

The Insolvency Act 1986

Administrator's progress report

Name of Company Penn School Limited	Company number 03736317
In the High Court of Justice, Chancery Division, Companies Court (full name of court)	Court case number 4688 of 2015

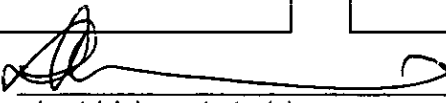
We
Lee Antony Manning
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

Matthew David Smith
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

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

From 8 July 2015	To 7 January 2016
-------------------------	--------------------------

Signed


Joint / Administrator(s)

Dated

04/02/16

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

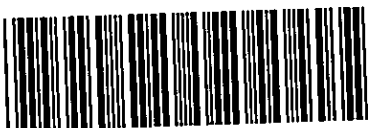
Rebecca Koball
Deloitte LLP
PO Box 810
66 Shoe Lane
London
EC4A 3WA

DX Number LDE DX599

+44 20 7936 3000
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

FRIDAY



A50323EI

A10

05/02/2016

#272

COMPANIES HOUSE

Deloitte.

The Rayners Special Educational Trust Penn School Limited (both in administration) (“the Companies”)

Court Case No 4675 of 2015
Company No 03649456 and
Charity Registration No 1083392

Court Case No 4688 of 2015
Company No 03736317

High Court of Justice, Chancery Division

Registered Office: c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3TR

Progress report to creditors for the period 7 July 2015 to 6 January 2016 and 8 July 2015 to 7 January 2016 respectively pursuant to Rule 2.47 of the Insolvency Rules 1986 (as amended) (“the Rules”).

Lee Antony Manning and Matthew David Smith (“the Joint Administrators”) were appointed Joint Administrators of The Rayners Special Educational Trust (“Rayners”) on 7 July 2015 and Penn School Limited (“Penn”) on 8 July 2015 by the directors of the Companies. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP (“Deloitte”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended) (“the Act”), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation

4 February 2016

Contacts

Joint Administrators of the Companies

Lee Antony Manning
Matthew David Smith

The Rayners Special Educational Trust
Penn School Limited
(Both in administration)
c/o Deloitte LLP
Hill House
1 Little New Street

London
EC4A 3TR

Contact details

Email cflorence@deloitte.co.uk
Website www.deloitte-insolvencies.co.uk/pennschool
Tel 0113 292 1574



Key messages

Commentary

Purpose of administration

- The purpose of the administration of Rayners is to rescue Rayners as a going concern or on the inability to do this, to achieve a better result for the Companies' creditors as a whole than a liquidation
- Penn was a dormant Company which did not trade and has no assets. The purpose of the Penn administration does not match the purposes as set in Schedule B1 of the Act given the circumstances of Penn which were not known at the time

Progress of administration

- The school closed at the end of term on 22 July 2015 and Rayners ceased trading on 31 July 2015
- All employees of Rayners were made redundant by 6 August 2015. There were no employees in Penn
- The Joint Administrators held talks with various parties regarding a potential sale of the school as a going concern but were unable to secure a going concern sale
- Subsequently, the Joint Administrators have held talks with various parties regarding a potential sale of Rayners' physical assets. These remain ongoing as at the date of this report

Costs

- We have incurred gross time costs at our headline rates during the report period of £1,126,997 for Rayners and £27,899 for Penn as detailed on Pages 16 and 17
- To the date of this report we have not drawn fees
- The basis on which we are to be paid has not yet been fixed as we await the outcome of the application to Court for the approval of the Joint Administrators' proposals
- Our pre-administration costs have not yet been approved and remain unpaid

Outstanding matters

- The Joint Administrators continue to seek a sale of Rayners' freehold assets

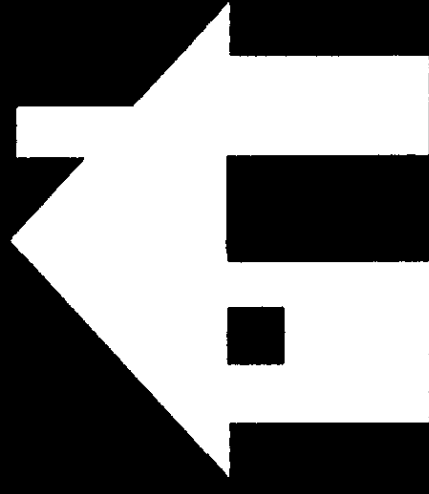
Dividend prospects

- It is currently anticipated that there will be sufficient asset realisations to enable all creditors to be repaid in full, however this remains dependent on a sale of Rayners' assets being achieved

