

The Insolvency Act 1986

**Joint Administrators' progress report**

Name of Company  
Conway Stewart Manufacturing (UK) Limited

Company number  
07381776

In the County Court Plymouth

Court case number  
164 of 2014

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

We (a) Jason Mark Elliott and Craig Johns of Cowgill Holloway Business Recovery LLP, Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR

Joint Administrators of the above Company attach a progress report for the period

from

to

(b) 28 July 2015

(b) 27 January 2016

Signed

Craig Johns - Joint Administrator

(b) Insert dates

Dated 24 February 2016

**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.

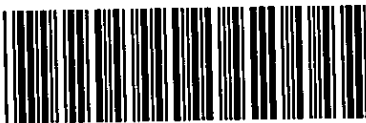
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COMPANIES HOUSE

**Joint Administrators' Progress  
Report**

**For the period  
28 July 2015 to 27 January 2016**

**Conway Stewart  
Manufacturing (UK) Limited  
- In Administration**

  
**COWGILL HOLLOWAY**  
BUSINESS RECOVERY

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## THE JOINT ADMINISTRATORS' PROGRESS REPORT

### **1      Statutory information**

- 1 1      I was appointed Joint Administrator of Conway Stewart Manufacturing (UK) Limited ("the Company") on 28 August 2014 along with my colleague Jason Mark Elliott. The appointment of the Joint Administrators was made by the Director of the Company.
- 1 2      This Administration is being handled by Cowgill Holloway Business Recovery LLP ("CHBR") at Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR. The Administration is registered in the County Court Plymouth, under reference 164 of 2014.
- 1 3      The trading address of the Company was Unit 2 and 3 Haxter Close, Roborough, Plymouth, Devon, PL6 7DD. The business traded under the name Conway Stewart Manufacturing (UK) Limited and Conway Stewart.
- 1 4      The registered office of the Company is Regency House, 45-53 Chorley New Road, Bolton, BL1 4QR and its registered number is 07381776.
- 1 5      This report should be read in conjunction with the Joint Administrators' Report and Statement of Proposals ("Proposals") which were circulated to all creditors on 20 October 2014, the Joint Administrators First Progress Report which was circulated to all creditors on 27 March 2015 and the Joint Administrators Second Progress report which was circulated to all creditors on 20 August 2015.

### **2      Progress of the Administration**

- 2 1      Attached at Appendix A is our Receipts and Payments Account for the Period from 28 July 2015 to 27 January 2016 and a cumulative Receipts and Payments Account for the Period from 28 August 2014 to 27 January 2016.
- 2 2      A summary of asset realisations to date is as follows:

***Sale of the Assets***

- 2.3 As previously advised in the Proposals, the Joint Administrators instructed Winterhill Largo Plc ("Winterhill") to value the business and assets of the Company, review the work in progress and conduct a short term marketing campaign. Further details regarding the work undertaken by Winterhill can be found in our previous reports.
- 2.4 On 18 September 2014, after the marketing campaign failed to generate any significant interest in the business sale opportunity, Winterhill completed an online auction of the assets of the Company which consisted of the majority of stock held, office equipment and plant and machinery. Asset realisations totalled £86,910 which far exceeded the initial estimates of £30-35,000 provided by Winterhill.
- 2.5 In accordance with Statement of Insolvency Practice 13, we should advise you that no assets were sold to the Director of the Company.

***Book Debts***

- 2.6 As reported previously, book debts in the sum of £53,000 were outstanding as per the Statement of Affairs and realisations from this source had achieved £37,559. During the course of this reporting period an additional book debt realisation in the sum of £1,000 has been received. Book debt realisations have therefore realised £38,559 in total. As reported previously, Fraser Waite Desmiers Accountants ("FWD") were engaged by the Joint Administrators to assist with the collection of the book debts.
- 2.7 FWD have advised that the balance of the book debts should be written off due to disputes and counter claims. Therefore no further realisations are anticipated from this source.

***Stock***

- 2.8 As previously advised the majority of stock was sold shortly after our appointment via auction which raised proceeds of £28,947 which is included within the £86,910 stated in paragraph 2.4. Winterhill were holding a small collection of stock consisting of pens and part completed pens, which were retained and believed to relate to a number of debtors. FWD have advised that the remaining pens / pen parts did not relate to any of the outstanding debtors and, as such, this stock could be sold. Accordingly, Winterhill took steps to sell this remaining stock.

