

## The Insolvency Act 1986

**Administrator's progress report**

Name of Company EP Realisations Limited	Company Number 01678349
In the High Court of Justice, Leeds District Registry Couty Court (full name of court)	Court case number 1203 of 2012

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

We, David Matthew Hammond of PricewaterhouseCoopers LLP, 1 Kingsway, Cardiff, CF10 3PQ and Stephen Andrew Ellis of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds, LS1 4JP

administrator(s) of the above company attach a progress report for the period

from

to

(b) 20 August 2014

(b) 20 November 2014

(b) Insert dates

Signed



Joint Administrator

Dated

24 November 2014

**Contact Details:**

You do not have to give any contact information in the box opposite but if you do it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

Hugh Allon-Smith	
PwC, Benson House 33 Wellington St, Leeds LS1 4QP	
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DX Number	DX Exchange

When you have completed and signed this form please send it to the Registrar of Companies at  
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff





**EP Realisations Ltd  
in Administration**  
(formerly Enpure Limited)  
High Court of Justice, Chancery Division  
Leeds District Registry  
Case No. 1203 of 2012

**Joint Administrators' final progress report  
24 November 2014**

**[www.pwc.co.uk/enpure](http://www.pwc.co.uk/enpure)**

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*When telephoning please ask for Hugh Allon-Smith*

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### Abbreviations used in this report

"EPH"	E P Holdings Realisations Limited (formerly Enpure Holdings Limited)
"EPR" or "the Company"	E P Realisations Limited (formerly Enpure Limited)
"the Companies"	EPH and EPR
"the Administrators"	Matthew Hammond and Stephen Ellis (and Mark Hopkins until 19 August 2013)
"IR86"	Insolvency Rules 1986
"IA86"	Insolvency Act 1986
"AAM"	Aberdeen Asset Management
"BOI"	Bank of Ireland
"PwC"	PricewaterhouseCoopers LLP

# **1. The Joint Administrators' final progress report**

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## **Introduction**

The Joint Administrators ("the Administrators") previously reported on 21 August 2014 and are pleased to provide their final progress report on the Administration of EP Realisations Ltd, formerly Enpure Limited ("the Company") pursuant to Rules 2 47 and 2 110 of the Insolvency Rules 1986 ("IR86")

The Administrators are required to provide certain statutory information pursuant to Rule 2 47(1) IR86, which is shown in Section 2 to this report. The Administrators are also required to provide a summary of their proposals, which is shown at Section 3

Details of the steps taken during the Administration and the outcome of the Administration are set out below.

## **Steps taken during the Administration**

As at the date of the Administrators' appointment on 3 September 2012 the position as regards the Company was as follows -

- The Company was established in 2006 when Spirit Capital acquired Purac, which was involved in designing water treatment plants, sludge treatment and water waste services
- The Administrators' appointment arose as a consequence of significant trading difficulties. After a business re-organisation in 2009, which split the operational areas into two clear divisions, the Company encountered substantial contract problems with the waste & energy division in 2012
- Key issues facing the Company were as follows:-
  - A 75% reduction in turnover of the waste & energy division,
  - Losses on a substantial contract for the Greater Manchester Waste Disposal Authority,
  - Strain on the working capital position of the Company,
  - Concerns over the standard of work performed by subcontractors on certain contracts

Following a review, the Directors concluded that the most appropriate strategy was to attempt a solvent sale of the Company. After reaching exclusivity with one party, the sale process broke down due to commercial and financial issues revealed through the due diligence. At this time the Directors concluded that they were unable to continue to trade on a solvent basis and, after seeking independent legal advice, invited the floating charge holders to appoint Administrators. On appointment, the administrators ceased trading activities of the Company in order to review the Company's contracts and to assess strategy.