Extension to administration period

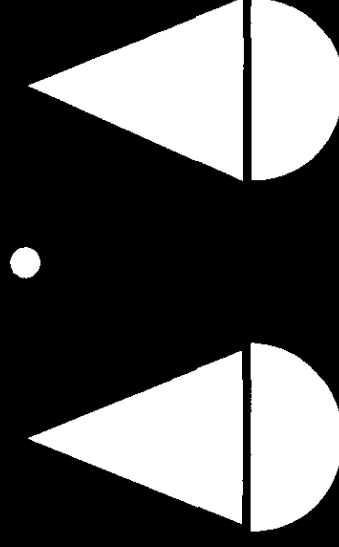
- We do not anticipate that it will be necessary to extend the period of the Rayners and Penn administrations which are due to end on or before 6 July 2016 and 7 July 2016 respectively, provided that the sale of Rayners' physical assets can be completed before this date

	Contents	2
	Progress of the administration	3
	Information for creditors	11
	Remuneration and expenses	14



Progress of the administration

Summary	4
Receipts and payments	7
Pre-administration costs	10



Progress of the administration Summary

Progress of the administration – work done

Sale of Business and Asset Realisations

- As advised in the Joint Administrators' proposals, the school continued to trade as usual until the end of the summer term on 22 July 2015, in order to pursue a sale of the business as a going concern
- The Joint Administrators contacted the secured creditor towards the end of July to provide an update of the sale process, however, whilst an expression of interest had been received, no offer had been agreed or accepted and ultimately no additional funding could be provided. Consequently, the Joint Administrators had no alternative but to make 69 staff redundant on 31 July 2015
- Efforts to sell the business continued as detailed in the proposals. Unfortunately, it was announced on 2 September 2015 that discussions with the remaining prospective purchaser had come to a halt and there was no longer any prospect of a sale of the school as a going concern
- Since then, the Joint Administrators have made continued efforts to market the property and this process continues. This includes the instruction of joint selling agents to market the property with a view to selling the property to maximise value. As the site is quite complex, we expect that it will take some time to achieve a successful sale. However, we have received several unconditional offers for the freehold site and final bids have been submitted which we are considering in detail with our retained agents and with the Trustees. It is clear from the level of bids that all creditors are likely to be paid in full and a surplus passed on to the Trustees

- The Joint Administrators have applied to court to rectify the following points as a result of legal advice received
 - to ratify our appointment over Rayners,
 - to exit Penn from administration, and
 - to deal with a technical error in the circulation of the Administrators proposals
- In respect of Penn this company was placed into Administration on 8 July 2015 as there was insufficient information available at the time of our appointment to determine whether it was simply a dormant company or whether an administration was required in order to ensure full control of the school's operations was passed to the Administrators. As it has now been confirmed that Penn was purely a dormant company with no assets, liabilities or trade the administration is not required and Penn can be returned to the control of its Directors. We confirm that the Administrators' costs in dealing with the above issues will not be charged to the companies
- This application is also being combined with a request for authorisation to pay the dividend to unsecured creditors from the Administration of Rayners thereby avoiding the costs of the Company having to enter into liquidation



Progress of the administration Summary

Progress of the administration – Work done

Asset Realisations

- Further time relates to correspondence and communications (including time spent at the school) with the agents appointed to sell the chattel assets. Time has been spent dealing with the legal removal of the remaining staff who formerly resided at the school. This process has not been contentious.
- A small amount of time has been spent liaising with the local authorities in connection with the payment of the outstanding school fees due as at the date of the Joint Administrators appointment.

