

# AM22

## Notice of move from administration to creditors' voluntary liquidation



Companies House

FRIDAY



A24 \*A7IU38QQ\*  
16/11/2018 #177  
COMPANIES HOUSE

### 1 Company details

Company number 0 8 2 9 5 1 4 6

Company name in full Bowater Industries Limited

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

### 2 Court details

Court name High Court of Justice, Chancery Division, Companies  
Court

Court case number 9 2 3 8 2 0 1 7

### 3 Administrator's name

Full forename(s) Andrew

Surname Andronikou

### 4 Administrator's address

Building name/number High Holborn House

Street 52-54 High Holborn

Post town London

County/Region

Postcode WC 1 V 6 R L

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

**5 Administrator's name <sup>①</sup>**

Full forename(s) Andrew

Surname Hosking

**① Other administrator**  
Use this section to tell us about another administrator.**6 Administrator's address <sup>②</sup>**

Building name/number High Holborn House

Street 52-54 High Holborn

Post town London

County/Region

Postcode W C 1 V 6 R L

Country

**② Other administrator**  
Use this section to tell us about another administrator.**7 Appointor/applicant's name**

Give the name of the person who made the appointment or the administration application.

Full forename(s) The Directors of the

Surname Company

**8 Proposed liquidator's name**

Full forename(s) Andrew

Surname Andronikou

Insolvency practitioner number 8 8 0 6

**9 Proposed liquidator's address**Building name/number ~~81 Station Road~~ High Holborn HouseStreet ~~Marlow~~ 52 - 54 High HolbornPost town ~~Bucks~~ London

County/Region

Postcode ~~S L 7 1 N S~~ WC1V 6RL

Country

AM22

Notice of move from administration to creditors' voluntary liquidation

**10 Proposed liquidator's name <sup>1</sup>**

Full forename(s)	Andrew
Surname	Hosking
Insolvency practitioner number	9 0 0 9

**1 Other liquidator**  
Use this section to tell us about another liquidator.

**11 Proposed liquidator's address <sup>2</sup>**

Building name/number	<del>81 Station Road</del> High Holborn House
Street	<del>Marlow</del> 52 - 54 High Holborn
Post town	<del>Ducks</del> London
County/Region	
Postcode	<del>9 L 7</del> <del>1 N 8</del> WC1V 6RL
Country	

**2 Other liquidator**  
Use this section to tell us about another liquidator.

**12 Period of progress report**

From date	d 0 5	m 0 6	y 2 0 1 7
To date	d 1 4	m 1 1	y 2 0 1 8

**13 Final progress report**

☒ I have attached a copy of the final progress report.

**14 Sign and date**

Administrator's signature	Signature X <i>Andrew Hosking</i> X
Signature date	d 1 4 m 1 1 y 2 0 1 8

# AM22

Notice of move from administration to creditors' voluntary liquidation



## 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	Tom Maker
Company name	Quantuma LLP
Address	High Holborn House 52-54 High Holborn
Post town	London
County/Region	
Postcode	W C 1 V 6 R L
Country	
DX	
Telephone	020 3856 6720



## 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 and dated 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

**Bowater Industries Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £	From 05/06/2018 To 14/11/2018 £	From 05/12/2017 To 14/11/2018 £
ASSET REALISATIONS		
Transfer of Subsidiary Shares	NIL	576.00
R&D Tax Credits	NIL	4,733.48
Bank Interest Gross	4.95	6.77
Sale of Assets	27,000.00	57,000.00
	27,004.95	62,316.25
COST OF REALISATIONS		
Specific Bond	NIL	135.00
Pre Appt Office Holder Fees	NIL	6,328.00
Office Holders Fees	30,196.00	33,868.00
Meeting Room Hire	NIL	13.00
Agents/Valuers Fees	NIL	3,280.00
Photocopying	NIL	22.00
Stationery	NIL	27.50
Postage	NIL	35.75
AML Search Fee	NIL	12.00
Statutory Advertising	NIL	242.40
Insurance of Assets	201.60	201.60
	(30,397.60)	(44,165.25)
	<b>(3,392.65)</b>	<b>18,151.00</b>
REPRESENTED BY		
Bank 1 Current		9,358.27
Vat Control Account		8,792.73
		<b>18,151.00</b>

**High Court of Justice, Chancery Division, Companies Court      Number 9238 of 2017**

**Bowater Industries Limited  
(In Administration)**

**The Joint Administrators' Final Progress Report to 14 November 2018**

**Andrew Andronikou**

**Andrew Hosking**

**Quantuma LLP**

**High Holborn House, 52-54 High Holborn, London, WC1V 6RL**

**020 3856 6720**

This report has been prepared for the sole purpose of updating the creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

Andrew Andronikou and Andrew Hosking were appointed Joint Administrators of Bowater Industries Limited on 5 December 2017. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

## **Contents**

1. Executive Summary
2. The Progress of the Administration
3. Creditors: Claims and Distributions
4. Investigations
5. The Joint Administrators' Fees and Expenses
6. The Outcome of the Administration

## **Appendices**

- I. Statutory Information
- II. Summary of the Joint Administrators' Proposals as Approved
- III. The Joint Administrators' Receipts and Payments Account
- IV. Estimated Outcome Statement for the Liquidation
- V. The Joint Administrators' Time Costs
- VI. Details of Work Undertaken
- VII. Proof of Debt form

## **DEFINITIONS**

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Andrew Andronikou and Andrew Hosking of Quantuma LLP
The Company	Bowater Industries Limited (in Administration)
The Court	High Court of Justice, Chancery Division, Companies Court
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 5 June 2018 to 14 November 2018

## 1 INTRODUCTION

This report has been prepared to provide creditors with an update on the progress of the Administration of the Company since our last report dated 29 June 2018.

The report has been prepared in accordance with insolvency legislation to provide members and creditors, the Registrar of Companies and the Court with details of the progress made during the Review Period, and with an overview of the conduct of the Administration and summary of the information provided in the progress report that has been issued during the Administration. Copies of this report is available on request.

The Joint Administrators' proposals were approved by creditors on 12 February 2018. A formal notice confirming this was sent to all creditors on 20 February 2018. Attached at Appendix II is a summary of the Joint Administrators Proposals, as approved.

A schedule of statutory information in respect of the Company is attached at Appendix I.

### Details of the appointment of the Joint Administrators

Andrew Andronikou and Andrew Hosking of Quantuma LLP were appointed Joint Administrators of the Company on 5 December 2017.

The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.

## 2 THE PROGRESS OF THE ADMINISTRATION

### The Joint Administrators' final receipts and payments account

Attached at Appendix III is a receipts and payments account covering the period from 5 June 2018 to 14 November 2018 together with a summary of the transactions in the previous review period.

In this section, we have summarised the main asset realisations during the Review Period and in the Administration as a whole, together with details of the associated costs incurred. For a detailed list of work undertaken by the Joint Administrators as a whole, see Appendix VI.

### Administration (including statutory reporting)

The Joint Administrators have met a considerable number of statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to high professional standards.

During the Review Period, primarily these tasks have included:

- Considering which exit route from Administration is appropriate and drafting this final report;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Monitoring and maintaining an adequate statutory bond;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
- Completing periodic tax returns.



### **Realisation of assets**

As stated in the Joint Administrators' previous progress report, the Joint Administrators undertook a sale of the Company's assets, including shares in subsidiaries, intellectual property and equipment (to the extent that it is owned by the Company), to a shareholder of the Company, Gaius Jones.

As part of this sale, Mr Jones paid £30,000 up front for the assets, with an additional £35,000 due once a further inspection of the assets could be undertaken.

During the Review Period, it became apparent that some elements of this sale were undeliverable. Therefore, it was agreed that the second payment would be reduced to £27,000. This sum was received in full during the Review Period.

Additionally, during the Review Period, it became apparent that there would be no further recovery in respect of R&D Tax Credits, given the Company's status as a Company in Administration.

The sum of £4.95 has been received during the Review Period in respect of bank interest.

### **Estimated future realisations**

No further realisations are anticipated on this matter, save for bank interest.

### **Costs incurred but remaining unpaid**

The following table summarises the costs incurred during the Review Period, but which as yet remain unpaid:

<b>Cost Description</b>	<b>Amount (£)</b>
Agents' fees	2,700.00
<b>TOTAL</b>	<b>£2,700.00</b>

These costs are included within the Estimated Outcome Statement at Appendix IV, as they will be discharged from the liquidation estate funds.

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 6 below.

## **3. CREDITORS: CLAIMS AND DISTRIBUTIONS**

### **Secured creditors**

The Company has no secured creditors.

### **Preferential creditors**

It is the understanding of the Joint Administrators that the Company has no preferential creditors.

### **Prescribed Part**

The Company had not granted a floating charge to any creditor after 15 September 2003 and consequently there was no prescribed part in this Administration.

### **Unsecured creditors**

Unsecured claims were estimated at £1,325,160.57 by the Company directors. To date 24 claims have been received from unsecured creditors totalling £1,315,946.04.

A dividend to unsecured creditors is expected and this will be paid by the Joint Liquidators.

### **Claims process**

Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report, marked for the attention of Tom Maker.

A Proof of Debt form is attached at Appendix VII.

## **4 INVESTIGATIONS**

### **Investigations**

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Directors was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 5 March 2018.

### **Initial Assessment of Potential Recoveries**

As part of our duties as Joint Administrators, we reviewed shortly after appointment all the information available to us and conducted an initial assessment of whether there were any matters which may have led to any recoveries for the benefit of creditors.

We confirm that we have not yet identified any further assets or actions which would lead to a recovery for creditors. However, the Joint Administrators are continuing to review the Company's affairs.

## **5 Other Information**

### **EC Regulations**

The Company's centre of main interest was in England and, therefore, it is considered that the EC Regulations will apply. These proceedings are main proceedings as defined by Article 3 of the EC Regulations.

### **General Data Protection Regulation**

In compliance with the General Data Protection Regulation, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e. not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link [www.quantuma.com/legal-notice](http://www.quantuma.com/legal-notice).