Immediately following their appointment, the Administrators took steps to protect and preserve the Company's assets. Assets comprised

- Goodwill and contractual work in progress,
- Plant, furniture and equipment,
- Intellectual property in relation to the Dissolved Air Flotation ("DAF") technology, and
- Contract debts

## **Trading activities and Disposal of the assets**

The business continued to trade on contracts which appeared to offer a prospect of recovery for the Company. Following negotiations with the Company's customers, trading was limited to three parties who agreed a basis that all future costs associated with the projects were covered by these customers. Trading ceased on 18 October 2012 and all expenses in relation to this period have been paid. The receipts and payments account in section 4 includes an account of the receipts and payments associated with the trading period.

## 1. The Joint Administrators' final progress report

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The continued trading with these customers mitigated significant contractual claims which would otherwise have arisen against the Company, and resulted in enhanced contract debt collections for work already undertaken. The following assets have been realised during the period of the Administration.

### Water Business

The assets of the water business were sold to Doosan Water through a two stage sale process. The first part completed on 15 October 2012 and included Dissolved Air Floatation technology, related patents, trademarks and related equipment. The second phase completed on 31 October 2012 and included a sale of certain chattel assets, information and intellectual property.

In total £1,356,000 was received for the sale, including a £125,000 non-refundable deposit.

### Book debts

The balance of book debts owing to the Company (according to the directors' statement of affairs) totalled £19,495,166 with an estimated to realise figure of £1,119,311. This balance included a significant intercompany debtor in the Company, due from EPH in the sum of £9,173,421, which had nil realisable value.

Successful negotiations with a number of the contract debtors resulted in realisations of £787,952.06 into EPR relating to joint venture account balances and contract debts. Further details regarding the individual debtor balances are included in our previous progress reports, copies of which can be found at [www.pwc.co.uk/enpure](http://www.pwc.co.uk/enpure). In addition, an insurance claim in relation to a joint venture resulted in a realisation of £4,438.60.

### Equipment, plant and machinery

Sale of office equipment and pressure gauges resulted in total realisations of £10,800.

### Related insolvencies

Sonico (an associated company of EPR) entered into creditors' voluntary liquidation, in which EPR ranked as an unsecured creditor with an outstanding debt of £821,703.

We received a first and final dividend from the liquidation of £11,638.

### Other realisations and receipts

Receipt	£
Pre-appointment refunds	36,276
Pre-appointment VAT refund	2,710
Interest received	3,102
Cash in hand and at bank	2,475
Payment in respect of legal fees	1,953

### Post appointment trading sales

Pre-appointment contract arrangements resulted in post-appointment trading realisations of £488,050.

### Other issues

#### Retention of title ("ROT") claims

Upon appointment the Administrators received a number of ROT claims. However, none of these claims were agreed, so no expense arose from these in the Administration.

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### **Employment tribunal**

The automatic stay has been lifted in respect of former employees who requested consent to bring a claim in the Employment Tribunal. The claims being made were for failure to consult over a 90 day period ahead of making redundancies.

On 8 March 2013 the Administrators submitted a detailed response to the Employment Tribunal resisting the claims. In August 2013 the Employment Tribunal awarded redundant employees, who had submitted claims to the employment tribunal, a protective award of 90 days pay for failure to consult on redundancies. Whilst awards rank as unsecured, the claimants were able to claim the statutory element from the Redundancy Payments Service, with the balance ranking alongside the other unsecured creditors.

### **Unsecured creditor claim**

A substantial creditor made a claim against the Company's professional indemnity insurance relating to an issue which occurred prior to Administration. In August 2013, they sought the Administrators' consent to commence legal proceedings against the Company in order to progress the insurance claim. The Administrators consented to the proceedings, subject to indemnifying the Administrators' costs. However, the insurers argued that the Company had not made the required notifications as set out in the policy and consequently are seeking to avoid the relevant policy years. The creditor is therefore looking to challenge the insurer's decision and is now seeking further information directly from the Company.