## **Conway Stewart Manufacturing (UK) Limited - In Administration**

2 9 On 15 December 2015, funds in the sum of £1,264 were received from Winterhill in respect to the sale of the remaining pens / pen parts No further assets remain and therefore no further realisations will be achieved from this source

2 10 Included in the Proposals, which were circulated on 15 October 2014, we stated that the Second objective of the Administration was to be achieved, namely, "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)" By implementing a strategy immediately on appointment where the assets and stock were secured, the Joint Administrators were able to instruct agents to recommend a strategy which enabled realisations in respect to these assets to be far greater than in a forced sale scenario

2 11 Based on the current asset realisations, the Joint Administrators still believe that the Second statutory objective of Administration namely, "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)" will be achieved as due to the increased physical asset realisations in comparison to a Liquidation scenario, a dividend will be available to unsecured creditors

### **3 Assets still to be realised**

3 1 No assets remain outstanding

### **4 Investigations**

4 1 In accordance with the Company Directors Disqualification Act 1986 we have submitted a report on the conduct of the Directors of the Company to the Department for Business Innovation & Skills ("BIS") As this is a confidential report, we are not able to disclose the contents We can confirm that we have now been discharged of our statutory duties in this regard

4 2 Shortly after appointment, we made an initial assessment of whether there could be any matters that might lead to recoveries for the estate and what further investigations may be appropriate This assessment took into account information provided by creditors as a response to our request to complete an investigation questionnaire Our investigations have not revealed any issues requiring further report

**5 Pre-administration Costs**

- 5 1 On 7 November 2014, the Company's secured creditor authorised that the following amounts in respect of pre-administration costs be approved -

Name of Recipient	Brief description of services provided	Total amount approved £
Cowgill Holloway Business Recovery LLP	Providing advice to the Company, formulating a strategy for the Administration, discussions with agents regarding a marketing strategy	12,715 plus VAT
Winterhill Largo Plc	Review and valuation of the Company's assets and providing advice in relation to a marketing strategy of the business and assets (Including disbursements)	1,823 plus VAT (inclusive of £323 disbursements)

- 5 2 The pre appointment costs in respect of Winterhill and CHBR have been discharged in full

**6 Joint Administrators' Remuneration**

- 6 1 On 7 November 2014, the Company's Secured Creditor approved that the basis of the Joint Administrators' remuneration be fixed by reference to the time properly spent by the Joint Administrators and their staff in managing the matters arising in the Administration
- 6 2 Our time costs for the Period from 28 July 2015 to 27 January 2016 are £2,399 This represents 12 hours at an average rate of £197 per hour Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this period in respect of the costs fixed by reference to time properly spent by us in managing the Administration
- 6 3 Also attached as Appendix C is a Cumulative Time Analysis for the Period from the date of our appointment to 27 January 2016 which provides details of our time costs since appointment Our time costs for this period are £55,315 which represents 266 hours at an average rate of £208 per hour
- 6 4 A description of the activities of which the majority of time has been spent are as follows -

***Asset Realisations***

- 6 5 Time spent on this category, in the sum of £19,664 representing 94 hours at an average of £210 per hour, relates to, but is not limited to, attendance at the Company's trading premises to meet with Winterhill and formulate the strategy for asset disposal, corresponding and communicating with parties interested in the business opportunity, liaising with Equal Accounting, FWD and Nexus regarding the book debt collection and corresponding with the Company's bankers to obtain closing bank balances

***Reporting and Returns***

- 6 6 Time spent on this category, in the sum of £13,072 representing 58 hours at an average of £226 per hour, relates to, but is not limited to, preparing and circulating the Proposals, the Joint Administrators First Progress Report to creditors and the Joint Administrators Second Progress Report to creditors and preparing and reviewing the Joint Administrators Third Progress Report
- 6 7 To date, the Joint Administrators have drawn a fee in the sum of £27,000 plus VAT on account of their post appointment time costs
- 6 8 A copy of "A Creditors' Guide to Administrators' Fees" is available on request or can be downloaded from <http://www.cowgills.co.uk/services/business-recovery-insolvency.html>
- 6 9 Attached at Appendix E is additional information in relation to this firm's policy on staffing, the use of subcontractors, disbursements and details of our current charge-out rates by staff grade
- 6 10 The following Category One disbursements in the combined sum of £1,046 plus VAT have been drawn on account