Trading

- Activities include planning of the administration, preparation of trading forecasts, monitoring of the suppliers and supplies required for ongoing trade. Further time has been spent dealing with employees and the trade unions, specifically electing employee representatives and ongoing communications with the employees and unions. This has required periods of on site presence.

Creditors

- Activities include set-up of 155 creditor records, creditor communications, unsecured and preferential correspondence and lodging unsecured and preferential claims.

Case specific matters

- Activities include work carried out in relation to the pension schemes operated by Rayners.
- In addition, dealing with enquiries received from local press and parents, liaising with PR agents and assistance provided to the Trustees surrounding the administration.



Progress of the administration Summary

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations

- case set-up and management
- statutory reporting
- appointment notifications
- correspondence
- CDDA reporting
- cashiering functions

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors

Investigations

We have complied with our statutory duty to report on the conduct of the Companies' directors and submitted our confidential reports to the Insolvency Service on 16 December 2015

We have reviewed the information available to assess whether there are any matters that might lead to a recovery for the benefit of creditors, such as potential claims that may be brought against parties either connected to or who have had past dealings with the Companies

Having completed this review no further avenues of recovery have been identified

If you have any information that you feel should be brought to our attention, please contact us in writing using the Contact details on Page 1 above

Cost of the work done during the report period

The following costs and expenses were incurred during the report period

- Trading costs of approximately £57,000. Note that this includes indirect labour costs incurred following the closure of the school
 - Legal fees of £85,000 relating to advice on the appointment of the Joint Administrators, the safeguarding of the educational and health records of the former pupils of the school, the preparation of the statement of affairs for the Trustees and advice relating to staff residential issues and the vacation of the former staff from the school
 - Agents and professional fees of £41,000 in relation to assistance provided regarding the preparation for and sale of the chattel assets, the removal of the scrap WEEE materials and the removal of all leased assets. In addition further assistance has been provided throughout the administration relating to the security of the school premises
 - Our time costs, remuneration and expenses. Further information on these costs are provided on page 15
- Of these costs above, the following have not yet been paid and will be settled as and when funds permit
- Legal fees of £77,265,
 - Agents and professional fees of £41,000

All professional costs are reviewed and analysed in detail before payment is approved



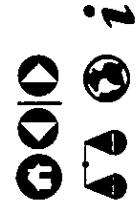
Progress of the administration Receipts and payments

Joint Administrators' Receipts & Payments Account - Rayners 7 July 2015 to 6 January 2016

Statement of Affairs to 18 August 2015				
£	Values	7 July 2015 to 18 August 2015	19 August 2015 to 6 January 2016	Total
Receipts				
Prepayments & Investments	30,262	-	-	13
Bank Interest	-	-	-	13
Total receipts	30,262	-	13	13
Payments				
Trading deficit	-	100,280	51,119	151,399
Preparation of SoA Costs	-	-	627	627
Agents Fees	-	-	5,000	5,000
Agents Disbursements	-	-	6,243	6,243
Legal Fees	-	-	7,651	7,651
Property Inspection & EPC Costs	-	-	3,420	3,420
Statutory advertising	-	-	254	254
Record Storage Costs	-	-	311	311
Bank charges	-	-	2,166	2,166
Irrecoverable VAT	-	-	4,853	4,853
Total payments	-	100,280	81,644	181,923
Balance	30,262	(100,280)	(81,631)	(181,910)

Rayners

A receipts and payments account is provided opposite detailing the transactions in the administration to 6 January 2016, and all transactions since the date of our appointment