### **Change of Joint Administrator**

Creditors will recall that on 19 August 2013 Mark Hopkins resigned from office as Administrator of the Company. The resignation was considered appropriate due to the fact that Mr Hopkins was leaving the firm. The remaining Administrators of the Company, Steve Ellis and Matthew Hammond, did not believe it necessary for a third administrator to be appointed to replace Mark Hopkins.

### **Final receipts and payments account**

An account of the final receipts and payments in the Administration for the period from 20 August 2014 to 20 November 2014 is set out in section 4 to this report.

### **Extensions to the Administration**

The 12 month duration of the Administration was extended, by resolution of the secured creditors on 19 August 2013, to 2 March 2014.

The Administration was extended by a further 9 months by order of the court on 2 March 2014 to 2 December 2014.

### **Expenses statement**

A statement of the expenses incurred by the Administrators in the period 20 August 2014 to 20 November 2014 is included at Section 5.

### **Administrators' remuneration**

The Administrators' remuneration was approved on a fixed fee basis by AAM. The Administrators have drawn remuneration totalling £715,596.55 to date. On 5 March 2014 a meeting with AAM was held to agree the final fee position. AAM agreed that any residual funds that would otherwise be distributable to AAM would be split equally between the Administrators in respect of their fees and AAM by way of distribution under their charges.

The time cost charges incurred regardless of whether paid or invoiced in the period covered by this report are £23,602, bringing total costs over the course of the Administration to £1,173,885. The Administrators have therefore suffered a significant shortfall on their time costs.

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## **Pre-Administration costs**

Pre-administration costs totalling £77,240.08 were incurred by the firm prior to the formal appointment of the Administrators. The Administrators have decided not to seek approval of the unpaid pre-appointment costs detailed in the Administrators' proposals due to insufficient funds.

## **Creditors' rights**

Creditors can find information on their rights regarding administrators' remuneration, online at the following address.

<http://www.icaew.com/~media/Files/Technical/Insolvency/creditors-guides/a-creditors-guide-to-administrators-fees-010407.pdf>

Alternatively, a copy can be provided free of charge by telephoning Hugh Allon-Smith on 0113 289 4762.

## **Outcome for creditors**

### ***Secured creditors***

AAM and BOI held fixed and floating charges over all the Company assets. BOI has recovered its debt in full. AAM have received £465,730.86 in respect of its overall debt and has suffered a significant shortfall on its lending to the Company.

### ***Preferential creditors***

According to the directors' statement of affairs, preferential creditors were estimated to be £130,688. The Administrators have completed claims agreement and the preferential claims reviewed and agreed, totalling £76,377.34. A distribution has now been made to preferential creditors at 100p in the £.

### ***Unsecured creditors***

Surplus funds in the Administration became available for non-preferential unsecured creditors by virtue of Section 176A of the Insolvency Act 1986 ("IA86"). However, the Administrators made an application to court to disapply the prescribed part, as detailed in our last report. This application was successful and on 2 October 2014 the Company received the stamped court order to disapply the prescribed part. There has therefore been no distribution to unsecured creditors.

## **Achievement of the statutory purpose and end of the administration**

Realisation of the assets of the Company has now been completed and the funds distributed to the secured and preferential creditors. By continuing to trade in a minimal capacity, the Administrators were able to mitigate further contract claims, enhance debtor collections, and effect a sale of the water division's assets. This has resulted in a better outcome than would have been achieved in a liquidation, with enhanced distributions to the secured and preferential creditors.

The Administration is due to come to an automatic end on 2 December 2014.

In accordance with the proposals approved by creditors, a Notice of Move to Dissolution will be sent by the Administrators to the Registrar of Companies. When this notice is registered, the administration will come to an end. Three months after registration, the Company will be deemed dissolved.