### **Further Information**

Creditors should note that the Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to an insolvency appointment. Additionally, the Joint Administrators are also bound by the regulations of their Licensing Bodies.

To comply with the Provision of Services Regulations, some general information about Quantuma LLP, including our complaints policy and Professional Indemnity Insurance, can be found at <http://www.quantuma.com/legal-information>.

## 6 THE JOINT ADMINISTRATORS' FEES AND EXPENSES

### The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 12 February 2018 by resolution of creditors as follows:

1. the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT). These costs are estimated to be in the sum of £33,868.00.

In accordance with this resolution, the sum of £33,868.00 has been drawn, including £30,196.00 during the Review Period.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is provided at Appendix V. A detailed narrative explanation of the time costs during the Review Period is provided at Appendix VI.

"A Creditors' Guide to Administrators' Remuneration" effective from 6 April 2017 is available for download at <http://www.quantuma.com/guide/creditors-guide-fees/> together with Quantuma LLP's Schedule of Current Charge Out Rates and Chargeable Disbursements.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

### Comparison of estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the original fees estimate as follows:

Work category	Original fees estimate			Actual time costs incurred during the Review Period			Actual time costs incurred to date		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration and Planning	58.00	257.00	14,906.00	16.62	276.77	4,600.00	67.22	216.85	14,576.50
Creditors	29.00	257.00	7,453.00	3.70	255.00	943.50	46.90	198.08	9,290.00
Investigations	13.00	257.00	3,341.00	2.00	255.00	510.00	10.50	191.95	2,015.50
Realisation of Assets	15.00	257.00	3,855.00	9.90	258.28	2,557.00	31.90	289.59	9,238.00
Cashiering	8.00	227.00	1,816.00	5.10	206.57	1,053.50	9.10	184.56	1,679.50
Closing Procedures	11.00	227.00	2,497.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>134.00</b>	<b>252.75</b>	<b>33,868.00</b>	<b>37.32</b>	<b>258.95</b>	<b>9,664.00</b>	<b>165.62</b>	<b>222.19</b>	<b>36,799.50</b>

The expenses incurred to date are compared with the original expenses estimate as follows:

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Statutory Advertising	405.30	0.00	242.40	
Statutory Bonding	135.00	0.00	135.00	

Expenses	Original expenses estimate £	Actual expenses incurred in the Review Period £	Actual expenses incurred to date £	Reason for any excess (if the expenses are likely to, or have, exceeded the original estimate)
Insurance Costs	200.00	201.60	201.60	Insurance costs were slightly higher than anticipated
Postage Photocopying Stationery	150.00	0.00	85.25	
AML Searches	12.00	0.00	0.00	NOTE: This is included in the Joint Administrators pre appointment fee
Meeting Room Hire	0.00	0.00	13.00	It was deemed necessary to hire an external meeting room in order to facilitate a meeting with the Company's directors
Agents/Valuers Fees	0.00	2,700.00	5,980.00	There costs were incurred due to the unanticipated sale of the Company's assets, and were necessary in order to facilitate that sale and properly market the assets.
<b>TOTAL</b>	<b>902.30</b>	<b>2,901.60</b>	<b>6,657.25</b>	

The bases on which the expenses defined as Category 2 disbursements are calculated are explained in Appendix IV.

As can be seen above:

- the original fees estimate has been exceeded; and
- the original expenses estimate has been exceeded for the reasons given above.

The main reason why the fees estimate has been exceeded is that the Administration did not proceed as previously envisioned, namely that it would exit via a Company Voluntary Arrangement ("CVA"). Therefore, additional costs have arisen relating to the sale of the Company's assets in addition to the initial work which was required to prepare for the proposed CVA.

However, given the limited realisations in this case, the Joint Administrators have not sought to draw fees in excess of the fees estimate.

#### **Payment of the Joint Administrators' unpaid fees and costs**

In accordance with the Insolvency Act 1986, all unpaid fees (subject to any approved fees estimate) and costs, as described in the sections above, are charged on and payable out of the Company's property. Thus, the Joint Liquidators will be responsible for discharging these sums from the assets and funds handed over to them by the Joint Administrators.

#### **Creditors' right to request information**

Any secured creditor, or unsecured creditor with the support of at least 5% in value of the unsecured creditors or with permission of the Court, may request in writing the Joint Administrators to provide additional information regarding fees or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report.

### **Creditors' right to challenge fees and/or expenses**

Any secured creditor, or unsecured creditor with the support of at least 10% in value of the unsecured creditors or with permission of the Court, may apply to the Court for one or more orders, reducing the amount or the basis of fees which the Joint Administrators are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within 8 weeks of receipt by the applicant(s) of the progress report detailing the fees and/or expenses being complained of.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

## **7 THE OUTCOME OF THE ADMINISTRATION**

### **Comparison of the outcome with the Joint Administrators' Proposals**

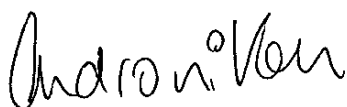
Attached at Appendix II is a summary of the Joint Administrators' Proposals as approved.

It had been envisaged that the first Administration objective would be achieved, namely that the Company would be rescued as a going concern. As described above and in previous reports, it can be seen that this Administration objective was not achieved.

However, it is considered that the second Administration objective was achieved, namely that a better result for the creditors as a whole was achieved than would be likely have been achieved if the company were wound up (without first being in Administration). The realisations achieved from a sale of the Company's tangible and intangible assets via Administration has resulted in there being sufficient monies to make distribution to the ordinary unsecured creditors.

The Joint Administrators are now moving the Company from Administration to Creditors' Voluntary Liquidation to enable a dividend to be paid to unsecured creditors. The Joint Liquidators will seek to pay a dividend to unsecured and will continue to review other matters described in this report. As noted in Appendix II, the Joint Administrators' approved Proposals included that, absent any alternative nomination, the Joint Administrators would take the appointment as Joint Liquidators without further recourse to the creditors. There were no other nominations and therefore the Joint Administrators will be appointed Joint Liquidators.

Should you have any queries in regard to any of the above please do not hesitate to contact Tom Maker on 020 3856 6720 or by e-mail at [tom.maker@quantuma.com](mailto:tom.maker@quantuma.com).



**Andrew Andronikou**  
**Joint Administrator**

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

*The affairs, business and property of Bowater Industries Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.*

**BOWATER INDUSTRIES LIMITED  
(IN ADMINISTRATION)**
**STATUTORY INFORMATION**

Company Name	Bowater Industries Limited		
Previous Name(s)	Bowater Holographics Limited		
Trading Name(s)	Bowater Industries Limited		
Proceedings	In Administration		
Court	High Court of Justice, Chancery Division, Companies Court		
Court Reference	9238 of 2017		
Date of Appointment	5 December 2017		
Joint Administrators	Andrew Andronikou and Andrew Hosking Quantuma LLP High Holborn House, 52-54 High Holborn, London, WC1V 6RL		
Registered office Address	c/o Quantuma LLP, High Holborn House, 52-54 High Holborn, London, WC1V 6RL		
Company Number	08295146		
Incorporation Date	15 November 2012		
Company Secretary	None		
Appointment by	Directors of the Company		
Directors at date of Appointment	James Bowater Nicholas Bowater Timothy Sandford Paul Carter		
Directors' Shareholdings	Paul Carter	1,831,377	ordinary A shares
		18,563,770	ordinary B shares
	Timothy Sandford	10,000,000	ordinary B shares

## **APPENDIX II**

**BOWATER INDUSTRIES LIMITED  
(IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' PROPOSALS, AS APPROVED**

**High Court of Justice, Chancery Division, Companies Court  
Number 9238 of 2017**

**Bowater Industries Limited  
In Administration**

## **THE JOINT ADMINISTRATORS' PROPOSAL**

**Andrew Andronikou and Andrew Hosking  
Joint Administrators**

**Quantuma LLP**

**Vernon House, 23 Sicilian Avenue, London, WC1A 2QS**

**020 3856 6720**



**Contents**

1. Executive Summary
2. Statement of Pre-Administration Costs
3. The Joint Administrators' Fees
4. The Joint Administrators' Expenses
5. Proposed Work to be Undertaken
6. Other Information to Support the Proposed Fees
7. The Joint Administrators' Discharge
8. Invitation to Form a Creditors' Committee
9. Approval Process

**Appendices**

- I. The Statement of Proposals
- II. Breakdown of Pre-Administration Time Costs for Quantuma LLP
- III. Charge-out Rates and Bases of Disbursements ("Quantuma LLP 's Summary")
- IV. Breakdown of the Joint Administrators' Time Costs from 5 December 2017 to 25 January 2018
- V. Information to Support the Joint Administrators' Fee Proposal
- VI. Notice of Decision Procedure / Voting Form / Proof of Debt
- VII. Notice of Invitation to Form a Creditors' Committee

## 1. Executive Summary

1.1 This Proposal incorporates the Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.

1.2 The business was incorporated on 15 November 2012. The principal activity of the Company was research and development of holographic technologies and it traded from leasehold premises. On 5 December 2017, Andrew Andronikou and Andrew Hosking of Quantuma LLP were appointed Joint Administrators of the Company by the Directors of the Company.

1.3 As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the first statutory objective of rescuing the Company as a going concern.

1.4 A summary of the current and anticipated future positions are detailed below.

### Assets

Asset	Realisations to date	Anticipated future realisations	Total anticipated realisations
Intellectual Property	Nil	Nil	Nil
Equipment	Nil	Nil	Nil
Investments	Nil	Nil	Nil
Debtors (including intercompany)	Nil	Uncertain	Uncertain
VAT Refund	Nil	Uncertain	Uncertain
R&D Tax Credits	Nil	Uncertain	Uncertain

### Costs

Expense	Expense incurred to date	Anticipated further cost	Total anticipated cost
Joint Administrators' pre-appointment remuneration	£6,328.00	Nil	£6,328.00
Joint Administrators' pre-appointment disbursements	£12.00	Nil	£12.00
Joint Administrators' remuneration	£8,972.50	£24,895.50	£33,868.00
Joint Administrators' disbursements	£164.75	£737.55	£902.30

### Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend
Secured creditor (fixed charge)	No secured creditor	No secured creditor
Secured creditor (floating charge)	No secured creditor	No secured creditor
Preferential creditors	No preferential creditors	No preferential creditors
Unsecured creditors	None	Nil (distribution to be paid via forthcoming CVA if accepted by creditors)

1.5 The Statement of Proposals at Appendix I provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.

1.6 This Proposal provides more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together

with their proposed basis of fees. To put this request into context, this Proposal provides further information on the Joint Administrators' costs to date, including the costs incurred prior to Administration. It also explains other matters for creditors' consideration, such as the proposed timing of the Joint Administrators' discharge on conclusion of the Administration.

