**Rule 2.47** **Form 2.24B(CH)**

The Insolvency Act 1986

# Administrator's progress report

| Name of Company | Company number |
|---|---|
| Penn School Limited | 03736317 |

| In the | Court case number |
|---|---|
| High Court of Justice, Chancery Division, Companies Court (full name of court) | 4688 of 2015 |

We

| | |
|---|---|
| Lee Antony Manning | Matthew David Smith |
| Deloitte LLP | Deloitte LLP |
| PO Box 810 | PO Box 810 |
| 66 Shoe Lane | 66 Shoe Lane |
| London | London |
| EC4A 3WA | EC4A 3WA |

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

| From | To |
|---|---|
| 8 July 2015 | 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<br>DX Exchange |

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COMPANIES HOUSE

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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**

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 crflorence@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<br>• 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<br>• All employees of Rayners were made redundant by 6 August 2015 There were no employees in Penn<br>• 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<br>• 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<br>• To the date of this report we have not drawn fees<br>• 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<br>• 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 |

# Progress of the administration

# 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 Values | 7 July 2015 to 18 August 2015 | 19 August 2015 to 6 January 2016 | Total |
|---|---|---|---|---|
| **Receipts** | | | | |
| Prepayments & Investments | 30,262 | - | - | - |
| Bank Interest | - | - | 13 | 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 Values | 7 July 2015 to 18 August 2015 | 19 August 2015 to 6 January 2016 | Total |
|---|---|---|---|---|
| **Receipts** | | | | |
| Freehold Property | 3,051,077 | - | - | - |
| Book Debts / LA Fees | 25,734 | | 22,974 | 22,974 |
| EFA Receipt | - | 58,326 | | 58,326 |
| 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 | | 97,678 | 29,457 | 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 |
| **Trading surplus / (deficit)** | | (100,280) | (51,119) | (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

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

**Penn**

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

# 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

### 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<br>Hugh Forsyth<br>Paul Ricketts | Caroline Allen<br>Hugh Forsyth<br>Wendy Noir<br>Timothy Layfield<br>Dara Galic<br>Kerri McLeigh<br>Paul Ricketts |
| Company secretary | Cremorne Nominees Limited | Cremorne Nominees Limited |
| Directors' shareholdings | N/A | N/A |

# Remuneration and expenses

# 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Cost (£) |
| **Administration and Planning** | | | | | | | | | | | | | |
| Cashiering 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 | 7 00 | 5 945 00 | 0 30 | 195 00 | 16 50 | 6,765 00 | 0 50 | 212.50 | 7 50 | 2,250 00 | 31 80 | 15 367 50 | 483 25 |
| | 89.15 | 75,887 25 | 58 50 | 38,163.25 | 88.40 | 43,124.00 | 113.85 | 39,853.25 | 112.35 | 27,935.50 | 462.25 | 224,963.25 | 486 67 |
| **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 | 40 565 00 | - | - | 11 50 | 390 00 | 111 50 | 41 667 50 | 373 70 |
| Closure of Trade | 2.00 | 1,680 00 | - | - | - | - | - | - | - | - | 2 00 | 1 680 00 | 840 00 |
| | 15.90 | 13,578.50 | 110 00 | 52,250 00 | 316.40 | 130,758 00 | 112.50 | 45,562.50 | 78.50 | 14,505.00 | 633 30 | 256,654.00 | 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 | 22 661 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 | 651 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 | 297 40 | 126,170 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 | 29,680 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 16 |
| **TOTAL HOURS & COST** | 286.45 | 257,084.75 | 526 70 | 284,817 25 | 757 60 | 327,495 50 | 448 00 | 179,581 00 | 321 85 | 77,908.50 | 2,340 60 | 1,126,887 00 | 481 45 |
| **AVERAGE RATE/HOUR PER GRADE** | | £ 897 49 | | £ 540 76 | | £ 432.28 | | £ 400.85 | | £ 242.06 | | | |
| **FEES DRAWN** | | | | | | | | | | | | - | |

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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Hours | Cost (£) | Cost (£) |
| **Administration and Planning** | | | | | | | | | | | | | |
| Cashiering and Statutory Filing | - | - | 0 10 | 68 50 | 0 20 | 106 00 | 1 90 | 807 50 | 0 90 | 283 50 | 3 10 | 1,265 50 | 408 23 |
| Case Management and Closure | 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 |
| Initial Actions | - | - | 8 90 | 5,260 00 | - | - | - | - | 14 25 | 4 275 00 | 23 15 | 9 535 00 | 411 88 |
| General Reporting | 8 00 | 6 720 00 | - | - | - | - | - | - | - | - | 8 00 | 6 720 00 | 840 00 |
| | 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 | 26,586 00 | 470 55 |
| **Investigations** | | | | | | | | | | | | | |
| Investigations | - | - | - | - | - | - | 0 30 | 127 50 | - | - | 0 30 | 127 50 | 425 00 |
| Reports on Directors' Conduct | - | - | 2 00 | 1,185 00 | - | - | - | - | - | - | 2.00 | 1,185 00 | 592 50 |
| | - | - | 2.00 | 1,185.00 | - | - | 0 30 | 127 50 | - | - | 2.30 | 1,312.50 | 570 65 |
| **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 to 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.