## 1. The Joint Administrators' final progress report

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### Discharge

In accordance with a resolution of the secured creditors the Administrators shall be discharged from liability pursuant to Paragraph 98(1) of Schedule B1 to the Insolvency Act 1986 in respect of any action of theirs as Administrators 14 days after the Administration has ceased



Steve Ellis  
Joint administrator  
EP Realisations Limited

*David Matthew Hammond and Stephen Andrew Ellis have been appointed as joint administrators of EP Realisations Limited (formerly Enpure Limited) on 3 September 2012 to manage its affairs, business and property as its agents without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales*

*The joint administrators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.*



## 1. The Joint Administrators' final progress report

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<b>Court details for the administrations:</b>	High Court of Justice, Leeds District Registry County Court 1203 of 2012
<b>Full name and trading name:</b>	EP Realisations Limited (formerly Enpure Limited)
<b>Registered number:</b>	01678349
<b>Registered address:</b>	Benson House 33 Wellington Street Leeds LS1 4JP
<b>Company directors:</b>	Avtar Jirh Michael Crane Peter Harvey Peter Pentecost
<b>Company secretary:</b>	Avtar Jirh
<b>Shareholdings held by the directors and secretary:</b>	Enpure Holdings Limited – 200,000 ordinary shares at £1
<b>Date of the administration appointments:</b>	3 September 2012
<b>Administrators' names and addresses:</b>	Matthew Hammond Cornwall Court 19 Cornwall Street Birmingham B3 2DT  Stephen Ellis Benson House 33 Wellington Street Leeds LS1 4JP
<b>Appointor's / applicant's name and address:</b>	Aberdeen Asset Managers Limited 10 Queen's Terrace Aberdeen Aberdeenshire AB10 1YG
<b>Objective being pursued by the Administrators:</b>	Objective (b) achieving a better result for EPR's creditors as a whole than would be likely if the company were wound up (without first being in administration)
<b>Division of the Administrators' responsibilities:</b>	In relation to paragraph 100(2) Sch B1 IA86, the Joint Administrators hereby state that all our functions as such administrators may be executed by any or all of us
<b>Proposed end of the Administration:</b>	Dissolution

## 2. Statutory and other information

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**Estimated dividend for unsecured creditors:** nil

**Estimated values of the prescribed part and the company's net property:** nil

**The European Regulation on Insolvency Proceedings (Council Regulation (EC) No. 1346/2000 of 29 May 2000):** The European Regulation on Insolvency Proceedings applies to this administration and the proceedings are the main proceedings

**Any other information which the Administrators think necessary to enable creditors to decide whether or not to vote for adoption of the proposals:** None

### **3. Summary of the Joint Administrators' proposals**

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#### **b. Proposals for achieving the purpose of the Administrations**

The Administrators make the following proposals for achieving the purpose of administration.

- i) The Administrators will continue to manage and finance EL's business, affairs and property from trading revenues, asset realisations in such manner as they consider expedient with a view to achieving a better result for EL creditors as a whole than would be likely if EL 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
- ii) The Administrators will continue to manage and finance EHL's business, affairs and property from asset realisations in such manner as they consider expedient with a view to realising property in order to make a distribution to one or more secured or preferential creditors.
- iii) The Administrators may investigate and, if appropriate, pursue any claims that the Companies may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the administrations or to protect and preserve the assets of the Companies or to maximise their realisations or for any other purpose incidental to these proposals
- iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration (where the Administrators think there will be sufficient funds for a distribution to unsecured creditors other than by virtue of the prescribed part) or out of the prescribed part as costs associated with the prescribed part (where the Administrators think that funds will become available to the unsecured creditors by virtue of the prescribed part but not otherwise)
- v) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch B1 IA86.
- vi) As it is expected that there will be insufficient funds to enable a distribution to be made to the unsecured non-preferential creditors of the Companies other than by virtue of the prescribed part as provided for by Section 176A IA86, the Administrators do not propose to form creditors' committees
- vii) The Administrators may use any or a combination of "exit route" strategies in order to bring the administrations to an end, but in these instances the Administrators are likely to wish to pursue one from the following options in respect of each of the Companies as being the most cost effective and practical in the present circumstances -
  - (a) Once asset disposals are complete, the Administrators will place the Company into creditors' voluntary liquidation. In these circumstances, it is proposed that Mark Hopkins, Matthew Hammond and Steven Ellis be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by any of them. In accordance with Paragraph 83(7) Sch B1 IA86 and Rule 2.117A(2)(b) IR86, creditors may nominate alternative liquidators, provided that the nomination is made before the proposals are approved, OR
  - (b) Once asset disposals are complete, the Administrators will apply to the Court to allow the Administrators to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch B1 IA86, following registration of which the Company will be dissolved three months later, OR
  - (c) Once all of the assets have been realised and the Administrators have concluded all work within the administration, the Administrators will file a notice under Paragraph 84(1) Sch B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later, OR