- 1.7 Definitions of the terms used in this Proposal are provided in Appendix I together with all statutory information pertaining to the Company.

## 2. Statement of Pre-Administration Costs

- 2.1 Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.

This statement outlines those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

- 2.2 On 22 November 2017, the Directors of the Company agreed with the proposed Joint Administrators that Quantuma LLP would be paid fees for work done prior to the Administration on the basis of time costs incurred by the insolvency practitioners and their staff at their standard charge-out rates plus VAT and related expenses for the tasks and matters that were considered to be necessary to placing Bowater Industries Limited into Administration.

Prior to Administration, the proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective. The strategy is for the Joint Administrators to propose a Company Voluntary Arrangement and for the Company to be rescued as a going concern.

- 2.3 The pre-appointment costs of the Joint Administrators in the sum of £6,328.00 were incurred in relation to activities outlined above.

Attached at Appendix II is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration and included within Appendix III are Quantuma LLP's charge-out rates and bases of disbursements.

- 2.4 The pre-appointment disbursements of the Joint Administrators are outlined below:

	£
Category 1	
AML Electronic Identification Search	12.00
<b>Total</b>	<b>12.00</b>
Category 2	
None	Nil
<b>Total</b>	<b>Nil</b>

2.5 No solicitors or agents were instructed pre-appointment.

2.6 We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

2.7 A summary of the total costs incurred together with details of those which were paid pre-Administration and the amounts remaining outstanding, follows below:

	Total cost incurred	Amount already Paid	Identity of party who made payment	Amount Outstanding
	£	£		£
Administrators' pre-administration Remuneration	6,328.00	Nil	N/A	6,328.00
Administrators' pre-administration Expenses:				
Legal costs	Nil	Nil	N/A	Nil
Valuation Agent's costs	Nil	Nil	N/A	Nil
Administrators' Pre-administration Disbursements				
Category 1	12.00	Nil	N/A	12.00
Category 2	Nil	Nil	N/A	Nil
Other Insolvency Practitioners' Remuneration	Nil	Nil	N/A	Nil
Other Insolvency Practitioners' Expenses	Nil	Nil	N/A	Nil
<b>Total Amount Outstanding</b>	<b>6,340.00</b>	<b>Nil</b>		<b>£6,340.00</b>

2.8 Consequently the unpaid pre-Administration costs are as follows:

	£
Quantuma LLP's time costs (see Appendix II)	6,328.00
Quantuma LLP's disbursements	12.00
<b>Total</b>	<b>£6,340.00</b>

2.9 I am seeking to recover all the unpaid pre-Administration costs and expenses scheduled in paragraphs 2.7 & 2.8 above as an expense of the Administration.

2.10 The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 9.

### 3. The Joint Administrators' Fees

3.1 The Joint Administrators propose to fix their fees on the following basis:

- (i) the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT). These costs are estimated to be in the sum of £33,868.00.

3.2 Attached at Appendix IV is a breakdown of the time costs incurred in the Administration to 25 January 2018. The Statement of Proposals provides an account of the work undertaken to date and Appendix V provides a detailed list of work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

3.3 The charge-out rates of the Joint Administrators and their staff are detailed in Appendix III. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:

- Administrators: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence, gathering financial information, liaising with creditors, preparing reports to creditors and other statutory matters, and managing the cashiering function;
- Managers: reviewing the Company's position and affairs, liaising with partners regarding case strategy and progress, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case;
- Partners: Agreeing case strategy and commercial terms, liaising with key stakeholders including directors, major creditors and shareholders. Overall responsibility for the Administration.

3.4 Creditors may access a Guide to Administrators' Fees effective from 6 April 2017 at <http://www.quantuma.com/guide/creditors-guide-fees/> or a hard copy will be provided on request free of charge.

3.5 Further information is set out below and in the appendices to explain the future time costs that the Joint Administrators anticipate incurring in this Administration.

#### **4. The Joint Administrators' Expenses**

4.1 Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities.

Disbursements are expenses initially met by, and later reimbursed to, an office holder in connection with an insolvency appointment and will fall into two categories: Category 1 and Category 2.

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that administrators may discharge Category 1 disbursements from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 disbursements are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 disbursements after the relevant creditors have approved the bases of their calculation.

- 4.2 Appendix III provides details of the bases of Category 2 disbursements that the Joint Administrators propose to recover from the insolvent estate and also provides details of the Category 1 and 2 disbursements as well as the other expenses that the Joint Administrators expect to incur in the Administration.

## **5. Proposed Work to be Undertaken**

- 5.1 Set out in Appendix V is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below.

The Estimated Outcome Statement attached to the Statement of Proposals provides an overview of the financial benefit that this work is expected to bring to creditors. It should be noted that, although the Estimated Outcome Statement shows a large deficiency to unsecured creditors, a CVA is intended to be proposed which will be in full and final settlement of all creditor claims.

### **Administration (Including Statutory Reporting)**

- 5.2 The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the Administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

- 5.3 Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the Administration and any decisions made by the Joint Administrators that materially affect the Administration;
- Conducting periodic case reviews to ensure that the Administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

### **Investigations**

- 5.4 The Joint Administrators examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).

- 5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.
- 5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.
- 5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.
- 5.8 At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

#### **Realisation of assets**

- 5.9 The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:
- Collecting research and development tax credits;
  - Assessing cost-effectiveness of making further applications for tax credits for historic periods;
  - Continuing to pursue the pre-appointment VAT/corporation tax refund;
  - Contacting former bankers regarding any funds held; and
  - Maintaining appropriate insurance cover on the Company's assets until they have been disposed of.

#### **Creditors (claims and distributions)**

- 5.10 As the Statement of Proposals explains, there are a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular, the Joint Administrators anticipate conducting the following key tasks:
- Obtaining employee information from Company records and notifying any employees of the Administration;
  - Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
  - Responding to creditors' queries and logging their claims and supporting information;
  - Maintaining the database as regards creditors' contact details and claims;
  - Dealing with a creditors' committee, if one is appointed.

## **6. Other Information to Support the Proposed Fees**

- 6.1** Attached at Appendix V is an estimate of the time that the Joint Administrators envisage the above work will take to complete. Appendix V also provides their estimate of the expenses that have been or are likely to be incurred.
- 6.2** Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.
- 6.3** In summary, the Joint Administrators propose that their fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £33,868.00 in conducting the tasks described. This estimate includes the time spent to date of £8,972.50, as described in Appendix IV.
- 6.4** The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:
- investigations to the extent described in section 5 above will be carried out;
  - no exceptional work will need to be conducted in order to realise the remaining assets;
  - there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal;
  - there will be no need to extend the Administration; and
  - the Company will shortly move from Administration into a CVA.
- 6.5** On the basis of these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

## **7. The Joint Administrators' Discharge**

- 7.1** The Act requires that, in the absence of a Committee, the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the court specifies a time.

## **8. Invitation to Form a Creditors' Committee**

- 8.1** Attached at Appendix VII is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Joint Administrators in discharging their functions. In particular, a Creditors' Committee takes on the responsibility for approving the basis of the Joint Administrators' fees and other costs described above.



8.2 In the absence of a Committee, this responsibility falls to the unsecured creditors. The Joint Administrators do not see a need for a Committee to be formed in this case as it is anticipated that the Company will shortly exit Administration via a CVA.

8.3 Notwithstanding this, creditors are entitled to seek the formation of a Committee, provided that there are sufficient nominations for one to be formed. At least three nominations would be required and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. Appendices VI and VII provide further information on these steps.

## 9. Approval Process

9.1 The Joint Administrators are seeking creditors' approval of the proposed decisions set out below by means of a vote by correspondence. Creditors are invited to vote on these proposed decisions by completing and returning the enclosed voting form together with a proof of debt form, if one has not already been submitted. These forms are attached at Appendix VII together with a Notice of Decision Procedure setting out the following proposed decisions:

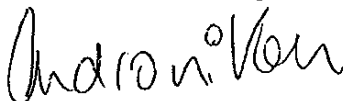
- That the Joint Administrators' Proposals (i.e. the statutory Statement of Proposals at Appendix I), be approved;
- That a Creditors' Committee be established if sufficient nominations are received by 9 February 2018 and those nominated are willing to be members of a Committee;
- That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. Their costs are estimated to be in the sum of £33,868.00;
- That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's Summary; and
- That the unpaid pre-Administration costs totalling £6,340, as set out in the Joint Administrators' Proposal, be approved.
- That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time.

9.2 The Joint Administrators must receive completed forms by no later than 23.59 on 9 February 2018 to enable your vote to be counted.

9.3 Whilst a vote by correspondence is being sought, creditors who meet a statutory threshold as set out in the Notice attached at Appendix VI can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which this Proposal was delivered. If you wish to request a physical meeting, please set out in writing which of the decision(s) above you wish the meeting to consider.

Should you have any queries in regard to any of the above please do not hesitate to contact Tom Maker on 020 3856 6720 or by e-mail at [tom.maker@quantuma.com](mailto:tom.maker@quantuma.com).