## Conway Stewart Manufacturing (UK) Limited - In Administration

Supplier / Service Provider	Nature of expense incurred	Amount incurred to Date £	Paid to Date £	Amount Outstanding £
AUA Insolvency Risk Services Limited	Insurance of assets	175	175	Nil
AUA Insolvency Risk Services Limited	Statutory bordereau	144	144	Nil
CHBR	Travel and accommodation	402 plus VAT	402 plus VAT	Nil
Courts Advertising Limited	Statutory advertising	85 plus VAT	85 plus VAT	Nil
Royal Mail Plc	Six month mail re-direction	240 plus VAT	240 plus VAT	Nil

6 11 The Joint Administrators confirm that they do not seek to charge Category 2 disbursements

## 7 Joint Administrators' Expenses

7 1 The following expenses have been incurred in the period from 28 July 2015 to 27 January 2016 -

Supplier / Service Provider	Nature of expense incurred	Amount incurred to Date £	Paid to Date £	Amount Outstanding £
Nexus Solicitors Limited	Legal advice in relation to a disputed book debtor	1,075 plus VAT	1,075 plus VAT	Nil
Winterhill Largo Plc	Auction fees in respect to the disposal of the Company's remaining stock of pens and pen parts	130 plus VAT	130 plus VAT	Nil
Winterhill Largo Plc	Agents disbursements	232 plus VAT	232 plus VAT	Nil

## 8 Estimated outcome for creditors

8 1 An Estimated Outcome Statement as at 27 January 2016 is attached at Appendix D

### *Secured Creditors*

8 2 The Company granted Plymouth Pen Company Limited ("PPC") a debenture incorporating a fixed and floating charge over the assets of the Company. The security was created on 3 November 2010 and registered on 9 November 2010. As at 28 August 2014 the liability outstanding to PPC was £307,653.

8 3 As reported previously, the Joint Administrators agreed the claim of PPC at £307,653 and the PPC debenture was validated by solicitors.

- 8 4 As previously reported, on 12 June 2015 a first interim distribution in the sum of £20,000 was paid to PPC. A second interim distribution in the sum of £19,760 was paid to PPC on 7 December 2015. A third and final distribution in the sum of £280 was paid to PPC on 4 February 2016, however, this is not reflected on the Receipts and Payments account as it is outside of this reporting period.
- 8 5 The Joint Administrators are required to create a fund out of the Company's net floating charge property for the benefit of the unsecured creditors. At present, following the first two distributions to PPC, £13,690 has been set aside for the benefit of the unsecured creditors. An additional £70 will be added to the prescribed part fund following the third and final distribution to PPC.
- 8 6 The prescribed part fund for the benefit of the unsecured creditors is in the sum of £13,760.
- 8 7 Please note, that we have previously incorrectly reported the quantum of the prescribed part fund in relation to the first distribution to PPC. The initial sum set aside from the Company's net property was £8,750 and not £7,000 which was previously reported.

***Preferential Creditors***

- 8 8 As previously reported, preferential creditors were paid a first and final dividend in the sum of £7,025 at a rate of 100 pence in the pound on 23 February 2015. Please note that the appropriate deductions of PAYE/NIC have been paid to HM Revenue & Customs from the sum distributed.
- 8 9 As such, no further preferential liability is outstanding and claims of this nature are no longer anticipated.

***Unsecured Creditors***

- 8 10 We have received claims totalling £108,570 from 21 unsecured creditors. We are yet to receive claims from 30 unsecured creditors whose debts total £18,374 as per the Company's statement of affairs.
- 8 11 The Company granted security to PPC incorporating a fixed and floating charge over the assets of the Company. The security was created on 3 November 2010 and registered on 9 November 2010. Accordingly, we are required to create a fund out of the Company's net floating charge property for unsecured creditors known as the 'Prescribed Part'.