### **3. Summary of the Joint Administrators' proposals**

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- (d) Once all of the assets have been realised and the Administrators will make an application to court under Paragraph 79 Sch B1 IA86 for the Administration to be ended, which may be accompanied by a petition under Section 124 IA86 for the Company to be wound up
- viii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch B1 IA86 in respect of any action of theirs as Administrators 14 days after they cease to be joint administrators of the Companies or in any case at a time determined by the court.
- ix) In the circumstances of this case it will be for the secured and preferential creditors to approve the payment of the unpaid pre-administration costs as expenses of the administration
- x) It is proposed that the Administrators' fees be fixed under Rule 2.106 IR86 by reference to the time properly given by the Administrators and the various grades of their staff according to their firm's usual charge out rates for work of this nature and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No 9) be charged in accordance with the Administrators' firm's policy. As the Administrators have stated that they think that each of the Companies has insufficient property to enable a distribution to be made to non-preferential unsecured creditors other than by virtue of Section 176A IA86, it will be for the secured creditors to determine these instead, or if a distribution has been or may be made to the preferential creditors, at a time resolved by the secured and preferential creditors. In any event, the basis of the Administrators' remuneration and Category 2 disbursements are to be fixed no later than 18 months after the date of the Administrators' appointment.
- xi) The Administrators propose the books and records of the Companies will be destroyed one year after dissolution

## 4. Final receipts and payments account

FP Realisations Limited (formerly Enpure Limited) - in Administration Final abstract receipts and payments for the Administration				
	3 September 2012 to 19 August 2014	20 August 2014 to 20 November 2014	Total	Directors' Statement of affairs
	£	£	£	£
<b>Fixed charge receipts</b>				
Sale of business (Brand trademarks & Intellectual Property)	1 091 000 00		1 091 000 00	1 250,000 00
Motor vehicles	-		-	50 000 00
Non refundable deposit	125 000 00		125 000 00	-
Interest received gross	3 07	-	3 07	-
<b>Total</b>	<b>1,216 003 07</b>	<b>-</b>	<b>1 216 003 07</b>	<b>1 300 000 00</b>
<b>Fixed charge payments</b>				
Net wages	37 913 35		37 913 35	
PAYE & NIC	10 528 08		10 528 08	
Other payroll deductions	143 00		143 00	
Pension deductions	1 565 49		1 565 49	
Cleaning and site clearance	2,520 00	-	2 520 00	
Distribution to chargeholder	950,264 01	33 984 96	984 248 97	
Legal fees	44 750 00		44 750 00	
Legal disbursements	292 23		292 23	
Administrators fees	100,000 00	13 984 95	113 984 95	
IT costs	-	-	-	
Repairs & maintenance	-	-	-	
Bank charges	57 00	-	57 00	
General expenses	-	-	-	
Postage stationery and printing	-	-	-	
<b>Total</b>	<b>1,148 034 16</b>	<b>67 969 91</b>	<b>1 216 003 07</b>	
<b>Net fixed charge receipts/(payments)</b>	<b>67 969 91</b>	<b>(67 969 91)</b>	<b>-</b>	