Progress of the administration Receipts and payments

Joint Administrators' trading account - Rayners 7 July 2015 to 6 January 2016

£	Statement of Affairs			Total
	Values	7 July 2015 to 18 August 2015	19 August 2015 to 6 January 2016	
Receipts				
Freehold Property	3,051,077	-	-	-
Book Debts / LA Fees	25,734	-	22,974	22,974
EFA Receipt	-	58,328	-	58,328
Petty Cash & Misc Receipts	1,794	2,513	1,448	3,961
Staff Rent Receipts	-	-	152	152
Furniture & Equipment	14,959	-	-	-
Stock	354	-	-	-
Total receipts	3,093,918	60,839	24,574	85,413
Payments				
Wages & salaries	-	87,678	28,457	127,135
Pension & Other deductions	-	30,559	346	30,905
PAYE / NIC deductions	-	31,725	13,237	44,963
Petty Cash & Misc Payments	-	936	50	986
Indirect Labour	-	-	8,457	8,457
Educational Support Fees	-	-	650	650
Food & Drink	-	-	42	42
Repairs & maintenance	-	-	378	378
Occupational Health fees	-	-	3,194	3,194
Postage & Mail Redirection Costs	-	220	260	480
Speech & Language Services	-	-	17,569	17,569
Security costs	-	-	820	820
IT Services	-	-	414	414
Charity donation refunds	-	-	820	820
Trading Operational Costs	-	-	-	-
Utilities & Rates	-	-	-	-
Total payments	161,119	75,693	236,812	236,812
Trading surplus / (deficit)	(100,280)	(51,119)	(151,399)	(151,399)

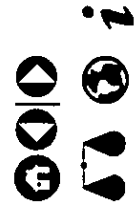
The trading account shown opposite has been prepared on a cash basis as at 6 January 2016

The trading account includes costs incurred during the period to the end of the summer term together with costs incurred since the appointment of the Joint Administrators

There are a small number of outstanding costs to be paid to suppliers and utilities, details and invoices which have yet to be provided to the Joint Administrators

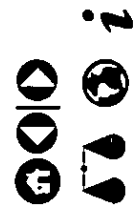
Based on current information, we anticipate that there will be a trading loss of approximately £200,000

The Joint Administrators were granted an overdraft facility by the secured lender on their appointment to cover the costs of the trading of the school to the end of the summer term, and other associated costs of the administration. This overdraft will be repaid from the freehold sale in due course



Progress of the administration

Receipts and payments



Joint Administrators' Receipts & Payments Account - Penn 8 July 2015 to 7 January 2016

Penn

A receipts and payments account is provided opposite detailing the transactions in the administration to 7 January 2016

£	Statement of Affairs Values			Total
	8 July 2015 to 18 August 2015	19 August 2015 to 7 January 2016		
Receipts				
Total receipts	-	-	-	-
Payments (Trading Costs)				
Total payments	-	-	-	-
Balance	-	-	-	-

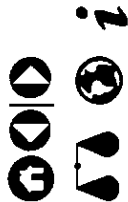
**Progress of the
administration
Pre-administration
costs**

Pre-administration costs	
Party	Amount (£)
Joint Administrators	30,680
Total approved	-
Total paid	-

As detailed in the Proposals, we are claiming pre-administration costs

The above pre-administration time costs of £30,680 (plus VAT) have not yet been approved and thus remain unpaid

Approval of the above time costs is being sought as part of the Joint Administrators' application to the Court. We are currently awaiting the outcome of the application





Information for creditors

Outcome

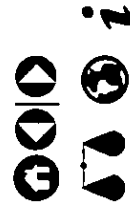
12

Statutory information

13



Information for creditors Outcome



Secured creditors

Based on currently available information, the Joint Administrators expect there will be sufficient asset realisations to repay the secured creditor in full

There are no secured creditors in Penn

Preferential creditors

Preferential creditors in Rayners consist of amounts owed to the Company's employees for holiday pay and a possible protective award following the redundancy of the employees. The Joint Administrators anticipate receiving preferential claims of c £67,000. Preferential claims received to date total £12,110.

Based on current information, the Joint Administrators expect to be able to pay the preferential creditors in full during the administration.

There were no employees in Penn, therefore the Joint Administrators do not anticipate there will be any preferential claims.

Prescribed Part - Rayners

As detailed in the Proposals, we anticipate that all unsecured creditor claims will be settled in full should there be sufficient asset realisations following the settlement to the secured creditor. Therefore the provisions of the Prescribed Part will not apply.

Prescribed Part – Penn

There are no floating charge holders in Penn, therefore the provisions of the Prescribed Part do not apply.