- 8 12 As noted above distributions in the sum of £39,760 have been distributed to PPC. As such, prescribed part funds in the sum of £13,690 have been set aside for the benefit of the unsecured creditors.
- 8 13 As noted above, a third and final distribution in the sum of £280 was distributed to PPC on 4 February 2016, outside of this reporting period. An additional £70 will be added to the prescribed part fund following the third and final distribution to PPC.
- 8 14 Based upon the above, the prescribed part fund for the benefit of the unsecured creditors is in the sum of £13,760. It is estimated that unsecured creditors will receive an unsecured dividend of approximately 10.82 pence in the pound. Please note that this estimate is subject to the receipt of final claims from unsecured creditors who are yet to prove in the Administration.
- 8 15 As noted in Section 9 of this report, the Joint Administrators intend to declare a first and final dividend to the unsecured creditors.

## **9 Notice of Intended Dividend**

- 9 1 As noted in Section 8 of this report the Joint Administrators currently have prescribed part funds of £13,690 set aside for the benefit of the unsecured creditors. As noted above a further distribution of £280 was made to PPC under the terms of their floating charge outside of this reporting period. As a result of this further £70 is available for the unsecured creditors via the prescribed part.
- 9 2 Accordingly, funds totalling £13,760 are available for the unsecured creditors, however, the Receipts & Payments account shown at Appendix A does not take into account the prescribed part from the third distribution to PPC. It is our intention to pay a first and final dividend to the unsecured creditors within the next two months of the last date of proving and we enclose for your attention a Notice of Intended Dividend and a Statement of Claim form for those unsecured creditors who have still to register their claim.
- 9 3 If you have not already submitted a claim in the Liquidation can you please complete and return the enclosed Statement of Claim form and return it to us before 18 March 2016, otherwise you will be excluded from any dividend payable after that date.

- 9 4      Alternatively, we should be obliged if you would inform us if you have no claim in the Administration

## **10      Ending the Administration**

- 10 1      In the Joint Administrators' Progress Report it was anticipated that the Administration would be converted to a Creditors Voluntary Liquidation ("CVL") in order that the distribution to the Unsecured Creditors could be made from the prescribed part. In May 2015, Insolvency Legislation was changed to allow Administrators to make a distribution to the unsecured creditors out of prescribed part funds in Administration. As such, CVL is no longer required and, accordingly, as per Section 9 of this report the Joint Administrators will make a first and final distribution to unsecured creditors within the Administration.

### ***Dissolution of the Company***

- 10 2      It is therefore proposed that following the distribution to the unsecured creditors and conclusion of all other matters in the Administration, the Joint Administrators will file a notice together with their final progress report at Court and with the Registrar of Companies for the dissolution of the Company. We will send copies of these documents to the Company and its creditors. The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies.
- 10 3      The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Joint Administrators ceasing to have effect.

## **11      Creditors' rights**

- 11 1      Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this Progress Report.

- 11 2 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, in all the circumstances, the basis fixed for the Joint Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Joint Administrators, as set out in this Progress Report, are excessive

**12 Next report**

- 12 1 The Joint Administrators are required to provide a Progress Report within one month of the end of the next six months of the Administration or earlier if the Administration has been finalised or an application to extend the Administration has been made

For and on behalf of  
Conway Stewart Manufacturing (UK) Limited

A handwritten signature in black ink, appearing to be 'Craig Johns', written over a horizontal line.

**Craig Johns**  
**Joint Administrator**

Appendix A

**Receipts and Payments Account for the Period from 28 July 2015 to 27 January 2016 and a  
Cumulative Receipts and Payments Account 28 August 2014 to 27 July 2015**

