

912830

**Duchy Timber Ltd  
(In Administration)**

Administrator's final report in accordance with  
Rule 2.110 of the Insolvency Rules 1986

For the period from 4<sup>th</sup> May 2014  
to 8<sup>th</sup> October 2014

David Kirk ACA FABRP  
Kirks  
5 Barnfield Crescent  
Exeter  
Devon  
EX1 1QT

Gilbert Lemon  
Smith & Williamson LLP  
Portwall Place  
Portwall Lane  
Bristol  
BS1 6NA

MONDAY



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27/10/2014

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COMPANIES HOUSE

## SUMMARY INFORMATION

<b>Court</b>	High Court of Justice, Bristol Chancery Division Court No 760 of 2013
<b>The Company</b>	Duchy Timber Ltd
<b>Registered Number</b>	00912830
<b>Registered Address</b>	5 Barnfield Crescent, Exeter, Devon, EX1 1QT
<b>Trading Addresses</b>	<ul style="list-style-type: none"><li>- Finnimore Ind Est, Ottery St Mary, EX11 1NR</li><li>- Downend, Lostwithiel, Cornwall PL22 0RB</li><li>- Woodland Rd, Torquay, Devon TQ2 7AT</li></ul>
<b>Activity</b>	Sawmill and timber merchant
<b>Date of the Administration Order</b>	4 <sup>th</sup> November 2013
<b>Administration applied for</b>	By the Director
<b>Purpose of Administration Order</b>	A more advantageous realisation of the company's assets than would be likely in a winding up
<b>Administrators</b>	David Kirk, Kirks, 5 Barnfield Crescent, Exeter, Devon, EX1 1QT Gilbert Lemon, Smith & Williamson LLP, Portwall Place, Portwall Lane, Bristol BS1 6NA
<b>Date of Approval of Proposals</b>	10 <sup>th</sup> January 2014
<b>Extensions to Administration period</b>	None
<b>Statutory end of Administration period</b>	3 <sup>rd</sup> November 2014

## **Introduction**

We were appointed as Administrators of Duchy Timber Ltd ("the Company") on 4<sup>th</sup> November 2013. This is our final report on the progress of the Administration and should be read in conjunction with the Administrators' Proposals and other correspondence as previously circulated. The Company will now move from Administration to Creditors' Voluntary Liquidation.

The following attachments accompany this report:

Appendix A – Administrators' proposals approved at the meeting on 10<sup>th</sup> January 2014.  
Appendix B – Receipts and payments account for the period 4<sup>th</sup> May 2014 to 8<sup>th</sup> October 2014  
Appendix C – Analysis of Administrator's time costs

## **Overall Strategy**

The Administrator of a company must perform his functions with the objective of

- 1) rescuing the company as a going concern, or
- 2) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
- 3) realising property in order to make a distribution to one or more secured or preferential creditors

Prior to our appointment on 4<sup>th</sup> November 2013 we had undertaken a brief review of the Company's financial affairs. We concluded that in the absence of an injection of funding the Company would have insufficient funds to enable it to carry on trading beyond one week following our appointment. In the circumstances a pre-packaged sale was considered the best option and helped achieve objective 2 above.

## **Asset Realisations**

### ***Plant and Machinery***

As previously reported ES Group had been instructed to prepare a sales pack in late September 2013 and discreetly market the business. From this campaign a number of offers were received and as previously reported an offer, recommended by the agents, was accepted of £325,000 from Kernow Timber Ltd, a company owned and controlled by Adrian High.

From the sale proceeds, the chattel mortgage due to Lloyds Bank Commercial Finance Ltd was settled in the sum of £118,898.10.

### ***Book debts***

At the date of our appointment there were trade account debtors of approximately £618,520 that were subject to an invoice finance agreement with Lloyds Bank Commercial Finance Ltd. At that date £352,518 was owed to the bank under the invoice discounting arrangement and a further £125,377 secured under their fixed and floating charge.