Continued on next page

## 4. Final receipts and payments account

	3 September 2012 to 20 August 2014	20 August 2014 to 20 November 2014	Total	Directors' Statement of affairs
	£	£	£	
<b>Floating charge receipts</b>				
Book debts	787 952 06		787 952 06	1 119 311 00
Insurance claim	4 438 60	-	4 438 60	
Intercompany debtors	11,637 82	-	11,637 82	-
Plant and Machinery	10 800 00	-	10 800 00	7 500 00
Sale of Business (floating charge assets)	140,009 27		140 009 27	
Balance at bank	143 37		443 37	13 642 00
Cash in Hand	2,032 10		2 032 10	
Payment in respect of legal fees	1,953 25	-	1 953 25	-
Pre appointment refund	36 238 82	37 62	36 276 44	-
Pre appointment VAT refund	2 709 76	-	2,709 76	-
Trading account balance	(84 713 91)	-	(84,713 91)	-
Interest received gross	3,099 18	-	3,099 18	
<b>Total</b>	<b>916 600 32</b>	<b>37 62</b>	<b>916 637 94</b>	<b>1 140 453 00</b>
<b>Floating charge payments</b>				
Book debts	30,413 90	-	30 433 90	
Net wages	11 702 18	-	11 702 18	
PAYE/NIC	20 314 49	231 99	20,546 48	
IT Costs	57 95	-	57 95	
Motor vehicles	260 01		260 01	
Storage costs	3 050 00	-	3 050 00	
Statutory advertising	309 16	-	309 16	
General expenses	24 20	580 00	604 20	
Postage stationery and printing	454 56	-	454 56	
Mail re-direction	60 00	-	60 00	
Agents fees	59 942 00	34 15	59,976 15	
Bank charges	209 49	-	209 49	
Distribution to chargeholders	-	81 745 90	81 745 90	
Preferential Creditors - National Insurance Fund - 100p in £	30 479 96		30 479 96	
Preferential Creditors - Employees - 100p in £	31,038 20	(782 44)	30 255 76	
Administrators fees	500 000 00	81 661 60	581 661 60	
Legal fees	52 202 09	5 395 02	57 597 11	
Legal disbursements	1 029 76	550 00	1 579 76	
Irrecoverable VAT	5 653 77		5,653 77	
<b>Total</b>	<b>717 221 72</b>	<b>169 416 22</b>	<b>916 637 94</b>	
<b>Net Floating charge receipts/(payments)</b>	<b>169 378 60</b>	<b>(169 378 60)</b>	<b>-</b>	
VAT account	(6,883 73)	6 883 73		
<b>Balance</b>	<b>210 164 78</b>	<b>(210 464 78)</b>	<b>-</b>	

Note Please be aware that the Administrators fees may vary to those shown above due to a number of small reconciling items

Note The total distribution to preferential creditors has reduced This reflects a reversal of the provision made in the previous progress report This reversal has occurred due to two preferential creditors failing to respond to correspondence prior to the end of the Administration

## 4. Final receipts and payments account

### EP Realisations Limited (formerly Enpure Limited) - in Administration Final abstract receipts and payments for the period of the Administration