	Statement of Affairs £	From 28 July 2015 to 27 January 2016 £	From 28 August 2014 to 27 January 2016 £
<b>INCOME</b>			
Petty Cash	-	-	55
Office Equipment	500	-	2,132
Stock	Uncertain	1,264	30,211
Overpayment to Suppliers	2,614	-	2,615
Cash at Bank	13,712	-	13,840
Plant & Machinery	25,000	-	55,831
Book Debts	53,000	1,000	38,559
Insurance Refund	-	-	47
	<b>94,826</b>	<b>2,264</b>	<b>143,290</b>
<b>EXPENDITURE</b>			
Subrogated Claim - Mr A Rawji		-	350
Rent		-	1,179
Debtor Collection Fee		-	4,288
Non-Domestic Rates		-	970
Agents Fees - IT		-	90
Specific Bond		-	144
Pre Appointment Fees - Joint Administrators		-	12,715
Joint Administrators Post Appointment Fees		-	27,000
Travel and Accommodation		-	402
Pre Appointment Agent's Fees		-	1,500
Pre Appointment Agent's Disbursements		-	323
Agent's Fees - Asset Valuation and Disposal		130	19,341
Agent's Disbursements		232	9,309
Legal Fees		1,075	3,570
Legal Disbursements		-	35
Re-Direction of Mail		-	240
Statutory Advertising		-	85
Insurance of Assets		-	175
<b>Preferential Creditors - Distribution</b>			
Preferential Dividend - 100 pence in the £ paid on 24 February 2015		-	7,025
<b>Floating Charge Creditor - Distributions</b>			
First Floating Charge Distribution - 6 50 pence in the £ paid on 12 June 2015		-	20,000
Second Floating Charge Distribution - 6 42 pence in the £ paid on 7 December 2015		19,760	19,760
		<b>21,197</b>	<b>128,501</b>
<b>Balance</b>			<b>14,789</b>
<b>MADE UP AS FOLLOWS</b>			
Cash at Bank - Non Interest Bearing Account			1,280
VAT Receivable			72
VAT Payable			(253)
Prescribed Part fund - Set aside for the Unsecured Creditors			13,690
			<b>14,789</b>

Appendix B

Time Analysis for the Period from 28 July 2015 to 27 January 2016

	Partner	Senior Manager	Senior Administrator	Administrator	Cashier	Total Hours	Total Cost £	Average Cost £
Asset Realisations	2 50	-	1 00	-	-	3 50	1,117 50	319 29
General Administration	-	-	6 10	0 10	1 00	7 20	1,071 00	148 75
Reporting & Returns	-	-	0 50	-	1 00	1 50	210 00	140 00
TOTAL	2 50	-	7 60	0 10	2 00	12 20	2,398 50	196 60

## Appendix C

## Cumulative Time Analysis for the Period from 28 August 2014 to 27 January 2016

	Partner	Senior Manager	Senior Administrator	Administrator	Cashier	Total Hours	Total Cost £	Average Cost £
Asset Realisation / Management	8 00	18 20	67 30	-	-	93 50	19,664 00	210 31
Creditor Claims	-	-	20 00	-	-	20 00	3,600 00	180 00
Distribution & Closure	-	-	2 70	-	0 60	3 30	558 00	169 09
Employee Matters	-	5 50	8 40	-	-	13 90	2,887 00	207 70
General Administration	-	-	15 90	1 10	15 80	32 80	4,923 00	150 09
Investigations	5 00	-	5 50	-	0 10	10 60	2,877 00	271 42
Planning & Strategy	9 00	1 70	7 80	-	-	18 50	4,529 00	244 81
Reporting and Returns	13 50	10 90	31 90	-	1 50	57 80	13,072 00	226 16
Steps on Appointment	-	4 90	11 00	-	-	15 90	3,205 00	201 57
<b>TOTAL</b>	<b>35 50</b>	<b>41 20</b>	<b>170 50</b>	<b>1 10</b>	<b>18 00</b>	<b>266 30</b>	<b>55,315 00</b>	<b>207 72</b>