Lloyds Bank Commercial Finance Ltd collected sufficient debtors to repay their ledger and have also charged fees totalling £67,417.77 plus VAT. The remaining ledger of £230,489 has been assigned to us for further collection.

We instructed collection specialists, Credibt, to collect in those remaining debtors. As at the date of this report they had collected £75,628 47 and have invoiced and been paid fees totalling £9,598 32 plus VAT have been paid. Their latest collection report to end of July 2014 indicates that further recoveries on the ledger are estimated at £41,384, taking account of known bad debts and problem accounts.

#### ***Overdrawn Directors Loan Account***

As previously reported a review of the company records has indicated that there may be an overdrawn director's loan account of £66,000. Further investigations are ongoing and once additional information which has been requested is received from the former accountants the matter should become clearer. If it should become clear that this is outstanding appropriate steps will be taken to recover the sums due.

#### ***Cash at Bank***

We have been able to realise cash at bank in the amount of £13,766. This includes £12,105 which was held on the company's cardnet account in respect of debit/credit card sales.

#### ***Other receipts***

Rates refunds totalling £8,330 have been received in respect of each of the trading premises. A total of £209 11 bank interest has been received since our appointment.

We have also just become aware of a claim against the company's former bankers NatWest Bank plc in respect of the miss-selling of Interest Rate Hedging Products ("IRHP"). A letter has been received from NatWest making a settlement offer which is currently being reviewed. If the offer is accepted this will result in a significantly enhanced return to unsecured creditors. There may also be a claim to be made in respect of damages although at this stage we are unable to comment further on this aspect.

#### ***Investigations***

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for Business, Innovation and Skills on the conduct of all those persons who were directors at the date the Company entered administration or held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential we are unable to disclose their content.

#### ***Administrator's Remuneration***

The Administrators incurred combined pre Administration costs of £33,271 25. These fees were approved by creditors at the meeting held on 10<sup>th</sup> January 2014. The work carried out pre Administration included instructing solicitors and business sale agents, liaising with said third parties, assisting with matters and advising directors of their duties and responsibilities. We have drawn these fees in the reporting period as reflected on the attached Receipts & Payments account.

Our fees as Joint Administrators were approved on 10<sup>th</sup> January 2014 by creditors by reference to the time properly given by us and our staff in attending to matters arising in the Administration on a time cost basis

Time costs total £160,455 50, being 622 9 hours at an average hourly rate of £257.59. Attached at Appendix C(i) and C(ii) are analyses of our time costs. These cover the current reporting period and separately the whole period of the administration. These costs have been incurred in asset realisations, correspondence with the directors and creditors, liaison with agents and solicitors, cashiering duties and general administration including compliance with statutory matters

The Joint Administrators' have drawn to date on account of these time costs £100,000 plus VAT. Any time costs and/ or disbursements outstanding when the Company moves to liquidation will be recovered as an expense of the liquidation.

It is not our intention to seek an amendment to the basis of our remuneration in the liquidation. Therefore the basis of remuneration so agreed under R2 106 at the creditors meeting held on 10<sup>th</sup> January 2014 will apply to the liquidation.

Expenses of £240 have been recovered by Kirks in respect of bond fees and £169 20 in statutory advertising. A schedule of disbursements incurred and recovered by Smith & Williamson LLP is attached.

The following pre appointment expenses approved by creditors at the meeting on 10<sup>th</sup> January 2014 were paid in the previous reporting period -

Ashfords Solicitors	£25,281 50
ES Group	£8,407 87

Should any secured creditor or unsecured creditor with the agreement of at least 5% in value of unsecured creditors require any further information about the Administrators remuneration or expenses please write to me within 21 days of receipt of this report stating the information required.

Alternatively any unsecured creditor may make an application to court within that period under Rule 2 48A to request further information.