Dated this 25 January 2018



**Bowater Industries Limited (In Administration)**

**The Joint Administrators' Proposal**

---

**Andrew Andronikou**

**Joint Administrator**

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

*The affairs, business and property of Bowater Industries Limited (In Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.*

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS  
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Appendix I  
to the Joint Administrators' Proposals**

**High Court of Justice, Chancery Division, Companies Court, Number 9238 of 2017**

**Bowater Industries Limited  
In Administration**

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS  
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Andrew Andronikou and Andrew Hosking  
Joint Administrators**

**Quantuma LLP**

**Vernon House, 23 Sicilian Avenue, London, WC1A 2QS**

**020 3856 6720**

**Disclaimer Notice**

- This Statement of Proposals has been prepared by Andrew Andronikou and Andrew Hosking, the Joint Administrators of Bowater Industries Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Bowater Industries Limited and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Quantuma LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All licensed Insolvency Practitioners of Quantuma LLP are licensed in the UK to act as Insolvency Practitioners.

**Bowater Industries Limited (In Administration)**

**Statement of Joint Administrators' Proposals**

**Pursuant to Schedule B1 of the Insolvency Act 1986**

---

**Contents**

1. Introduction
2. Background to the Company
3. Events Leading to the Administration
4. The Purpose of the Administration
5. Management of the Company's Affairs since the Joint Administrators' Appointment
6. The Statement of Affairs and the Outcome for Creditors
7. The Joint Administrators' Fees
8. Approval of the Statement of Proposals
9. Summary of the Joint Administrators' Statement of Proposals

**Attachments**

- A** Definitions
- B** Statutory Information
- C** Estimated Financial Statement as at 5 December 2017 and Creditors' Details
- D** Estimated Outcome Statement
- E** The Joint Administrators' Receipts and Payments Account to 29 January 2018

**Bowater Industries Limited (In Administration)**

**Statement of Joint Administrators' Proposals**

**Pursuant to Schedule B1 of the Insolvency Act 1986**

---

**1. Introduction**

- 1.1 This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Joint Administrators' proposals for achieving an Administration objective.
- 1.2 The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3 This Statement of Proposals is being delivered to creditors on 29 January 2018.

Creditors are invited to decide whether to approve the Joint Administrators' proposals. Section 8 provides further details on this decision process.

**2. Background to the Company**

- 2.1 The Company was incorporated as Bowater Holographics Limited on 15 November 2012 with Nicolas Bowater, Paul Carter and Michael Bell being appointed as directors on the same day.
- 2.2 The Company was set up to research, develop and, ultimately, manufacture full colour three dimensional reflection holograms.
- 2.3 In early 2013, the Company set about raising funds with £150,000 raised in January 2013 and £411,600 raised in the following months. This investment allowed the Company to commence its research and development program.
- 2.4 Further fundraising took place in early 2014 whereby the Company raised £1,038,804.
- 2.5 On 9 May 2014, James Bowater was appointed as a director of the Company.
- 2.6 On 30 January 2015, Michael Bell resigned as director of the Company.
- 2.7 Fundraising continued into 2015 and a further £904,940 was raised.
- 2.8 On 5 November 2015, Martin Stephenson and Tim Sandford were appointed as directors of the Company.
- 2.9 On 17 November 2015, the Company changed its name from Bowater Holographics Limited to Bowater Industries Limited.
- 2.10 In January 2016, the Company introduced "ordinary B shares", which were offered to existing shareholders as part of a bonus scheme. For its duration the Company was financed by investment from shareholders.
- 2.11 On 15 September 2016, Martin Stephenson resigned as director of the Company.
- 2.12 On 11 October 2017, the Company received three statutory demands from three separate creditors. It was later confirmed on 14 November 2017 that no winding up petition would be issued by these creditors at this time.
- 2.13 On 30 November 2017, Jonathan Roper resigned as Company Secretary.

**Bowater Industries Limited (In Administration)**

**Statement of Joint Administrators' Proposals**

**Pursuant to Schedule B1 of the Insolvency Act 1986**

---

**2.14** The Company entered into Administration on 5 December 2017.

**Overview of Financial Information**

**2.15** Extracts from the audited accounts for the 12 months to 31 December 2015 and 12 months to 12 months to 31 December 2014 are shown below.

**2.16** Please note that this information has not been verified by the Joint Administrators or by Quantuma LLP.

**Summary Profit and Loss Account**

No profit and loss accounts have been made available to the Joint Administrators, therefore a summary cannot be provided.

**Summary Balance Sheet**

	<b>Audited Statutory Accounts for year to 31 December 2015 £</b>	<b>Audited Statutory Accounts for year to 31 December 2014 £</b>
Tangible assets	34,294	19,670
Intangible assets	171,200	216,800
Investments	2,796	206
<b>Fixed assets</b>	<b>208,290</b>	<b>236,676</b>
<b>Current Assets</b>		
Debtors	652,703	256,646
Cash at Bank	1,228	2,390
<b>Liabilities</b>		
Creditors	(921,726)	(568,017)
<b>Total Liabilities</b>	<b>(921,726)</b>	<b>(568,017)</b>
<b>Net Assets</b>	<b>(59,505)</b>	<b>(72,305)</b>

*Source: Audited Accounts*

**Management and Employees**

**2.17** The Joint Administrators understand that as at 5 December 2017, the Company had no employees.

**2.18** Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

**3. Events leading to the Administration**

**3.1** On 9 November 2017, the Board of Directors met with Andrew Andronikou of Quantuma LLP to discuss the options available to the Company. At this point, the

Company was experiencing strong creditor pressure and three statutory demands had previously been received.

- 3.2 Therefore, after further consideration of the Company's options, it was decided that the best option was for the Company to be placed into Administration, with a view to proposing a Company Voluntary Arrangement in full and final settlement of the Company's debts.
- 3.3 On 5 December 2017, Andrew Andronikou and Andrew Hosking of Quantuma LLP were appointed Joint Administrators of the Company following the filing of a Notice of Appointment of Administrators by the Directors of the Company.
- 3.4 The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.
- 3.5 For creditors' general information, the EC Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.

#### **4. The Purpose of the Administration**

- 4.1 The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:
- rescuing the Company as a going concern, or
  - achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
  - realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2 These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.
- 4.3 Based on current information, objective one, rescuing the Company as a going concern, represents the desired course of action and the Joint Administrators believe that this is achievable. This objective is intended to be achieved by the Joint Administrators proposing a Company Voluntary Arrangement ("CVA"), in which the Company's creditors will be paid in full and final settlement of the Company's debts.
- 4.4 A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

#### **5. Management of the Company's Affairs since the Joint Administrators' Appointment**

- 5.1 Immediately upon appointment the Joint Administrators undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management of the Company.



#### **Sales to connected parties**

- 5.2 There have been no sales of any of the Company's assets to connected parties since the Joint Administrators' appointment.

#### **Assets remaining to be realised**

- 5.3 As seen in the Joint Administrators' Estimated Financial Statement in Attachment C, the Company holds a number of assets including intellectual property, equipment, investments, debtors (including intercompany debtors), VAT refunds and R&D tax credits. The debtors have a nil value for expected realisations and the VAT refund is likely to be subject to setoff. A realisation of approximately £4,500 is expected from an initial R&D tax creditor whilst further realisations from this source will be assessed in due course.

Although some of the remaining assets could hold significant value, it is envisaged that the Company will propose a CVA to creditors and will require these assets to continue its trade. This CVA is intended to offer a better result for creditors than if the assets were realised conventionally. As part of this CVA, it is expected that creditors will be paid in full.

#### **Post-appointment strategy**

- 5.4 The Joint Administrators have begun collating information to enable a CVA to be proposed. This process is ongoing and creditors should expect a proposal in due course.
- 5.5 The Joint Administrators' staff are in the process of collating creditors' claims and have handled creditors' queries as they have arisen which include telephone calls and correspondence.

#### **Investigation into the Company's Affairs Prior to the Administration**

- 5.6 The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.
- 5.7 Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

### **6. The Statement of Affairs and the Outcome for Creditors**

- 6.1 The Directors have not, to date, submitted a signed Statement of Affairs, albeit they are currently in the process of drafting this and it is expected to be received shortly. An Estimated Financial Statement of the Company, together with a list of the creditors, is attached at Attachment C for creditors' information. These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given.

6.2 In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).

6.3 The Joint Administrators have not carried out any work of the nature of an audit on the information.

**Secured creditors**

6.4 The Company has no secured creditors.

**Preferential claims**

6.5 No preferential claims have been received to date, or are anticipated to be received.

**Prescribed Part**

6.6 Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.

6.7 In this case, the prescribed part provision does not apply, as there is no debt due to any secured creditor.

6.8 As demonstrated in the Estimated Outcome Statement attached at Attachment D, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there will not be sufficient funds to pay a dividend to ordinary unsecured creditors during the Administration. However, it is intended that unsecured creditors will be paid in full in the subsequent CVA. Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report. A Proof of Debt form is provided in the document to which this forms an appendix.

6.9 Attached at Attachment E is the Joint Administrators' receipts and payments account for the period from 5 December 2017 to 29 January 2018.

**7. The Joint Administrators' Fees**

7.1 The Joint Administrators propose to be remunerated on the basis of the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT).

7.2 The Joint Administrators will seek approval for the basis of their fees from the unsecured creditors, unless a Creditors' Committee is established.

7.3 Information to support the proposed basis of the Joint Administrators' fees, together with the Statement of pre-Administration costs, is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

## **8. Approval of the Statement of Proposals**

- 8.1** The Joint Administrators are seeking creditors' approval of the Statement of Proposals, which are summarised in Section 9, by means of a vote by correspondence.
- 8.2** Attached to the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix, is a Notice of Decision Procedure and a voting form, which describes how creditors may lodge a vote on the proposed decision to approve the Statement of Proposals and on the other proposed decisions.
- 8.3** Creditors who meet a statutory threshold as set out in the Notice can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which the Statement of Proposals was delivered.

## **9. Summary of the Joint Administrators' Proposals**

- 9.1** The Statement of Proposals which creditors are invited to consider, is summarised below.
- 9.2** In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:
  - the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
    - (i) they continue to explore the possibility of proposing a Company Voluntary Arrangement and, in the event that a CVA is a viable option, convene a meeting of the Company and decision procedure for its creditors to consider the Joint Administrators' proposals; failing this,
    - (ii) they realise the Company's assets at such time(s) and on such terms as they consider appropriate;
    - (iii) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
    - (iv) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
  - the Joint Administrators may make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.