Unsecured creditors

Based on present information, sufficient funds will be realised to enable a 100% dividend to be paid to unsecured creditors. Pending the outcome of the sales process, the timing of the dividend is not yet known. However, we remain confident that there will be sufficient asset realisations to pay all unsecured creditors in full.

There are no unsecured creditors in Penn.

Claims process

Unsecured creditors are invited to submit their claims to us by completing a proof of debt form which is available on the administration website and which should be sent to the address on page 1, marked for the attention of Craig Florence.

Extensions to the administration

We do not anticipate that it will be necessary to extend the period of the Rayners and Penn administrations which are due to end on or before 6 July 2016 and 7 July 2016 respectively, provided that the sale of Rayners' physical assets can be completed before this date.

Exit – Rayners

An application has been made to the Court to request permission to pay the unsecured creditors prior to the conclusion of the administration. We are currently awaiting the outcome of this request. We expect to move the Company to dissolution when the administration is complete.

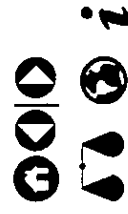
Exit - Penn

As detailed in our proposals, there are no assets or unsecured creditors of Penn. The Joint Administrators have made an application to the Court to seek the termination of the administration order. We are currently awaiting the outcome of this application.

Information for creditors

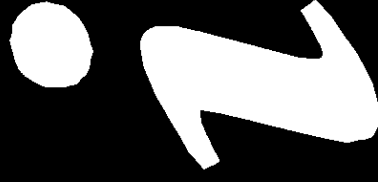
Statutory information

Statutory information		
The Rayners Special Educational Trust		
Penn School Limited		
Company number	03649456	03736317
Registered office	c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3BQ	c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3BQ
Trading names	Penn School	N/A
Previous names	N/A	N/A
Court	High Court of Justice, Chancery Division, Companies Court	High Court of Justice, Chancery Division, Companies Court
Court reference	4675 of 2015	4688 of 2015
Company directors	Caroline Allen Hugh Forsyth Paul Ricketts	Caroline Allen Hugh Forsyth Wendy Noir Timothy Layfield Dara Galic Kerri McLeigh Paul Ricketts
Company secretary	Cremorne Nominees Limited	Cremorne Nominees Limited
Directors' shareholdings	N/A	N/A



i Remuneration and expenses

Joint Administrators' remuneration 15



Remuneration and expenses

Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte-insolvencies.co.uk/pennschool

Should you require a paper copy, please send your request in writing to us at the address on Page 1 of this report and this will be provided to you at no cost

Basis of remuneration

The Joint Administrators have requested that the basis of our remuneration is fixed by reference to time costs. The basis of our remuneration has not yet been fixed as we await a court date to confirm the approval of the Joint Administrators' proposals

However, as it is envisaged that all creditors will be paid in full, we are likely to seek approval for the basis for our remuneration from the Trustees as well as the creditors

Time costs incurred - Rayners

Our time costs for the period at our headline rates are £1,126,887 made up of 2,341 hours at an average charge out rate of £481/hour across all grades of staff

Time costs incurred - Penn

Our time costs for the period are £27,899 made up of 59 hours at an average charge out rate of £474/hour across all grades of staff

We have not drawn remuneration to date, as shown in the receipts and payments account on page 9. Please note that we do not intend to seek authority to draw the full value of time costs incurred and any balance will be written off.

Details of the time costs incurred and charge out rates is provided on the following pages. Time is charged in six minute increments. Creditors may request a detailed breakdown of the time costs incurred by writing to the address at the front of this report.

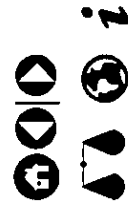
All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work 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/or claims agreed.