Estimated Outcome Statement as at 27 January 2016

	Notes	Administration £
<b>Assets Subject to Floating Charge</b>		
Cash held at 27 January 2016		1 280
VAT Payable	1	(181)
		1 099
Less: Costs of Administration	2	(749)
<b>Estimated funds available for Preferential Creditors</b>		350
Less: Estimated Preferential Creditors		N/A
<b>Estimated Surplus / (Deficiency) to floating charge creditor</b>		350
Less: Prescribed Part c/d	3	(70)
		280
Less: Debts Secured by Floating Charge	3	(267 893)
Estimated Deficiency to Floating Charge c/d		(267 613)
Add Back: Estimated prescribed part of net property b/d	3	70
Prescribed part funds already set aside	3	13 690
		13 760
Less: Unsecured Creditors		
Mr A Rawji: Subrogated claim	4	(2 802)
Trade & Expense Creditors	5	(115 202)
Employee Unsecured Claims (Estimate)	6	(9 117)
<b>Total Creditors</b>		(127 121)
<b>Estimated Deficiency as regards Unsecured Creditors</b>		(113 361)
<b>Shortfall in respect of Floating Charge b/d</b>		(267 613)
<b>Estimated Deficiency as regards Creditors</b>		(380 974)

	p/£
Estimated Dividend to Unsecured Creditors	10.82

<b>Notes</b>
1 VAT payable of £253 is due to HMRC and will be offset in part by VAT receivable of £72
2 Estimate See breakdown below
3 The Company granted Plymouth Pen Company Limited (formerly Conway Stewart & Company (UK) Limited) a debenture incorporating a fixed and floating charge over the assets of the Company which was created on 3 November 2010 and registered on 9 November 2010. As the charge was registered after 15 September 2003 the Joint Administrators are required to set aside a prescribed part for the benefit of the unsecured creditors. To date distributions in the sum of £39 760 have been paid to PPC reducing its liability to £267 893. Accordingly, £13,690 in respect of the prescribed part has been set aside for the benefit of the unsecured creditors. As noted in the Joint Administrators progress report a further distribution of £280 was made to PPC outside of this reporting period. The additional prescribed part is £70.
4 The Company entered into a Hire Purchase agreement with General Asset Management Limited ("GAM") for the purchase of some IT equipment. This agreement was personally guaranteed by the former director Mr A Rawji. GAM pursued Mr Rawji for the outstanding balance in respect of the agreement. Mr Rawji discharged the outstanding balance in full on 23 September 2014. From the sale of the computer equipment £350 was paid to Mr Rawji under his subrogated claim with the balance being unsecured.
5 Based on figures provided by the director and claims received from unsecured creditors
6 Based upon the claims received from the Redundancy Payments Service and former employees

Costs of Administration	Administration £
Statutory Advertising	(85)
Storage Costs of the Company's Books and Records and the Joint Administrators' Files	(664)
	(749)

**Additional Information in Relation to Joint Administrators' Fees Pursuant to Statement of  
Insolvency Practice 9**

**1 Policy**

Detailed below is Cowgill Holloway Business Recovery LLP's policy in relation to

- staff allocation and the use of sub-contractors,
- professional advisors, and
- disbursements

**1.1 Staff Allocation and the use of Sub-contractors**

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We are not proposing to utilise the services of any sub-contractors in this case.

**1.2 Professional Advisors**

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Ask Computers Limited (IT Assurance)	Fixed fee
Equal Accounting Limited (Debtor Collection)	% of debtor collections
Fraser Waite Desmiers Accountants (Debtor Collection)	% of debtor collections
Nexus Solicitors Limited (Legal Advice)	Time costs
Winterhill Largo Plc (Valuation and disposal)	Agreed fixed fee plus disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them

**13 Disbursements**

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Name of Supplier	Basis of Fee Arrangement
AUA Insolvency Risk Services Limited (Insurance)	Insurance premium based upon assets insured
Courts Advertising Limited (Statutory Advertising)	Fixed fee pre advertisement
Cowgill Holloway Business Recovery LLP (Joint Administrators' Disbursements)	Travel and accommodation
Plymouth City Council (Rent)	Pre-rated monthly rent
Royal Mail Plc (Mail Redirection)	Fixed fee pre redirection

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage.

We would confirm that this firm does not seek to charge any Category 2 disbursements.

## 2 Charge-out Rates

As detailed in our Proposals Cowgill Holloway Business Recovery LLP's charge-out rates for this assignment effective from 1 March 2012 were as follows

Staff Grade	Rate per Hour
Partner	£375
Consultant	£300
Director	£300
Manager	£250
Senior Administrator	£180
Administrator	£150
Cashier/Support	£120
Junior Administrator	£100

Please note that this firm records its time in minimum units of 6 minutes