**Bowater Industries Limited (In Administration)**

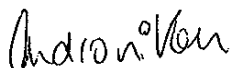
**Statement of Joint Administrators' Proposals**

**Pursuant to Schedule B1 of the Insolvency Act 1986**

---

- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
  - (i) it is anticipated that the Joint Administrators will propose a Company Voluntary Arrangement ("CVA") and if accepted by creditors, and the Company it is proposed that the Administration will end with the Administration having achieved in accordance with Para 80 Schedule B1 of the Act;
  - (ii) in the event that the CVA is rejected by creditors and the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Andrew Andronikou and Andrew Hosking will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
  - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Andrew Andronikou and Andrew Hosking may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.
  - (iv) In the event that the statutory purpose of the Administration is not achieved and there is insufficient property for a distribution to be made to the Company's creditors then the Joint Administrators will have the option to apply to Court for the Administration to end with the Company going into Administration. This would involve significant costs being incurred that would not otherwise apply.

**Dated this 29 January 2018**



**Andrew Andronikou**  
**Joint Administrator**

*Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association*

*The affairs, business and property of Bowater Industries Limited (In Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.*

**DEFINITIONS**

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Andrew Andronikou and Andrew Hosking
The Company	Bowater Industries Limited (in Administration)
The Court	High Court of Justice, Chancery Division, Companies Court
EBIT	Earnings before interest and tax
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

---

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)****STATUTORY INFORMATION**

Company Name	Bowater Industries Limited	
Previous Name(s)	Bowater Holographics Limited	
Trading Name(s)	Bowater Industries Limited	
Proceedings	In Administration	
Court	High Court of Justice, Chancery Division, Companies Court	
Court Reference	9238 of 2017	
Date of Appointment	5 December 2017	
Joint Administrators	Andrew Andronikou and Andrew Hosking Quantuma LLP Vernon House, 23 Sicilian Avenue, London, WC1A 2QS	
Registered office Address	c/o Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS	
Company Number	08295146	
	15/11/2012	
Incorporation Date	15 November 2012	
Company Secretary	None	
Appointment by	Directors of the Company	
Directors at date of Appointment	James Bowater Nicholas Bowater Timothy Sandford Paul Carter	
Directors' Shareholdings	Paul Carter	1,831,377 ordinary A shares 18,563,770 ordinary B shares
	Timothy Sandford	10,000,000 ordinary B shares

## Bowater Industries Limited - In Administration

## Joint Administrators' Estimated Financial Statement as at 5 December 2017

	Book Value £	Estimated to Realise £
<b>ASSETS</b>		
<b>ASSETS SUBJECT TO FIXED CHARGE</b>		
None	Nil	Nil
	<u>0</u>	<u>0</u>
<b>ASSETS SUBJECT TO FLOATING CHARGE</b>		
None	Nil	Nil
	<u>0</u>	<u>0</u>
<b>UNCHARGED ASSETS</b>		
Intellectual Property	171,200	171,200
Equipment	34,284	63,618
Investments	2,798	2,798
Debtors (including intercompany)	652,703	445,949
VAT Refund	7,689	Nil
R&D Tax Credits	54,546	54,546
	<u>923,228</u>	<u>738,109</u>
<b>LIABILITIES</b>		
<b>PREFERENTIAL CREDITORS:-</b>		Nil
		<u>Nil</u>
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
Less: Floating Charge Creditor		N/A
Estimated prescribed part of net property where applicable (to carry forward)		N/A
Available for Ordinary Unsecured Creditors		Uncertain
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors		(1,325,161)
HM Revenue & Customs		<u>(23,584)</u>
		<u>(1,348,744)</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C.'s post 14 September 2003)		<u>(610,636)</u>
Issued and called up capital		
Ordinary Shareholders		(1,807,835)
<b>TOTAL SURPLUS/(DEFICIENCY)</b>		<u>(2,418,471)</u>

## Notes to Joint Administrators' Estimate of the Company's Financial Position As At 5 December 2017

- 1 A Statement of Affairs for the Company has been requested from the directors but has not yet been received. As a result the Joint Administrators have prepared an Estimate of the Company's Financial Position as at the date of their appointment.
- 2 Asset book values are, where possible, from the last set of filed accounts for the Company dated 31 December 2015. No assets have been formally valued to date.
- 3 The above estimate excludes the costs of the Administration.
- 4 Creditor values are estimated and have yet to be verified.

**Quantuma LLP**  
**Bowater Industries Limited**  
**B - Company Creditors**

Key	Name	Address	£
CA00	Adhesive Research Ltd	Melville House, High Street, Great Dunmow, Essex, CM6 1AF	8,331.12
CA01	Airline Regulatory & Consultation Services (ARC43 Ruskin Way, Wokingham, RG41 3BP		910.00
CA02	Alan Bristow (consultancy)		31,750.00
CA03	Amersham Investment Management Ltd	1st Floor, 25 Lexington Street, London, W1F 9AH	2,638.62
CB00	Bannerbridge Plc	22/24 Hornsby Square, Southfields Industrial Park, Basildon, Essex, SS15 6SD	130.20
CB01	Barclays Bank PLC	Ranger House, Walnut Tree Close, Guildford, Surrey, GU1 4UL	4,902.70
CC00	Charterhouse Law Ltd	St Clements House, 27 Clements Lane, London, EC4N 7AE	140,422.28
CC01	Close Premium Finance	Wimbledon Bridge House, 1 Hartfield Road, London, SW19 3RU	1,150.86
CC02	Colchester Borough Council	Rowan House, 33 Sheepen Rd, Colchester, CO3 3WG	9,267.52
CC03	CPA Global	Liberation House, Castle Street, St Helier, Jersey, JE1 1BL	701.61
CC04	Credal Network	Third Floor, 6 Sir William Reid Str, Gzira GZR 1038, Malta	25,000.00
CD00	D Gates	33 Morgan Street, London, E3 5AA	10,000.00
CD01	David Masters	42 Woodrow Road, Glasgow, G41 5PN	34,250.00
CD02	Patrick Diggins	Midfield, Lower Green, Wimbish, Essex, CB10 2XH	18,000.00
CD03	Doel Engineering	5 Europa Park, Croft Way, Witham, Essex, CM8 2FB	51,740.00
CE00	EE	6 Camberwell Way, Sunderland, Tyne & Wear, SR3 3XN	1,350.00
CE01	Emjay Services Ltd	1st Floor, Regency House, Kings Place, Buckhurst Hill, Essex, IG9 5EB	15,899.27
CF00	Fairfield Consultancy (Scott Simpson)	3 Westerton Farm Lane, Bearsden, Glasgow, G61 3RB	16,259.21
CG00	Gaius Jones	Roughwood, 17 Hollow Way Lane, Chesham Bois, Buckinghamshire, HP6 6DJ	51,000.00
CG01	Gordon Bettany		19,000.00
CH03	Hansholo Consulting Ltd	13 Rhodfa Gofar, Dyserth, LL18 6LP, Wales	24,000.00
CH04	Haslers	Old Station Road, Loughton, Essex, IG10 4PL	17,381.90
CH05	Hiscox	1 Great St Helens, London, EC3A 6HX	218.59
CI00	IFPSM	21 St Thomas Street, Bristol, BS1 6JS	4,000.00
CJ00	J Pusey	Manely House, St Veep Lostwithiel, Cornwall, PL22 0NS	33,750.00
CJ01	James Bowater	88 Amsterdam Road, Isle of Dogs, London, E14 3JB	47,718.12
CJ02	John McKenzie	27 Beaufort Avenue, Glasgow, G43 2YL	33,750.00
CJ03	John Wiltshire	120 School Road, Copford, Colchester, Essex, CO6 1BX	60,000.00
CJ04	Jolley, Mark	23 Chilworth Mews, W2 3RG	15,077.24
CK00	Keith Edwards Consultancy	12 Cookson Close, Burnham on Sea, Somerset, TA8 1QU	47,982.73

Signature

Page 1 of 4

IPS SQL Ver. 2015.09

26 January 2018 10:30



**Quantuma LLP**  
**Bowater Industries Limited**  
**B - Company Creditors**

Key	Name	Address	£
CL00	Lancaster University	Finance Division, Lancaster University, Bailrigg, Lancaster, LA1 4YW	6,000.00
CL01	Lee Kyprian	11 Wrotham Road, Welling, Kent, DA16 1LR	21,750.00
CM00	M J Roberts Associates Ltd	1st Floor Regency House, Kings Place, Buckhurst Hill, Essex, IG9 5EB	77,994.90
CM01	M Seabrook	7 Fallowfields, Loughton, Essex, IG10 4QP	34,500.00
CM03	Marks & Clerk	62-68 Hills Road, Cambridge, CB2 1LA	25,435.88
CM04	Mina Bowater	2 The Old Coach House, Iwerne Minster, Blandford Forum, Dorset, DT11 8LW	20,000.00
CN00	Nicolas Bowater	Windmill Down, Cheriton Bishop, Exeter, Devon, EX6 6JJ	64,351.25
CN01	Nigel Meares	3 Shubbery Close, St Paul Street, London, N1 7BZ	37,800.00
CP00	Paul Carter	High Beeches House, 11 High Beeches, Gerrards Cross, Buckinghamshire, SL9 7HU	71,915.03
CP01	Phoenix Introductions Ltd	Parsonage Farm, Church Street, Ticehurst, TN5 7DL	2,000.00
CR00	RDP Associates	10 John Street, London, WC1N 2EB	20,793.02
CR01	Reconnaissance International	4 Windmill Business Village, Brooklands Close, Sunbury on Thames, TW16 7DY	7,034.10
CR02	Regus Management (UK) Ltd	37th Floor Canary Wharf, One Canada Square, London, E14 5AA	3,523.98
CS00	Sacha McKenzie	27 Beaufort Avenue, Glasgow, G43 2YL	31,750.00
CS01	Snelling, Philip	23 The Willows, Newington, Sittingbourne, Kent, ME9 7LS	9,500.00
CS02	Stirling General	81 Albany Street, Regent's Park, London, NW1 4BT	1,000.84
CS03	Susan Keighley	7 Goodward Drive, Bourne, Lincolnshire, PE10 0WN	44,386.88
CT00	Tim Sandford	11 Ellesmere Court, Ellesmere Road, Weybridge, Surrey, KT13 0HT	110,737.47
CW00	Peter Walsh	Lane End, Mill Lane, Birch Green, Colchester, CO2 0NH	8,105.25
<b>49 Entries Totalling</b>			<b>1,325,160.57</b>

Signature

Page 2 of 4

IPS SQL Ver. 2015.09

26 January 2018 10:30

**Quantuma LLP**  
**Bowater Industries Limited**  
**B1 - Company Creditors - Employees & Directors**

Key	Name	Address	Pref £	Unsec £	Total £
0	Entries Totalling		0.00	0.00	0.00

Quantuma LLP  
Bowater Industries Limited  
B2 - Company Creditors - Consumer Creditors

Key	Name	Address	£
0 Entries Totalling			0.00

Signature .....