The Rayners Special Educational Trust

Remuneration and expenses Joint Administrators' time costs for the period 7 July 2015 to 6 January 2016

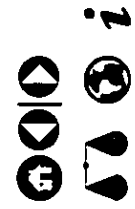
	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning													
Cashflow and Statutory Filing	0.15	129.75	21.90	14,369.75	3.20	1,661.00	14.60	6,065.00	11.00	3,373.50	50.85	25,599.00	503.42
Case Management and Closure	26.50	23,192.50	21.90	14,217.50	68.70	34,698.00	97.65	33,108.25	76.35	17,162.00	291.10	122,378.25	420.40
Initial Actions	55.50	46,620.00	14.40	9,381.00	-	-	1.10	467.50	17.50	5,150.00	88.50	61,618.50	696.25
General Reporting	/ 00	5,945.00	0.30	195.00	16.50	8,165.00	0.50	212.50	7.50	2,250.00	31.80	15,367.50	483.45
	85.15	75,887.25	58.50	38,183.25	88.40	43,124.00	113.85	39,853.25	112.35	27,935.50	482.25	224,983.25	488.87
Investigations													
Investigations	-	-	-	-	80.50	34,615.00	1.90	807.50	7.00	1,400.00	89.40	36,822.50	411.88
Reports on Directors' Conduct	-	-	2.10	1,438.50	-	-	-	-	9.50	2,422.50	11.60	3,861.00	332.84
	-	-	2.10	1,438.50	80.50	34,615.00	1.90	807.50	16.50	3,822.50	101.00	40,683.50	402.81
Trading													
Day 1 Control of Trading	7.20	6,228.00	-	-	3.50	1,435.00	10.00	4,050.00	-	-	20.70	11,713.00	565.85
Ongoing Trading	6.70	5,670.50	108.50	51,537.50	214.40	88,758.00	102.50	41,512.50	67.00	14,115.00	499.10	201,593.50	403.91
Monitoring Trading	-	-	1.50	712.50	98.50	40,585.00	-	-	11.50	390.00	373.70	41,667.50	373.70
Closure of Trade	2.00	1,680.00	-	-	-	-	-	-	-	-	2.00	1,680.00	840.00
	16.90	13,678.50	110.00	62,250.00	316.40	130,768.00	112.50	45,582.50	78.50	14,505.00	633.30	268,654.00	405.28
Realisation of Assets													
Book Debts	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Assets (e.g. Stock)	-	-	2.00	1,000.00	-	-	-	-	-	-	2.00	1,000.00	500.00
Chattel Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Property - Freehold and Leasehold	25.10	22,861.00	14.70	7,834.50	68.50	29,455.00	-	-	-	-	108.30	59,950.50	553.56
Sale of Business / Assets	110.70	105,244.00	198.80	114,570.00	8.50	5,722.50	69.00	37,950.00	1.00	300.00	388.00	263,786.50	679.86
Third Party Assets	-	-	-	-	-	-	-	-	-	-	-	-	-
	135.80	127,905.00	215.50	123,404.50	77.00	35,177.50	69.00	37,950.00	1.00	300.00	498.30	324,737.00	851.69
Creditors													
Employees	-	-	9.50	4,512.50	57.50	24,137.00	11.60	4,798.00	83.70	24,397.50	162.30	57,845.00	356.41
Preferential	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-	-	-	-	-
Trustees	16.90	14,618.50	-	-	-	-	-	-	-	-	16.90	14,618.50	865.00
Unsecured	18.00	15,840.00	3.10	2,123.50	58.50	25,155.00	8.80	3,640.00	29.80	6,948.00	118.20	53,706.50	454.37
	34.90	30,458.50	12.60	6,636.00	116.00	49,292.00	20.40	8,438.00	113.50	31,345.50	287.40	128,170.00	424.24
Case Specific Matters													
Litigation	-	-	-	-	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	8.30	3,469.00	-	-	-	-	8.30	3,469.00	417.95
External queries	10.70	9,255.50	43.00	20,425.00	-	-	-	-	-	-	53.70	29,690.50	552.71
Data protection matters	-	-	85.00	42,500.00	71.00	31,060.00	130.35	46,969.75	-	-	286.35	120,529.75	420.92
VAT	-	-	-	-	-	-	-	-	-	-	-	-	-
Tax	-	-	-	-	-	-	-	-	-	-	-	-	-
	10.70	9,255.50	128.00	62,925.00	79.30	34,529.00	130.35	46,969.75	-	-	348.35	153,679.25	441.18
TOTAL HOURS & COST	288.45	257,084.75	628.70	284,817.25	757.60	327,495.50	448.00	179,581.00	321.85	77,908.50	2,340.60	1,126,867.00	481.45
AVERAGE RATE/HOUR PER GRADE	£ 897.49	£ 540.76	£ 432.28	£ 400.85	£ 242.06								