	3 September 2012 to 19 February 2014 £	20 February 2014 to 20 November 2014 £	Total £
<b>Trading receipts</b>			
Post - appointment trading sales	488,049 86	-	488,049 86
Refunds	221 21	-	221 21
	<u>488,271 07</u>	<u>-</u>	<u>488,271 07</u>
<b>Trading payments</b>			
Security	433 24	-	433 24
Net wages	210,575 07	-	210,575 07
PAYE & NIC	109,080 95	-	109,080 95
Other payroll deductions	1,988 84	-	1,988 84
Pension deductions	11,229 30	-	11,229 30
Cleaning and site clearance	8,127 20	-	8,127 20
Employee expenses	30,289 19	-	30,289 19
Insurance	69,147 26	-	69,147 26
Telephone, fax etc	4,561 86	-	4,561 86
IT costs	1,734 00	-	1,734 00
Utilities	21,508 33	-	21,508 33
Water rates	1,884 62	-	1,884 62
Rent	81,016 03	-	81,016 03
Lease/Hire charges - Vehicles	14,490 45	-	14,490 45
Repairs & maintenance	518 98	-	518 98
Service charges	2,676 64	-	2,676 64
Bank charges	18 00	-	18 00
General expenses	105 01	-	105 01
Postage, stationery and printing	3,600 00	-	3,600 00
	<u>572,984 98</u>	<u>-</u>	<u>572,984 97</u>
<b>Net trading receipts/(payments)</b>	<u>(84,713 91)</u>	<u>-</u>	<u>(84,713 91)</u>

## 5. Expenses incurred in the period

### EP Realisations Ltd - in Administration Expenses statement for the period 20 August 2014 to 20 November 2014

	Total Expenses Incurred brought forward from 19 August 2014	Total expenses paid to 20 November 2014	Expenses outstanding at 20 November 2014	Expenses incurred in this period	Total expenses to 20 November 2014 (cumulative)
Administrators' fees	715,596 55	715,596 55	-	-	715,596 55
Agents fees	59,942 00	59,976 15	-	34 15	59,976.15
Legal fees	102,397 11	102,397 11	-	-	102,397.11
Legal disbursements	1,321 99	1,871 99	-	550 00	1,871 99
Bank charges	284 49	284 49	-	-	284 49
Book debts	30,433 90	30,433 90	-	-	30,433.90
Employee expenses	30,289 19	30,289 19	-	-	30,289 19
Net wages	260,190 60	260,190 60	-	-	260,190.60
PAYE/NIC	139,923 52	140,155 51	-	231 99	140,155 51
Other payroll deductions	2,131 84	2,131 84	-	-	2,131 84
Pensions deductions	12,794 79	12,794 79	-	-	12,794.79
General expenses	129 21	709 21	-	580 00	709.21
Insurance	69,147 26	69,147 26	-	-	69,147 26
IT costs	1,791 95	1,791 95	-	-	1,791 95
Lease/Hire charges	14,750 46	14,750 46	-	-	14,750 46
Mail redirection	60 00	60 00	-	-	60 00
Cleaning and site clearance	10,647 20	10,647 20	-	-	10,647 20
Postage, stationary and printing	4,054 56	4,054 56	-	-	4,054 56
Rent	81,016 03	81,016 03	-	-	81,016 03
Service charges	2,676 64	2,676 64	-	-	2,676 64
Repairs & maintenance	518 98	518 98	-	-	518.98
Security	433 24	433 24	-	-	433 24
Statutory advertising	309 16	309 16	-	-	309 16
Storage costs	3,050 00	3,050 00	-	-	3,050 00
Telephone, fax etc	4,561 86	4,561 86	-	-	4,561 86
Utilities	21,508 33	21,508 33	-	-	21,508.33
Water rates	1,884 62	1,884 62	-	-	1,884 62
Irrecoverable VAT	5,653 77	5,653 77	-	-	5,653 16
<b>Total</b>	<b>1,577,499.25</b>	<b>1,578,895 39</b>	<b>-</b>	<b>1,396.14</b>	<b>1,578,894 78</b>