Page 4 of 4

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**ESTIMATED OUTCOME STATEMENT AS AT 29 JANUARY 2018**

## Insolvency Act 1986 and Insolvency Rules (England and Wales) 2016

## Bowater Industries Limited - In Administration

## Joint Administrators' Estimated Outcome Statement as at 29 January 2018

	Estimated Future Realisations	£	£
<b>ASSETS</b>			
<b>ASSETS SUBJECT TO FIXED CHARGE</b>			
None		0.00	<u>0.00</u>
<b>ASSETS SUBJECT TO FLOATING CHARGE</b>			
None		0.00	<u>0.00</u>
<b>UNCHARGED ASSETS</b>			
Contributions	Uncertain		
Intellectual Property	171,200		
Equipment	63,618		
Investments	2,796		
Debtors (including intercompany)	445,949		
VAT Refund	7,689		
R&D Tax Credits	54,546		
			<u>745,797.94</u>
<b>COSTS</b>			
Joint Administrators' Pre-Appointment Remuneration	(6,328.00)		
Joint Administrators' Pre-Appointment Disbursements	(12.00)		
Joint Administrators' Remuneration	(33,866.00)		
Joint Administrators' Disbursements	(902.30)		
			<u>(41,110.30)</u>
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS:-</b>			
			<u>Nil</u>
			<u>0.00</u>
<b>NET PROPERTY</b>			
			<u>704,687.64</u>
Estimated prescribed part of net property where applicable (to carry forward)			<u>0.00</u>
<b>AVAILABLE TO FLOATING CHARGE-HOLDER</b>			
			<u>704,687.64</u>
<b>DEBTS SECURED BY FLOATING CHARGES POST 15 SEPTEMBER 2003</b>			
None		0.00	<u>0.00</u>
Estimated prescribed part of net property where applicable (brought down)			<u>0.00</u>
<b>Available to Ordinary Unsecured Creditors</b>			
			<u>704,687.64</u>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors	(1,325,160.57)		
HM Revenue & Customs	(23,583.75)		
			<u>(1,348,744.32)</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			<u>(644,056.68)</u>
Shortfall to Floating Charge Holder			<u>0.00</u>
Estimated deficiency to creditors			<u>(644,056.68)</u>
Issued and called up capital Ordinary Shareholders	(1,807,835.00)		
			<u>(1,807,835.00)</u>
<b>TOTAL SURPLUS/(DEFICIENCY)</b>			<u><u>(2,451,891.68)</u></u>

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT TO 29 JANUARY 2018**

**Bowater Industries Limited  
(In Administration)**

**Joint Administrators' Summary of Receipts and Payments  
To 29 January 2018**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>Total (£)</b>
		<u>0.00</u>
<b>PAYMENTS</b>		
		<u>0.00</u>
Net Receipts/(Payments)		<u>0.00</u>
<b>MADE UP AS FOLLOWS</b>		
		<u>0.00</u>

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR QUANTUMA LLP**



Time Entry - SIP9 Time & Cost Summary

6002317 - Bowater Industries Limited  
Project Code: PRE  
To: 05/12/2017

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	6.50	4.30	1.30	0.10	12.20	5,049.50	413.89
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.50	4.40	4.30	9.20	1,278.50	138.97
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	6.50	4.80	5.70	4.40	21.40	6,328.00	295.70
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**CHARGE-OUT RATES AND BASES OF DISBURSEMENTS ("QUANTUMA LLP'S  
SUMMARY")**



## Schedule of Current Charge Out Rates and Chargeable Disbursements

### Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active Partner 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. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma LLP, exclusive of VAT.

Grade of Staff	Rate from 1 June 2016
Partner	£295.00 - £495.00
Director	£250.00 - £450.00
Senior Manager	£225.00 - £375.00
Manager	£200.00 - £250.00
Assistant Manager	£185.00 - £265.00
Senior Administrator	£175.00 - £215.00
Administrator	£150.00 - £175.00
Assistant Administrator	£100.00
Case Accountant	£125.00
Junior Administrator	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £125.00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. There has been no allocation of any general or overhead costs.

Time spent on casework is recording directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasion it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase.

The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

Details of historic charge out rates are provided at the end of this guide. Should any creditor wish to receive details of the charge out rates in force prior to those shown, these can be provided upon request.

### Subcontractors

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



#### Direct Expenses (Category 1 Disbursements)

Category 1 disbursements, as defined by SIP 9, are expenses which are directly referable both to the appointment in question and a payment to an independent third party at cost and without uplift.

These expenses, which do not require the prior approval of creditors, include but are not limited to the following examples:

Category 1 Disbursement	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Storage Retrieval	At cost incurred
Postage	At cost incurred
Virtual Meeting Platform (from 6/4/17)	At cost incurred

#### Indirect Expenses (Category 2 Disbursements)

These are expenses that are directly referable to the appointment in question but which are not to an independent third party and may include shared or allocated costs that can be apportioned to the appointment on a proper and reasonable basis.

They may also include payment to an individual with whom a practice or individual within a practice has a business or personal relationship. Included within the list below is the cost per hour of Mr Mick Brunning, who is the husband of an individual within the practice. It is considered that the services of Mr Brunning represent best value.

Other payments made to individuals of businesses with whom the practice or individual within the practice has a business or personal relationship will be disclosed to creditors and an appropriate resolution for approval will be proposed.

Specific approval for Category 2 Disbursements is required from creditors before they can be paid.

The following indirect disbursements (Category 2 Disbursements, as defined by SIP 9) are charged to cases where appropriate on the following basis:

Category 2 Disbursement	Cost £
Photocopying, scanning and faxes (per side)	0.10
Company Search	10.00
Stationery (per Report/Letter per member/creditor)	0.50
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	0.45
Internal Meeting Room Hire (outside London)	65.00



Category 2 Disbursement	Cost £
Internal Meeting Room Hire (in London)	95.00
Mick Brunning – collection and listing of books and records (per hour)	10.00
Box Storage (per box for life of case)	50.00
Electronic Anti-Money Laundering Identification Search (per case) (from 1/9/16)	12.00

Category 2 disbursements may be subject to periodic increase and this schedule will be updated accordingly. The schedule is available for creditors to review at <http://www.quantuma.com/guide/creditors-guide-fees/>. Details of historic disbursement charges can be found at the end of this schedule.

#### Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. The fee arrangement for each will be disclosed in reports to creditors and these will be reviewed on a regular basis, together with the recovery or 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.

#### VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and disbursements invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

#### Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees/>. Alternatively hard copies of these documents may be requested free of charge from Quantuma LLP's registered office.



### Historic Charge Out Rates

	Rates from 1 April 2016	Rates from 15 July 2015	Rates from 1 April 2015
<b>Partner</b>	£295.00 - £475.00	£295.00 - £475.00	£295.00 - £475.00
<b>Director</b>	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
<b>Senior Manager</b>	£225.00 - £350.00	£225.00 - £350.00	£225.00 - £275.00
<b>Manager</b>	£200.00 - £250.00	£200.00 - £250.00	£200.00 - £250.00
<b>Assistant Manager</b>	£185.00 - £265.00	£185.00	£185.00
<b>Senior Administrator</b>	£175.00 - £215.00	£175.00 - £215.00	£175.00 - £215.00
<b>Administrator</b>	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
<b>Assistant Administrator</b>	£100.00	£100.00	£100.00
<b>Case Accountant</b>	£125.00	£125.00	£125.00
<b>Junior Administrator</b>	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
<b>Support Staff/Executive Assistant</b>	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00

	Rates from 1 February 2015	Rates from 5 January 2015	Rates from 1 November 2014
<b>Partner</b>	£295.00 - £445.00	£295.00 - £425.00	£295.00 - £425.00
<b>Director</b>	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
<b>Senior Manager</b>	£225.00 - £275.00	£225.00 - £275.00	£225.00 - £275.00
<b>Manager</b>	£200.00 - £250.00	£200.00 - £250.00	£200.00
<b>Assistant Manager</b>	£185.00	£185.00	£185.00
<b>Senior Administrator</b>	£175.00	£175.00	£175.00
<b>Administrator</b>	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
<b>Assistant Administrator</b>	£100.00	£100.00	£100.00
<b>Case Accountant</b>	£125.00	£125.00	£125.00
<b>Junior Administrator</b>	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
<b>Support Staff/Executive Assistant</b>	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00



### Historic Disbursement Charging Rates

With effect from 6 April 2017, the following charges will no longer be applied to existing or new cases.

Category 1 Disbursement	Basis of Charge
Stationery	At cost incurred
Postage	At cost incurred (other than for reports to creditors scheduled below *)

Category 2 Disbursement	Cost £
File Set Up (per file)	7.00
Postage per Report to Creditors and Members (per report)	0.50
Reports to Members and Creditors (published on line – per report per member/creditor)	0.25

\*to ensure consistent charging of postage across our cases, all postage will be charged at the cost incurred and therefore reports will not be subject to the Category 2 charge shown above.