Penn School Limited

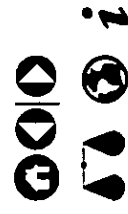
Remuneration and expenses Joint Administrators' time costs for the period 8 July 2015 to 7 January 2016

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning	-	-	0 10	68 50	0 20	106 00	1 90	807 50	0 90	283 50	3 10	1,265 50	408 23
Cashiering and Statutory Filing	6 00	5,280 00	1 00	664 00	-	-	3 70	1,516 50	11 55	1,605 00	22 25	9,065 50	407 44
Case Management and Closure	-	-	8 90	5,260 00	-	-	-	-	14 25	4,275 00	23 15	9,535 00	411 88
Initial Actions	8 00	6,720 00	-	-	-	-	-	-	-	-	8 00	6,720 00	840 00
General Reporting	14 00	12,000 00	10 00	5,992 50	0 20	106 00	5 60	2,324 00	26 70	6,163 50	56 50	25,686 00	470 55
Investigations	-	-	-	-	-	-	-	-	-	-	-	-	-
Investigations Reports on Directors' Conduct	-	-	2 00	1,185 00	-	-	0 30	127 50	-	-	0 30	127 50	425 00
	-	-	2 00	1,185 00	-	-	0 30	127 50	-	-	2 00	1,185 00	592 50
	-	-	-	-	-	-	-	-	-	-	2 30	1,312 50	570 55
TOTAL HOURS & COST	14 00	12,000 00	12 00	7,177 50	0 20	106 00	5 90	2,451 50	26 70	6,163 50	58 80	27,898 50	474 46
AVERAGE RATE/HOUR PER GRADE		£ 857 14		£ 598 13		£ 530 00		£ 415 51		£ 230 84			
FEES DRAWN													



Remuneration and expenses

Detailed information



Restructuring Services charge out rates (£/hour)		
Grade	From 1 Sept 2014	From 1 Sept 2015
Partners & Directors	615 - 970	645 - 1,020
Assistant Directors	475 - 735	500 - 770
Managers	410 - 660	430 - 695
Assistant Managers	310 - 525	325 - 550
Assistants & Support	50 - 310	80 - 325

Charge out rates

The average charge - out rates applicable to this case are provided in the final column of the table in the preceding page

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Financial Advisory or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

Charge out rates increased on 1 September 2015

Remuneration and expenses

Detailed information

Disbursements

Category 1

These are payments made by us direct to third parties and for which no approval is required

Category 2

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs. Specific approval is required before these costs and expenses can be drawn from the administration estate.

Details of all disbursements are given below

Category 1 disbursements

£ (net)	Value	Paid	Unpaid
Travel	2,605	-	2,605
Accommodation	2,827	-	2,827
Telephone	118	-	118
Subsistence	850	-	850
Stationery	561	-	561
Total expenses	6,961	-	6,961

Category 2 disbursements

£ (net)	Value	Paid	Unpaid
Mileage	4,874	-	4,874
Website set up	500	-	500
Total disbursements	5,374	-	5,374

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred

No disbursements have been recovered

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 leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 2.47(1)(fa) and 2.48A of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 2.109(4) of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 2.109 of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte.

This document is confidential and prepared solely for your information. Therefore you should not, without our prior written consent, refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

Deloitte LLP is a limited liability partnership registered in England and Wales with registered number OC303675 and its registered office at 2 New Street Square, London EC4A 3BZ, United Kingdom.

Deloitte LLP is the United Kingdom member firm of Deloitte Touche Tohmatsu Limited ("DTTL"), a UK private company limited by guarantee, whose member firms are legally separate and independent entities. Please see www.deloitte.co.uk/about for a detailed description of the legal structure of DTTL and its member firms.

Member of Deloitte Touche Tohmatsu Limited