## 6. Analysis of the Administrators' remuneration and Category 2 disbursements

E.P Realisations Ltd - in administration

Analysis of time costs for the period from 20 August 2014 to 20 November 2014

Aspect of assignment	Senior			Senior			Total hours	Time cost £	Average hourly rate £
	Partner	Director	Manager	Manager	Associate	Secretarial			
1 Strategy & Planning	1.00	-	0.40	0.40	-	-	4.10	1,068.50	260.61
2 Assets	-	-	0.10	-	-	-	0.10	41.50	415.00
3 Creditors	-	1.00	1.25	7.85	23.60	-	33.70	7,793.50	231.26
4 Accounting and treasury	-	-	0.35	0.85	2.75	4.80	8.85	1,697.25	191.78
5 Statutory and compliance	-	-	0.75	2.80	39.89	-	43.44	8,583.45	197.59
6 Tax & VAT	-	0.10	-	0.50	8.70	-	9.30	2,543.00	273.44
7 Employees	-	-	-	0.90	1.75	-	2.65	612.00	230.94
8 Administration	-	-	-	-	0.70	-	0.70	126.00	180.00
9 Closure procedures	-	-	2.50	0.30	-	-	2.80	1,136.50	405.89
<b>Total for the period from 20 November 2014</b>	<b>1.00</b>	<b>1.10</b>	<b>5.35</b>	<b>13.60</b>	<b>77.39</b>	<b>4.80</b>	<b>105.64</b>	<b>23,601.70</b>	<b>223.42</b>
<b>Brought forward at 19 August 2014</b>							<b>4,099.99</b>	<b>3,159,281.47</b>	
<b>Total</b>							<b>4,115.43</b>	<b>1,173,885.17</b>	
Current Charge out rates per hour									
- insolvency specialist	575.00	480.00	415.00	330.00	250.00	160.00			85.00
	1,130.00	1,075.00	915.00	630.00	465.00	225.00			130.00

## 6. Analysis of the Administrators' remuneration and Category 2 disbursements

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### Hourly charge-out rates

Specialist departments within our firm (such as Tax, VAT, Property and Pensions) may charge a small number of hours if and when we require their expert advice. Such specialists' rates do vary but the figures above provide an indication of the maximum rate per hour.

All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time chargeable is three minutes (i.e. 0.5 units).

### Summary of work carried out for the period

- Compliance and statutory matters - Completion of final progress report, preparing final information in order to disapply the prescribed part, preparing final statutory documentation for case closure
- Creditor claims and reporting to the appointor - Dealing with ongoing creditor enquiries – in particular those from Costain and an individual unsecured creditor, liaising with solicitors over the above queries
- Strategy and Planning – administration strategy, team management, team meetings and review of case progression
- Employee matters – Tracking final preferential claim addresses, preparing distribution documentation and making final preferential claim distributions
- Tax & VAT – Completing final VAT documentation for closure of the case, completion of statutory tax matters
- Accounting and Treasury - Monitoring receipts and payments into the bank account, making final payments and distributions

Further detail in respect of the work carried out by the Administrators has been provided throughout this report.

### Disbursements

The table below shows the approved policy for charging the different categories of expenses, together with the costs incurred in the period. No disbursements have been drawn to date.

Category	Policy	EPR £
1	All disbursements not falling under Category 2 are recharged at cost	-
2	Photocopying - At 4 pence per sheet copied, only charged for circulars to creditors and other bulk copying	-
2	Mileage - At a maximum of 67 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc)	-
2	Other	-

## 6. Analysis of the Administrators' remuneration and Category 2 disbursements

Total for the period	-
Brought forward from previous period	11,980 48
Total for the case (to 20 November 2014)	<u>11,980.48</u>

### Summary of legal and other professional firms instructed

We have instructed the following professionals. -

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Agents – Reviewing contracts and trading debt collection	Purely Financial Chartered Accountants	Expertise	Fixed fee
Agent – Site management, overseeing utilities during trading period	GMS Group of Companies	Expertise	Time costs
Agent – Valuations of chattel assets	BSV Associates	Expertise	Time costs
Legal advice – appointment, sale of business, change of name, unsecured claim matters	Walker Morris	Expertise	Time costs

All third party professionals are required to submit time costs analyses and narrative in support of invoices rendered, in order for the Administrators to consider whether they are reasonable in the circumstances of the case