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**BREAKDOWN OF THE JOINT ADMINISTRATORS' TIME COSTS FROM 5 DECEMBER  
2017 TO 25 JANUARY 2018**



Time Entry - SIP9 Time & Cost Summary

6002317 - Bowater Industries Limited  
Project Code: POST  
From: 05/12/2017 To: 29/01/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	1.10	28.90	0.50	30.50	5,527.50	181.23
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.30	0.30	0.60	90.00	150.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	11.90	0.00	11.90	2,082.50	175.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	2.50	0.00	0.20	0.00	2.70	1,272.50	471.30
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	2.50	1.10	41.30	0.80	45.70	8,972.50	196.33
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL**

**a) The Joint Administrators' Fees Estimate**

Please note that this estimate reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and thus it includes the time already incurred, details of which are provided in Appendix IV.

BOWATER INDUSTRIES LIMITED - IN ADMINISTRATION

FEE ESTIMATE COVERING THE DURATION OF THE ADMINISTRATION

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

The sum of all the estimates for the different categories of work is the total estimated time costs to undertake the necessary work on the case during the Administration which is anticipated to last under one year. Again, we have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for this period of the case's administration.

Note: This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holder's current knowledge of the case and their knowledge and experience of acting as office holder in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

The hourly charge out rates that will be used on the case are:

	£
Partner	495
Director	400
Senior Manager	375
Manager	275
Assistant Manager	265
Senior Administrator	215
Administrator	175
Case Accountant	125
Support Staff/Executive Assistant	125

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase.

ADMINISTRATION & PLANNING - Note 1

Description of the Work to be undertaken

Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Obtaining a specific penalty bond.			
Setting up electronic case files and electronic case details on IPS.			
General Administration - Dealing with all routine correspondence and emails relating to the case.			
Case strategy & completing file reviews at 1 month, 2 months, 6 months & 6 months thereafter			
VAT & Corporation Tax matters and returns.			

TOTAL	58.00	14,906.00	257.00
-------	-------	-----------	--------

## CREDITORS - Note 2

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
Employees - obtaining information from records and notifying employees of Administration			
Preparing the documentation and dealing with initial appointment notification to creditors			
Dealing with creditor correspondence, emails and telephone conversations.			
Dealing with Pension Schemes			
Committee Reporting (if a committee is constituted)			
Committee Meetings, Minutes & liaising with Committee members (if a committee is constituted)			
Final Reports			
Preparing Final Accounts for members and creditors (as applicable)			
Reviewing and adjudicating creditors' claims - adjudicating claims & requesting additional information in support of claims			
Dealing with HMRC/RPO claims			
Retention of Title - issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors			
Creditors' Decision Procedures			
Secured Creditor Reports/Claims			
Annual/Progress Reports			
Initial Appointment Notification to Creditors - Preparing the documentation & issuing initial appointment notification to creditors			
Interim Fee Report to Creditors			
Para 49 Administrators' Proposals			
Para 53 Report of Initial Decision Procedure Documentation			
<b>TOTAL</b>	<b>29.00</b>	<b>7,453.00</b>	<b>257.00</b>

## INVESTIGATIONS - Note 3

Description of the Work to be undertaken	Estimated time to be taken to undertake the work (Hrs)	Estimated value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/Hr)
SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.			
CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.			
Investigating & Pursuing Antecedent Transactions (if required)			
<b>TOTAL</b>	<b>13.00</b>	<b>3,341.00</b>	<b>257.00</b>

REALISATION OF ASSETS - Note 4

Description of the Work to be undertaken	Estimated value of	
	Estimated time to be taken to undertake the work (Hrs)	the time costs to undertake the work (£)
Tax Credits - Collecting R&D tax credits. Assessing cost effectiveness of applying for further credits		
Intellectual Property - Ensuring intellectual property patents are maintained		
Cash at Bank - Contacting bank regarding any funds held		
Contributions - Reviewing position regarding potential CVA contributions		
Arranging & Monitoring Insurance		

TOTAL	15.00	3,855.00	257.00
-------	-------	----------	--------

CASHIERING

Description of the Work to be undertaken	Estimated value of	
	Estimated time to be taken to undertake the work (Hrs)	the time costs to undertake the work (£)
Opening, maintaining and managing the Office Holders' cashbook and bank account		
Dealing with cheque requisitions		
Dealing with deposit forms		
Bank Reconciliations		
Preparing & Filing statutory Receipts & Payments accounts		

TOTAL	8.00	1,816.00	227.00
-------	------	----------	--------

CLOSING PROCEDURES

Description of the Work to be undertaken	Estimated value of	
	Estimated time to be taken to undertake the work (Hrs)	the time costs to undertake the work (£)
Ensuring Administration is properly concluded to allow smooth transition to CVA		
Filing final statutory returns at Companies House/Court		

TOTAL	11.00	2,497.00	227.00
-------	-------	----------	--------

# OVERALL SUMMARY OF WORK CATEGORIES

	Estimated total value of the time costs to undertake the work (£)	Blended charge out rate to undertake the work (£/hr)
ADMINISTRATION AND PLANNING		
CREDITORS	58.00	14,906.00
INVESTIGATIONS	29.00	7,453.00
ASSET REALISATIONS	13.00	3,341.00
CASHIERING	15.00	3,855.00
CLOSING PROCEDURES	8.00	1,816.00
	11.00	2,497.00
OVERALL TOTAL	134.00	33,868.00
		252.75

Note 1: Administration and planning - This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their managers. It does not give direct financial benefit to the creditors, but ensures that the case is managed in a professional and methodical manner and has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

Note 2: Creditors: Opted Out creditors - the office holder must update the database of creditors to reflect those who have opted out of the proceedings. Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

Note 3: Investigations - The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions eg where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary. The office holders are also required by legislation to report to the Department for Business, Innovation and Skills on the conduct of the directors. The work to enable them to comply with these statutory obligations may also identify potential recovery actions.

Note 4: Realisation of Assets - This is the work that needs to be undertaken to realise the known assets in the case.

Note 6: Cashiering - The office holders must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court.

Note 7: Closing Procedures - The office holders are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that final accounts are prepared and filed at Companies House and Court (as applicable).

**b) The Joint Administrators' Expenses Estimate**

Below is the expenses estimate in respect of category 1 direct expenses and category 2 expenses, which will have an element of shared or allocated costs.

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Expenses Category 1	Basis	Estimate of Total
Advertising	Cost	£405.30
Bonding	Cost	£135.00
Insurance	Cost	£200.00
<b>Total</b>		<b>£740.30</b>

Expenses Category 2	Basis	Estimate of Total
Postage / Photocopying / Stationery	As per Quantuma LLP disbursement policy	£150.00
Anti Money Laundering Identification Search	One off cost per case	£12.00
<b>Total</b>		<b>£162.00</b>

Please note that this estimate has been provided on the assumptions given in Section 6. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted estimate.

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**NOTICE OF DECISION PROCEDURE / VOTING FORM / PROOF OF DEBT**



## NOTICE OF DECISION PROCEDURE

**Company Name:** Bowater Industries Limited (In Administration) ("the Company")  
**Company Number:** 08295146  
**In the High Court of Justice, Chancery Division, Companies Court, Number 9238 of 2017**

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Andrew Andronikou and Andrew Hosking, of Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS (020 3856 6720), who were appointed by the directors of the Company.

Creditors are invited to vote by correspondence on the following (for the full wording of proposed decisions, see overleaf):

1. The approval of the Joint Administrators' Statement of Proposals
2. The establishing of a Creditors' Committee, if sufficient nominations are received by 9 February 2018 and those nominated are willing to be members of a Committee<sup>1</sup>.
3. The basis of the Joint Administrators' fees
4. The approval of the Joint Administrators' Category 2 disbursements
5. The approval of the pre-Administration costs
6. The timing of the Joint Administrators' discharge

*Overleaf is a voting form on which creditors may signify their decisions on the above matters. All voting forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrator by one of the methods set out below:*

**By post to:** Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS  
**By email to:** [londonvoting@quantuma.com](mailto:londonvoting@quantuma.com)

Please note that, if you are sending votes by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

**All voting forms and proofs of debt must be delivered by 23.59 on the Decision Date, 12 February 2018.**

If the Joint Administrator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time specified above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

---

<sup>1</sup> Please see the Notice Inviting Creditors to Form a Committee for further instructions. Please note that, in the event that a Creditors' Committee is formed, authority to approve decisions 3, 4, 5 and 6 proposed above may be exercised by the Committee.

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules.  
Any such appeal must be made not later than 21 days after the Decision Date.

Signed:   
\_\_\_\_\_  
**Andrew Andronikou**  
**Joint Administrator**

Dated: 29 January 2018

## VOTE BY CORRESPONDENCE

### Bowater Industries Limited (in Administration)

Name of Creditor: \_\_\_\_\_

Address: \_\_\_\_\_

#### Decisions:

1	That the Joint Administrators' Statement of Proposals be approved.	*For / Against
2	That a Creditors' Committee be established if sufficient nominations are received by 12 February 2018 and those nominated are willing to be members of a Committee <sup>2</sup>	*For / Against
3	That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. These costs are estimated to be in the sum of £33,868.00.	*For / Against
4	That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's summary.	*For / Against
5	That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.	*For / Against
6	That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time.	*For / Against

**\* Please delete as applicable to indicate your voting instructions**

Signed: \_\_\_\_\_ Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, creditor or other authority for signature: \_\_\_\_\_

Are you the sole member/shareholder of the creditor (where it is a company)? Yes / No

**NOTE: Once a vote has been cast, it cannot be changed.**

**Please complete this form and return it, along with a completed proof of debt if you have not submitted one previously, so that it is delivered by 23.59 on 12 February 2018, by:**

**Post: Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS**

**Email: please scan in a signed copy of this form and attach it as a pdf to [londonvoting@quantuma.com](mailto:londonvoting@quantuma.com)**

<sup>2</sup> Please see the Notice Inviting Creditors to Form a Committee for further instructions. Please note that, in the event that a Creditors' Committee is formed, authority to approve decisions 3, 4, 5 and 6 proposed above may be exercised by the Committee.