A copy of "A Creditors Guide to Administrators' Fees" is available on request or can be downloaded from the following website [www.kirks.co.uk/guides](http://www.kirks.co.uk/guides)

#### **Charge Out Rates – Kirks**

A schedule of Kirks (formerly Kirk Hills Insolvency) charge out rates effective from 1<sup>st</sup> November 2013 is as follows,

Director - Insolvency Practitioner	£350
Senior Manager – Insolvency Practitioner	£300
Insolvency Case Manager	£225
Senior Administrator	£180
Administrator	£140
Support staff	£110

The charge out rates are subject to periodic reviews and change. Time is charged in units of 6 minutes. Details of previous charge rates are available upon request.

**Smith & Williamson LLP's policy in relation to: Staff allocation and the use of subcontractors, Professional advisors, Disbursements**

**Staff allocation and the use of subcontractors**

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

The constitution of the case team will usually consist of a partner and a partner or associate director as joint office holders, a manager, and an administrator or assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. The charge out rate schedule below provides details of all grades of staff and their experience level.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in the body of this report.

**Use of professional advisers**

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

The industry and/or practice area expertise required to perform the required work.

The complexity and nature of the assignment.

The availability of resources to meet the critical deadlines in the case.

The charge out rates or fee structures that would be applicable to the assignment.

The extent to which we believe that the advisers in question can add value to the assignment.

**Disbursements**

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise external supplies of

incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

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

Our policy is to recover only one type of Category 2 disbursement, namely business mileage at HM Revenue & Customs' approved mileage rates at the relevant time.

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Details of any Category 2 disbursements incurred and/or recovered in the period covered by this report are set out in the body of this report

**Charge out rates – Smith & Williamson**

Since July 2013 the rates are as follows.

	London office £	Regional offices £
<b>Partner</b>	480	350-375
<b>Associate Director</b>	370	295-325
<b>Managers</b>	235 - 310	190 - 285
<b>Other professional staff</b>	150-235	110 – 170
<b>Support &amp; secretarial staff</b>	85	28 – 75

**Notes**

1. Time is recorded in units representing 3 minutes or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual case
3. The firm's cashing function is centralised and London rates apply

**Subcontractors**

We have utilised the services of the following subcontractors during the administration

Provider/service(s)	Basis of fee arrangement	Costs incurred £	Costs paid £	Costs outstanding £
Credebt Limited re Book Debt Collection	12.5% of realisations	9,598.32	9,598.032	Nil

**Professional Advisers**

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

Name of professional adviser	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs incurred £	Total costs paid £
Ashfords (legal advice re ROT claims)	Hourly rate and disbursements	926.00	926.00	926.00	926.00

## Creditors

### *Prescribed Part*

Under the provisions of Section 176A of the Insolvency Act 1986 the Administrator must state the amount of funds available to unsecured creditors in respect of the prescribed part. This provision only applies when a company has granted a floating charge after 15 September 2003.

In this case, there will not be any claim due under the floating charge as all debts to Lloyds have been cleared by the book debt collections under their fixed charge. Therefore there is no calculation due for a prescribed part.

### *Preferential creditors*

The only preferential creditor that we are aware of is the Redundancy Payments Office in respect of the sums it has paid to the employees who were made redundant prior to our appointment. We have not yet received details of what this claim will amount to but we would estimate it to be at least £6,412.

There will also be a claim from the Redundancy Payments office for the unsecured element of the employee claims.

### *Secured creditors*

The following charges were registered against the company

Date of creation	Person entitled	Amount secured	Security held
27/07/2011	Lloyds Bank Commercial Finance Ltd	All monies due or to become due	Chattel mortgage against plant
27/07/2011	Lloyds Bank Commercial Finance Ltd	All monies due or to become due	All assets debenture
20/09/2011	Lloyds Bank Plc	All monies due or to become due	Fixed and floating charge

From the sale proceeds, the chattel mortgage due to Lloyds Commercial Finance was settled in the sum of £118,898 10

The all assets debenture to Lloyds Commercial Finance Ltd has been cleared by the collection of book debts.

### *Unsecured creditors*

Unsecured creditor claims are now estimated at £1,496,765. This includes £480,000 deferred consideration due to the former owner, Adrian High.

As you may be aware, it is not usually the duty of the Administrator to adjudicate upon the claims of unsecured creditors. This is the responsibility of the subsequently appointed Liquidator.

On present information, it is anticipated that a small dividend payment will be made to unsecured creditors but we are unable to estimate the quantum or timing of this at this stage.



### **Ending the Administration**

Notice of moving from Administration to Liquidation has been filed at Companies House. The company is in liquidation effective of 8<sup>th</sup> October 2014.

Authorisation for the administrators to be discharged from liability was granted by the creditors at the meeting held on 10<sup>th</sup> January 2014. The administrators were therefore discharged from liability under P98(3) of Sch B1 following their appointment as administrators ceasing to have effect on 8<sup>th</sup> October 2014.

Should any creditor have any queries regarding this report, please do not hesitate to contact myself or Marie Drysdale at this office.



**David Kirk**  
**Joint Administrator (with Gilbert Lemon of Smith and Williamson LLP)**

Dated 8<sup>th</sup> October 2014

## **APPENDIX A**

### **Administrator's Proposals as Approved**

The following proposals were approved by the creditors on 10<sup>th</sup> January 2014 for achieving the purposes of the administration order dated 4<sup>th</sup> November 2013

That the Administrators continue to realise the property and assets of the Company in order to have funds available for the unsecured creditors; and that the Administrators exit the Administration in accordance with the provisions of paragraph 12 of these proposals.

That unpaid pre Administration fees of £33,271 25 plus VAT be approved by creditors for payment under Rule.233 where no Creditors' Committee is established.

That unpaid pre-Administration costs in respect of Ashfords LLP, in the sum of £21,218 50 plus VAT and disbursements, under Rule 2.33 of the Rules, be approved for payment in accordance with Rule 2.67A of the Rules.

That unpaid pre-Administration costs in respect of ES Group, in the sum of £8,100 plus VAT and disbursements, under Rule 2.33 of the Rules, be approved for payment in accordance with Rule 2.67A of the Rules.

That the Administrator's remuneration be agreed on a time cost basis, subject to approval by the creditors' committee, if appointed together with approval to draw Category 2 disbursements, limited to mileage at the current Inland Revenue published rate.

In the absence of the appointment of a creditors' committee (see 13 above) it is proposed that we be discharged from liability in respect of the administration pursuant to paragraph 98 of Schedule B1 to the Insolvency Act 1986 with effect from the date on which our Form 2.34B to convert the administration into a creditors' voluntary liquidation is registered by the Registrar of Companies or alternatively upon filing of notice of move to dissolution, whichever is appropriate

**Duchy Timber Limited**  
(In Administration)

**Joint Administrator's Abstract Of Receipts And Payments**  
**To 25 September 2014**

	RECEIPTS	Statement of Affairs (£)	04/11/13 to 03/05/14	04/05/14 to 25/09/14	Total £
note 1	Plant & Machinery	257,500 00	258,000 00		258,000 00
	Book Debts Surplus From LBCF	181,602.00	10,053.06		10,053 06
	Book Debts Collected by Administrators		469 13	75,628 47	76,097 60
	Motor Vehicles	17,000 00	17,000 00		17,000 00
	Stock	50,000 00	50,000 00		50,000 00
	Cash at Bank	2,181 00	1,660 29		1,660 29
	Cash at bank - cardnet		12,105 91		12,105 91
	Bank Interest Net of Tax		127 95	81 16	209 11
	Rates refunds		8,330 98		8,330 98
	Initial Deposit		1,000 00		1,000 00
note 2	Vat Recovery on Fees Charged by LBCF			5,918 83	5,918 83
			<u>358,747.32</u>	<u>81,628 46</u>	<u>440,375 78</u>
<b>PAYMENTS</b>					
	Purchases re ROT		14,500 00		14,500 00
	Rents		1,838 83		1,838 83
	Heat & Light		0 74		0 74
	Insurance		1,703 69		1,703 69
Note 3	Balance of LBCF Collection Fees		37,877 60		37,877 60
	Lloyds Bank Commercial Finance - chattel mortgage	(125,377)	118,898 10		118,898 10
	Debt Collection Fees (Credebt)			9,598 32	9,598 32
	Joint Administrators Pre Appointment Fees			32,649 25	32,649 25
	Joint Administrators Fees			100,000 00	100,000 00
	Joint Administrators expenses			1,555 15	1,555 15
	Specific Bond		240 00		240 00
	Agents/Valuers Fees		8,100 00		8,100 00
	Agents Disbursements		307 87		307 87
	Legal Fees		25,207 50	926.00	26,133 50
	Legal Fees - Disbursements		74 00		74 00
	Statutory Advertising		169 20		169 20
	Wages & Salaries		16,247 29		16,247 29
	Employee AoE Claim			415 90	415 90
			<u>225,164 82</u>	<u>145,144 62</u>	<u>370,309 44</u>
	Net Receipts/(Payments)		<u>133,582 50</u>	<u>-63,516 16</u>	<u>70,066 34</u>
<b>MADE UP AS FOLLOWS</b>					
	Bank 1 Current		121,717 52	-92,461 76	29,255 76
	VAT Receivable / (Payable)		11,864 98	28,945 60	40,810 58
			<u>133,582.50</u>	<u>63,516 16</u>	<u>70,066 34</u>

David Gerard Kirk  
Joint Administrator

- Note 1** The debtor figure shown here does not reflect the total collections to date as Initial debtor payments have been direct to LBCF under the factoring agreement in place and have therefore not been processed through the administrators bank account Full details of collections are shown within the body of the report
- Note 2** This relates to Vat charged on fees levied direct by LBCF from the funds they held prior to handover of the surplus As the fees were charged post administration we were able to recover the VAT without set-off
- Note 3** This reflects the balance of the charges due to LBCF and a further sum of £29,494 17 plus VAT was deducted direct from the debtor funds collected before they accounted to the administrators for the balance of funds held
- General Notes** Joint administrators' fees are calculated on a time costs basis  
Information concerning the joint administrators' remuneration is provided in the body of the report  
Information concerning the ability to challenge remuneration of the administration is provided in the body of the report  
No payments have been made to the joint administrators from outside the estate  
All amounts in the receipts and payments account are shown exclusive of VAT VAT is expected to be payable/recoverable  
The current account is interest bearing  
There are no foreign currency holdings

**Duchy Timber Limited (In Administration)**  
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**Summary of time expended in previous periods (from 4<sup>th</sup> November 2013 to 3<sup>rd</sup> May 2014)**

Classification of work	Partner Hrs	Manager hrs	Admin hrs	Support hrs	Total hours	Time cost £	Average Rate £/hrs
<b>Administration</b>							
Cashiering	-	-	6 2	-	6 2	1,344.00	216.77
IPS Set up and maintenance	-	2 1	21 2	-	23.3	4,295 00	184 33
Statutory Duties	45 7	2.6	45 6	-	93 9	26,780 00	285 20
SIP16	4 8	-	8 8	-	13 6	3,660 00	269 12
Strategy and Planning	24 6	1 0	12 1	-	37 7	11,462 50	304.04
<b>Investigations</b>							
Investigations	-	-	0 2	-	0 2	45 00	225 00
<b>Realisations</b>							
Liaising with Agents	5 1	--	1 0	-	6 1	2,010 00	329 51
Debtors	-	-	3 1	-	3 1	689 00	222 26
Liaising with Bank and interested parties	1 9	-	0 5	-	2 4	752 00	313 33
<b>Trading</b>							
Insurances	0 2	-	1 5	-	1 7	407 50	239 70
Dealing with Retention of Title goods	0 4	-	2 7	-	3 1	747 50	241 13
Liaising with suppliers	-	-	-	-	-	-	-
<b>Creditors</b>							
Secured Creditors	-	0 1	-	-	0 1	30 00	300 00
Retention of Title	34 2	0 4	31 0	-	65 6	18,104 50	275.98
Unsecured Claims	1 5	0 3	17 1	-	18 9	3,646 50	192 94
General Correspondence	1 0	-	21 4	-	22 4	3,839 00	171 38
<b>Case specific matters</b>							
Case Specific Matters	-	-	-	-	-	-	-
<b>Total hours</b>	<b>119.4</b>	<b>6.5</b>	<b>172 4</b>	<b>-</b>	<b>298 3</b>	<b>77,812.50</b>	<b>260 85</b>
<b>Total fees claimed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Duchy Timber Limited (In Administration)**  
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**APPENDIX C(I)**

**1 Summary of time expended in this period (from 4<sup>th</sup> May 2014 to 8<sup>th</sup> October 2014)**

Classification of work	Partner Hrs	Manager hrs	Admin hrs	Support hrs	Total hours	Time cost £	Average Rate £/hrs
<b>Administration</b>							
Cashiering	-	-	1 8	0 6	2 4	474 00	197 50
IPS Set up and maintenance	-	0 5	3 2	-	3 7	838 00	226 49
Statutory Duties	9 7	1 1	19 0	-	29 8	7,817 50	262 33
SIP16	-	-	-	-	-	-	-
Strategy and Planning	5 0	-	-	-	5 0	1,750 00	350 00
<b>Investigations</b>							
Investigations	-	-	-	-	-	-	-
<b>Realisations</b>							
Liaising with Agents	2 1	-	1 4	-	3 5	1,050 00	300 00
Debtors	-	-	0 3	-	0 3	67 50	225 00
Liaising with Bank and interested parties	1 0	-	3 2	-	4 2	1,070 00	237 78
<b>Trading</b>							
Insurances	-	-	-	-	-	-	-
Dealing with Retention of Title goods	-	-	-	-	-	-	-
Liaising with suppliers	-	-	0 2	-	0 2	45 00	225 00
<b>Creditors</b>							
Secured Creditors	-	-	-	-	-	-	-
Retention of Title	-	-	-	-	-	-	-
Unsecured Claims	0 9	-	4 8	-	5 7	1,227 00	215 26
General Correspondence	1 0	-	6 9	-	7 9	1,696 50	214 75
<b>Case specific matters</b>							
Case Specific Matters	-	-	-	-	-	-	-
<b>Total hours</b>	<b>19.7</b>	<b>1 6</b>	<b>40 8</b>	<b>0 6</b>	<b>62 7</b>	<b>16,035 50</b>	<b>255 75</b>
<b>Total fees claimed</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**APPENDIX C (continued)**

<b>Standard activity</b>	<b>Examples of work</b>
<b>Administration and planning</b>	<b>Case planning</b>
	<b>Administrative set up</b>
	<b>Appointment notification</b>
	<b>Maintenance of records</b>
	<b>Statutory reporting</b>
	<b>Annual and internal reviews</b>
<b>Investigations</b>	<b>SIP 2 review</b>
	<b>Investigating antecedent transactions</b>
<b>Realisation of assets</b>	<b>Identifying, securing, insuring assets</b>
	<b>Retention of title</b>
	<b>Debt collection</b>
	<b>Property, business and asset sales</b>
<b>Trading</b>	<b>Management of operations</b>
	<b>Accounting for trading</b>
	<b>On-going employee issues</b>
<b>Creditors</b>	<b>Communication with creditors</b>
	<b>Creditors' claims (including employees' and other preferential creditors')</b>

Case Name: Duchy Timber Limited  
 Court Ref: High Court of Justice Bristol District Registry No 760 of 2013

Summary of Joint Administrators Time for the period 4 November 2013 to 3 May 2014

Name of Joint Administrator: Gilbert J Lemon  
 Firm: Smith & Williamson LLP  
 Address: Portwall Place, Portwall Lane, Bristol BS1 6WA  
 Telephone: 0117 376 2000  
 Reference: DU395  
 Type of Appointment: Administration  
 Date of Appointment: 04-Nov-13

Function (hours)	Partner	Senior Manager	Manager	Professional staff	Total hours by function	Total hours by activity	Total cost by function	Time cost by function	Average cost per unit by function	Average cost per unit by activity
Administration and planning	Case planning Case set up Appointment notification Maintenance of records Statutory returns Six monthly reviews Closure Cashiering/AHL SIP2 review Disqualification report Investigating antecedent transactions Identifying, securing and insuring assets Retention of title Debt collection Property, business and assets sales Business management Accounting/book-keeping Employees Review	18.00 14.15 0.80 6.10 7.00 4.45 0.35 2.20	1.05	9.35 3.00 7.75 5.80 4.75 1.50 11.25	84.05 3.00 8.55 11.90 16.20 1.85 11.25 2.20	20,154.25 405.00 1,258.25 2,400.75 4,270.50 295.25 1,518.75 583.00	11,524.50 239.79 147.16 201.74 263.61 159.59 156.26 265.00	270.85 135.00 147.16 201.74 263.61 159.59 156.26 265.00		
Realisation of assets										
Trading		44.50 34.45		15.00	93.95	26,729.25	26,729.25	284.51		284.51
Creditors	Reporting Correspondence Preferential claims Non-preferential claims Accounts Bill preparation Tax Reviews Travel	1.70 11.25 2.30 6.25 10.85	0.45	33.10 1.70 13.55 17.85 0.45	1.70 10,161.50 4,547.00 5,164.00 90.00	450.50 306.99 335.57 269.30	265.00 335.57 269.30	200.00		200.00
Case specific matters										
Total time (hours)		87.00 77.35 1.50	59.15	225.00	59,236.75	59,236.75	59,236.75	263.27	263.27	263.27
Total cost (£)		30,450.00 20,497.75 300.00	7,985.00	135.06	59,236.75	59,236.75	59,236.75	263.27	263.27	263.27
Average hourly rate		350.00 265.00 200.00	135.06		59,236.75	59,236.75	59,236.75	263.27	263.27	263.27
Less already drawn										
Balance - <written off/carried forward>										

All time is charged in units representing 3 minutes or multiples thereof

Case Name: Deputy Timber Landed - in Administration  
 Court Ref: High Court of Justice Bristol District Registry 760 of 2013

Summary of Asset Administrators Time - Smith & Williamson LLP 4 May 2014 to 3 September 2014

Name of Asset Administrators: Gilbert J Lennon and David Kirk  
 Firm: Smith & Williamson LLP & Kirks  
 Address: Portwell Place, Portwell Lane, Bristol BS1 6NA

Reference: DUB95  
 Type of Appointment: Administration  
 Date of Appointment: 04-Nov-13

Function (hours)	Partner	Senior Manager	Professional staff	Support staff	Total hours by function	Total hours by activity	Total cost by function	Time cost	Average hourly rate by function	Average hourly rate by activity
Administration and planning:										
Case planning		0.35			14.05	0.35	3,165.75	94.50	225.32	270.00
Case set up						0.00				
Appointment notification						0.00				
Maintenance of records			1.00			1.00	135.00	135.00		135.00
Summary reviews	1.00	4.85	2.00	0.50		8.35	1,972.75	1,972.75		236.26
Six monthly reviews		0.85				1.85	575.25	575.25		310.95
Closure						0.00				
Creditor		0.40	1.35	0.75		2.50	388.25	388.25		155.30
Investigation			0.75		0.75	0.75	103.75	103.75	138.33	138.33
Disposal/liquidation report						0.00				
Investigating antecedent transactions						0.00				
Identifying, securing and insuring assets						0.00				
Retention of title					22.10	0.00	4,101.25		185.58	
Debt collection		8.35	13.75			22.10		4,101.25		185.58
Property, business and assets sales						0.00				
Business management					0.00	0.00	0.00			
Accounting/book-keeping						0.00				
Employees						0.00				
Review						0.00				
Reporting					0.00	0.00	0.00			
Correspondence						0.00				
Preferential claims						0.00				
Non-preferential claims						0.00				
Accounts					0.00	0.00	0.00			
Bill preparation						0.00				
Tax Reviews						0.00				
Travel						0.00				
Total time (hours)	2.00	14.80	18.85	1.25	36.90	36.90	7,370.75	7,370.75		
Total cost (£)		790.00	2,571.00	165.00						
Average hourly rate	350.00	265.86	136.39	132.00						199.75
Balance							7,370.75			

All time is charged in units representing 3 minutes or multiples thereof



## Duchy Timber Limited – In Administration

### Explanation of major work activities undertaken

#### Administration and Planning

Time incurred in administration and planning relates to all time spent in planning the ongoing work on the case as well as reviewing the case and preparing statutory reports. Throughout the duration of this case, a total of 91.85 hours at a cost of £21,346.50 has been incurred. During the reporting period, £3,165.75 has been incurred representing 14.05 hours. The majority of time spent in administration and planning has been incurred in planning the strategy of the case together with preparing the statutory reports as required by insolvency legislation.

#### Investigations

The joint administrators have a duty to investigate the conduct of directors of the Company and submit a report to the Department for Business, Innovation & Skills. During the reporting period, 0.75 hours representing £103.75 has been incurred. This time was spent preparing correspondence in respect of general investigatory matters in connection with the potential overdrawn director's loan account. During the entire case, 14.20 hours at a cost of £2,205.50 has been spent on investigations.

#### Realisation of Assets

During the period covered by this report, 22.10 hours totalling £4,101.25 has been incurred in realising assets. This time has been incurred in dealing with the ongoing book debt collection, liaising with the LBCF in respect of the handover of the ledger and also with Credetb regarding ongoing collections. During the entire case, 116.05 hours at a cost of £30,830.50 has been incurred. The time costs are at this level due to the fact that debt collection has been protracted and a number of debts were disputed, requiring the joint administrators and their staff to spend further time in resolving these matters.

#### Creditors

Time charged to this subcategory includes all time spent in preparing reports and the proposals to creditors in association with the joint administrators. During the period of this report, no time has been incurred. During the case to date, 33.10 hours at a cost of £10,161.50 has been incurred.

**Smith & Williamson Disbursements**  
**Duchy Timber Limited (in administration)**

	From 4/10/2013 to 03/05/2014	From 04/5/2014 to 3/9/2014	Total
	£	£	£
<b>Category 1 disbursements</b>			
Insolvency bond	70.00		70.00
Books & Records - Recovery & Storage	1,218.60	36.00	1,254.60
On-line Enquiries	14.94		14.94
Sub total	<u>1,303.54</u>	<u>36.00</u>	<u>1,339.54</u>
<b>Category 2 disbursements</b>			
Mileage	215.61	Nil	215.61
Sub total	<u>215.61</u>	<u>Nil</u>	<u>215.61</u>
Grand total	<u>1,519.15</u>	<u>36.00</u>	<u>1,555.15</u>
Less			
Billed	Nil	Nil	Nil
	<u>1,519.15</u>	<u>36.00</u>	<u>1,555.15</u>