading - per trading account	(58,036)	(79)	(58,115)	(58,036)
Input Tax	(9,566)	9,566	0	(117)
	<u>(126,936)</u>	<u>(887)</u>	<u>(127,823)</u>	<u>(70,245)</u>
Estimated surplus (deficiency) available	47,671	(887)	46,784	104,362
Repayment of Loan to Shareholders	(40,000)	0	(40,000)	0
Plus Interest @ 25%	0	(6,583)	(6,583)	0
	<u>(40,000)</u>	<u>(6,583)</u>	<u>(46,583)</u>	<u>0</u>
Estimated surplus (deficiency) available to Preferential Creditors	7,671	(7,470)	201	104,362
Preferential Creditors			NIL	
Estimated Surplus(deficiency) as regards preferential creditors			<u>201</u>	
Unsecured Creditors				
Trade and Expense Creditors			(126,606)	
HMRC - PAYE & NIC			(88,857)	
Shareholder Loans			(30,000)	
Non Executive Directors Fees			(150,709)	
Preference Shareholder Proposed Dividend			(60,133)	
Employees Redundancies			(4,176)	
Employees Arrears of Pay			(21,300)	
			<u>(481,781)</u>	
Estimated Total Deficiency as regards Creditors			<u>(481,580)</u>	
Ordinary Shareholders			(3,870,327)	
Estimated Total Deficiency/Surplus as Regards Members			<u><u>(4,351,907)</u></u>	

APPENDIX D

ADMINISTRATOR'S TIME COSTS

FROM 19 NOVEMBER 2014 TO 18 MAY 2015

Administrator's Remuneration Schedule
Incahoot Limited
Between 19 November 2014 and 18 May 2015

Classification of work function	Partner/ Director	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost	Average Hourly Rate
Administration & Planning	14 40	26 30	31 75	3 60	76 05	17,931 25	235 78
Investigations	0 00	1 80	6 80	0 00	8 60	1,640 00	190 70
Realisation of Assets	49 60	42 10	1 50	10 80	104 00	29,510 00	283 75
Trading	13 70	10 80	0 30	0 00	24 80	8,232 50	331 96
Creditors	3 90	6 90	16 20	1 80	28 80	5,957 50	206 86
Case Specific Matters	0 00	4 50	0 60	1 10	6 20	1,025 00	165 32
Proposals and Notices etc	2 60	12 50	0 00	1 00	16 10	4,265 00	264 91
Taxation	0 00	0 00	2 00	0 00	2 00	350 00	175 00
Advise to Board	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Correspondence and telephone with Director	8 00	2 00	3 80	2 00	15 80	4,510 00	285 44
Pre Appointment Time	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Statutory Filing	0 00	0 00	0 30	0 00	0 30	45 00	150 00
Employees	1 00	1 50	0 60	0 00	3 10	880 00	283 87
Employees	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Shareholders	0 40	0 60	3 00	1 20	5 20	885 00	170 19
Correspondence with Accountant	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Correspondence to Members	0 00	0 00	1 10	0 00	1 10	165 00	150 00
File Notes	0 00	0 00	0 00	2 50	2 50	250 00	100 00
Case Specific Compliance	0 00	0 00	1 20	0 00	1 20	210 00	175 00
Cashiering	0 00	1 10	1 30	0 00	2 40	502 50	209 38
Total hours	93 60	110 10	70 45	24 00	298 15		
Time costs	37,440 00	24,975 00	11,543 75	2,400 00	76,358 75		
Average hourly rate	400 00	226 84	163 86	100 00	256 11		

Description	Total Incurred £	Total Recovered £
Postage and Printing	282 46	0 00
Totals	282 46	0 00

Summary of Fees

Time spent in administering the Assignment	Hours	298 15
Total value of time spent to 18 May 2015	£	76,358 75
Total Administrator's fees charged to 18 May 2015	£	0 00

APPENDIX E

IRL CHARGE OUT RATES AND DISBURSEMENTS POLICY

Insolvency and Recovery Limited (IRL)
Staff Charge Out Rates and Disbursements Recovery Policy
Pursuant to Statement of Insolvency Practice 9

1 CHARGE-OUT RATES

In accordance with guidance issued by Institute of Chartered Accountants of England and Wales, we set out below the range of hourly charging rates from 1 January 2013 to date -

Managing Director	£400 per hour
Manager	£250 per hour
Senior Executive	£175 per hour
Executive	£150 per hour
Administrative & Support Staff	£100 per hour

Unless a fixed fee is agreed all insolvency and business recovery assignments are charged on time cost, i.e. the time spent by the member of staff calculated at the appropriate charging rate. Unless otherwise agreed, no uplift will be applied to these rates. Time is charged in units of 6 minutes.

Charge out rates are normally reviewed annually on 1 January when rates are adjusted to reflect such matters as inflation, increases in direct wage costs and changes to indirect costs such as Professional Indemnity Insurance.

2 DISBURSEMENT RECOVERY

In accordance with Statement of Insolvency Practice 9 (SIP9) disbursements are categorised as either Category 1 or Category 2.

2.1 Category 1 Disbursements

Category 1 disbursements will generally comprise external supplies of incidental services specifically identifiable to the case. Where these have initially been paid by Insolvency and Recovery Limited and then recharged to the case, approval from creditors is not required. The amount recharged is the exact amount incurred. Category 1 disbursements can be drawn without prior approval, although an office holder should be prepared to disclose information about them in the same way as any other expenses.

Examples of Category 1 disbursements include postage, case advertising, specific bond insurance, company search fees, case management software system, 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.

2.2 Category 2 Disbursements

Category 2 disbursements include elements of shared or allocated costs incurred by Insolvency and Recovery Limited and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. Category 2 disbursements may be drawn if they have been approved in the same manner as an office holder's remuneration. When seeking approval, an office holder should explain, for each category of expenses, the basis on which the charge is being made. Examples of Category 2 disbursements are photocopying, all business mileage, internal room hire and internal storage.

The current levels of Category 2 disbursements recovered by Insolvency and Recovery Limited are as follows:

Disbursements	Charge £
Plain/headed paper including photocopying and envelopes	20p per sheet
Postage	Actual Cost
Room hire	Free
Mileage (where any staff or office holder of Insolvency and Recovery Limited, utilises their own vehicle)	45p/mile
Other travel charges are recharged at 100% of the fare/cost incurred by the office holder, his staff or relevant party	Actual Cost
Accommodation, Subsistence and any other miscellaneous disbursements, where appropriately incurred are charged/recharged at 100% of the cost incurred by the office holder, his staff or relevant party	Actual Cost

All costs are subject to VAT, where applicable.

Insolvency and Recovery Limited

Effective from 1 January 2015