**PROOF OF DEBT - GENERAL FORM**

**Bowater Industries Limited (In Administration)**

Date of Administration: 5 December 2017

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul>	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£ ) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category  Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.:  Account Name:  Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

**BOWATER INDUSTRIES LIMITED (IN ADMINISTRATION)**

**NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE**

## NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

**Company Name:** Bowater Industries Limited (In Administration) ("the Company")  
**Company Number:** 08295146  
**In the High Court of Justice, Chancery Division, Companies Court, Number 9238 of 2017**

This Notice is given under Rule 3.39 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Andrew Andronikou and Andrew Hosking, of Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS (020 3856 6720) who was appointed by the directors of the Company.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

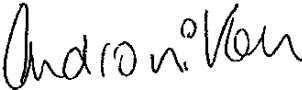
By post to: Quantuma LLP, Vernon House, 23 Sicilian Avenue, London, WC1A 2QS  
By email to: [londonvoting@quantuma.com](mailto:londonvoting@quantuma.com)

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

**All nominations must be delivered by: 23:59 on 12 February 2018**

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to:  
<http://www.quantuma.com/guide/guide-creditors-committee/>

Signed:  Dated: 29 January 2018  
**Andrew Andronikou**  
**Joint Administrator**

---

**NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE**

**Bowater Industries Limited (In Administration)**

On behalf of (name of Creditor): \_\_\_\_\_

,

at (address of Creditor): \_\_\_\_\_

,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

Signed: \_\_\_\_\_

Dated: \_\_\_\_\_

Name in capitals: \_\_\_\_\_

Position with, or relationship to, Creditor or other authority for signature: \_\_\_\_\_

Are you the sole member/shareholder of the Creditor (where it is a company)?

Yes / No

**APPENDIX III**

**BOWATER INDUSTRIES LIMITED  
(IN ADMINISTRATION)**

**THE JOINT ADMINISTRATORS' FINAL RECEIPTS AND PAYMENTS ACCOUNT**



**Bowater Industries Limited  
(In Administration)**

**JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT**

	Statement of affairs £	From 05/06/2018 To 14/11/2018 £	From 05/12/2017 To 14/11/2018 £
<b>RECEIPTS</b>			
Transfer of Subsidiary Shares		0.00	576.00
R&D Tax Credits		0.00	4,733.48
Bank Interest Gross		4.95	6.77
Sale of Assets		27,000.00	57,000.00
		27,004.95	62,316.25
<b>PAYMENTS</b>			
Specific Bond		0.00	135.00
Pre Appt Office Holder Fees		0.00	6,328.00
Office Holders Fees		30,196.00	33,868.00
Meeting Room Hire		0.00	13.00
Agents/Valuers Fees		0.00	3,280.00
Photocopying		0.00	22.00
Stationery		0.00	27.50
Postage		0.00	35.75
AML Search Fee		0.00	12.00
Statutory Advertising		0.00	242.40
Insurance of Assets		201.60	201.60
		30,397.60	44,165.25
Net Receipts/(Payments)		<b>(3,392.65)</b>	<b>18,151.00</b>

**MADE UP AS FOLLOWS**

Bank 1 Current	(9,431.85)	9,358.27
VAT Receivable / (Payable)	6,039.20	8,792.73
	<b>(3,392.65)</b>	<b>18,151.00</b>

**Notes**

- 1 The balance of funds in hand is held in an interest bearing account at Metro Bank.
- 2 Amounts in the above statement are shown exclusive of VAT unless specifically stated.
- 3 The above statement should be read in conjunction with the Joint Administrators' Final Report dated 14 November 2018.
- 4 The directors have not yet provide a Statement of Affairs so comparative figures are not currently available.

**Andrew Andronikou and Andrew Hosking**  
**Joint Administrators**  
**14 November 2018**

**BOWATER INDUSTRIES LIMITED  
(IN ADMINISTRATION)**

**ESTIMATED OUTCOME STATEMENT FOR THE LIQUIDATION**

Insolvency Act 1986 and Insolvency Rules (England and Wales) 2016

Bowater Industries Limited - In Administration

Joint Administrators' Estimated Outcome Statement as at 14 November 2018

	Current Realisations £	Estimated Future Realisations £	Total £
<b>ASSETS</b>			
<b>UNCHARGED ASSETS</b>			
Transfer of Subsidiary Shares	576.00	0.00	576.00
R&D Tax Credits	4,733.48	0.00	4,733.48
Sale of Assets	57,000.00	0.00	57,000.00
Bank Interest Gross	6.77	Uncertain	6.77
	<u>62,316.25</u>	<u>0.00</u>	<u>62,316.25</u>
<b>COSTS</b>			
Joint Administrators' Pre-Appointment Remuneration	(6,280.00)	0.00	(6,280.00)
Joint Administrators' Pre-Appointment Disbursements	(12.00)	0.00	(12.00)
Joint Administrators' Remuneration	(33,868.00)	0.00	(33,868.00)
Joint Administrators' Disbursements	(677.25)	(362.90)	(1,040.15)
Agents Fees	<u>(3,280.00)</u>	<u>(2,700.00)</u>	<u>(5,980.00)</u>
	<u>(44,117.25)</u>	<u>(3,062.90)</u>	<u>(47,180.15)</u>
<b>LIABILITIES</b>			
<b>PREFERENTIAL CREDITORS: None</b>			0.00
			<u>0.00</u>
<b>NET PROPERTY</b>			15,136.10
Estimated prescribed part of net property where applicable (to carry forward) - N/A			0.00
			<u>15,136.10</u>
<b>AVAILABLE TO FLOATING CHARGE-HOLDER</b>			
<b>DEBTS SECURED BY FLOATING CHARGES POST 15 SEPTEMBER 2003</b>			0.00
Less: Floating Charge Creditor - None			
			<u>15,136.10</u>
Surplus/(Deficiency) to QFC			0.00
Estimated prescribed part of net property where applicable (brought down)			
			<u>15,136.10</u>
Available to Ordinary Unsecured Creditors			
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors			(1,298,862.29)
HM Revenue & Customs			<u>(23,583.75)</u>
			<u>(1,322,446.04)</u>
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			<u>(1,307,309.94)</u>
Shortfall to Floating Charge Holder			0.00
Estimated deficiency to creditors			<u>(1,307,309.94)</u>
Issued and called up capital			
Ordinary Shareholders			<u>(1,807,835.00)</u>
<b>TOTAL SURPLUS/(DEFICIENCY)</b>			<u><u>(3,115,144.94)</u></u>
<b>SUMMARY OF ESTIMATED RETURN TO CREDITORS</b>			
Estimated Dividend to Secured Creditors:	N/A	p in the £	
Estimated Dividend to Preferential Creditors:	N/A	p in the £	
Estimated Dividend to Unsecured Creditors:	1.14	p in the £	

## Time Entry - SLP9 Time & Cost Summary

6002317 - Bowater Industries Limited

Project Code: POST

From: 05/06/2018 To: 14/11/2018

[illegible]

# Time Entry - SIP9 Time & Cost Summary

6002317 - Bowater Industries Limited

Project Code: POST

From: 05/12/2017 To: 14/11/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	2.00	14.70	47.90	2.62	67.22	14,576.50	216.85
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	4.60	4.50	9.10	1,679.50	184.56
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	4.20	42.70	0.00	46.90	9,290.00	198.08
Investigations	0.00	0.00	10.50	0.00	10.50	2,015.50	191.95
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	6.50	7.00	18.40	0.00	31.90	9,238.00	289.59
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>8.50</b>	<b>25.90</b>	<b>124.10</b>	<b>7.12</b>	<b>165.62</b>	<b>36,799.50</b>	<b>222.19</b>
<b>Total Fees Claimed</b>						<b>33,868.00</b>	
<b>Total Disbursements Claimed</b>						<b>312.75</b>	

**BOWATER INDUSTRIES LIMITED  
(IN ADMINISTRATION)**

**APPENDIX VI**

**DETAILED LIST OF WORK UNDERTAKEN BY THE JOINT ADMINISTRATORS DURING THE  
REVIEW PERIOD**

	Collection and making an inventory of company books and records
	<i>Dealing with all routine correspondence and emails relating to the case.</i>
	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries <i>Updating checklists</i>
	Preparation and filing of VAT Returns Preparation and filing of Corporation Tax Returns
	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via email and post
	Preparing, circulating and filing progress reports. Disclosure of sales to connected parties
	Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Review of specific transactions and liaising with directors regarding certain transactions Assisting the Insolvency Service with its investigations

	Instructing and liaising with agents Liaising with potential purchasers Assessment and review of offers received Negotiating with intended purchaser Pursuing deferred sale consideration
	Preparing correspondence opening and closing accounts Requesting bank statements Correspondence with bank regarding specific transfers Maintenance of the estate cash book
	Issuing cheques/BACS payments
	Banking remittances
	Preparing and filing statutory receipts and payments accounts at Companies House

#### Current Charge-out Rates of the staff who have worked on the case

##### Time charging policy

Support staff and executive assistants do not charge their time to each case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken  
Support staff include secretarial and administrative support.  
The minimum unit of time recorded is 6 minutes.  
Rates may have been subject to periodic increase.

Partner	£295.00 - £495.00
Director	£250.00 - £450.00
Senior Manager	£225.00 - £375.00
Manager	£200.00 - £280.00
Assistant Manager	£185.00 - £265.00
Senior Administrator	£175.00 - £255.00
Administrator	£150.00 - £175.00
Assistant Administrator	£100.00
Case Accountant	£125.00
Junior Administrator	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £125.00

PROOF OF DEBT - GENERAL FORM

**Bowater Industries Limited (In Administration)**

Date of Administration: 5 December 2017

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> <li>For UK companies: its registered number</li> <li>For other companies: the country or territory in which it is incorporated and the number if any under which it is registered</li> <li>The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act</li> </ul>	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£ ) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category  Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.:  Account Name:  Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO