

The Insolvency Act 1986

## Statement of administrator's proposals

Name of Company Colonial Capital Limited	Company number 07849082
In the High Court of Justice, Chancery Division, Companies Court [full name of court]	Court case number 007795 of 2016

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

I / We (a)	Paul James Pittman Pnce Bailey LLP 7th Floor Dashwood House 69 Old Broad Street London EC2M 1QS	Paul Anthony Higley Pnce Bailey LLP 7th Floor Dashwood House 69 Old Broad Street London EC2M 1QS
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\* Delete as applicable attach a copy of \*my / our proposals in respect of the administration of the above company

A copy of these proposals was sent to all known creditors on

(b) Insert date

(b) 18 January 2017

Signed

Joint / Administrator(s)

Dated

### 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.

Paul James Pittman  
Pnce Bailey LLP  
7th Floor Dashwood House  
69 Old Broad Street  
London  
EC2M 1QS

DX Number

0207 065 2660  
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

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COMPANIES HOUSE

**Administrator's Proposals relating to  
Colonial Capital Limited ("the Company") – In Administration  
Issued on: 18 January 2017**

We, Paul James Pittman and Paul Anthony Higley of Price Bailey LLP, 7<sup>th</sup> Floor Dashwood House, 69 Old Broad Street, London, EC2M 1QS were appointed Joint Administration of the Company on 25 November 2016.

This report sets out our proposals in respect of the Administration of the Company. I have summarised the options available to investors in section 11 of this report

## **1. STATUTORY INFORMATION**

Statutory information relating to the Company is attached at Appendix I

## **2. CIRCUMSTANCES LEADING TO THE APPOINTMENT OF THE ADMINISTRATORS**

The Company first began buying property in the United States of America in 2012. This was after some research which indicated that there were excellent yields available in Chicago, particularly in the small family sector.

The initial strategy was to buy purpose built units containing 2 or 3 individual flats. These were then refurbished and rented to families who are on either no income or low income. The rental income is paid by the Housing and Urban Development (HUD) department on behalf of the tenants, which is founded by the Federal Government. The scheme is known as Section 8.

To enable the Company to buy several properties at one time the directors decided to initiate a strategy to issue corporate bonds

To back up this strategy further research was conducted and the directors consulted a financial services professional to seek appropriate advice. It was explained to the directors that there were certain exemptions from the Financial Services & Markets Act and the EU Directive on Prospectus for small businesses. He advised the directors on how to structure the bonds so that they could take advantage of these exemptions.

Initially, the Company offered 18% interest and paid around 20% in commission to introducers in the first round of bond issues. These bonds were restricted to either high net worth individuals or sophisticated investors

The Company began to buy and refurbish a number of properties and towards the end of 2012 a subsidiary company called Colonial Property Ltd was incorporated, to begin selling some of the properties.

The director's strategy was to buy, refurbish, rent and sell as many properties as possible in the first 2 years, so that the profit could be reinvested in more properties. According to the director's this strategy fared well for 12 to 15 months and apparently the company bought and sold over 50 properties during this period.

At this point the Company was selling Bonds at 14% per annum and had reduced the commission down to 15%

In December 2013, the Company was advised that approximately US\$300,000 had been frozen in a solicitor's escrow account. The solicitor was providing the Company with escrow facilities for transfers from overseas investors. In 2014 the Metropolitan Police came to interview the directors and the background and workings of the business was explained. The Police applied to the court to take charge of the funds and initially seemed positive that they would pay the Company these monies. However, this never happened. The directors engaged Birketts Solicitors to liaise with the Police and discussion are on going. The directors

continued to pay the investors their interest. This was continued throughout the terms of the bonds and now the Company struggle to return the capital sum invested.

Around this same time the Company hit another problem. The construction company that were used to refurbish the properties had done significantly shoddy work. All of the properties purchased required new heating systems. The construction company decided to cut costs and use plastic piping behind the dry walls as opposed to Copper piping. The winter of 2013 was particularly harsh in Chicago with temperatures reaching below -30c. At which point all the pipes burst and over 30 properties were flooded. A large proportion of these properties were already sold and the Company was paying rental guarantees to the property purchasers until the individual properties were rented. This cost the Company in excess of US\$1.5m. The directors sought legal advice. According to the directors it was advised that would be both pointless and expensive to issue legal proceedings against them.

Later in 2013 the Company employed a new property manager who had previously worked with the Chicago Housing Authority. He began to manage the Company's property portfolio and carry out maintenance works where necessary. The directors also decided to pay the rental guarantees to him as this had to be shown on each investors rent roll returns. After approximately 6 months, the directors found he wasn't returning any of their calls. The new property manager disappeared with approximately \$800k worth of rental guarantee monies.

The directors also attribute the poor performance of the Company to the location of the properties. The properties that were bought were all in the South Side of Chicago which has a reputation of being a "rough area". Due to this the Company had to contend with 3 fires, several break-ins and on two occasions the contractors being held up at gunpoint.

At the end of 2015, the Company was in a position where it had to begin not only paying interest back to the investors but also begin returning their initial capital.

The directors began trying to sell properties to overseas investors done previously but to no avail. The directors began to discount the properties as they came under more and more pressure from the Bondholders who were waiting for both interest and redemption payments.

It was at this time, that the Company began selling properties at a loss. For example, due to the continued pressure and legal threats, the Company sold a portfolio of 15 properties in Atlanta that were on the Company's books at just over \$2m for less than \$600k.

Eventually, one of the largest Bondholders lost patience and issued the Company with a statutory demand for just over \$900k. The Company was unable to raise the funds in the given time frame and legal advice was sought from Birketts Solicitors, who recommended the directors speak to Price Bailey LLP.

Price Bailey LLP initially spoke with the directors on 17 November 2016. Prior to the commencement of the Administration, Price Bailey LLP acted as advisors to the Board as a whole acting on behalf of the Company. No advice was given to the individual directors regarding the impact of the insolvency of the company on their personal financial affairs. Whilst not formally in office at that time, we were still required to act in its dealings with the Company in accordance with the Insolvency Code of Ethics.

We considered and discussed with the directors the following formal insolvency procedures:

Creditors' Voluntary Liquidation - This is the process where the directors of an insolvent Company can voluntarily take steps to wind up the Company. It was not considered to be an appropriate procedure at this time in these circumstances as the directors are adamant that an appropriate and effective rescue strategy can be put together. Without first exploring the director's rescue plan a Creditors' Voluntary Liquidation would typically produce much less in terms of investor dividends.

Company Voluntary Arrangement - This is a procedure which enables an insolvent company to reach an agreement with its creditors to delay or compromise the payment of its debts. This

is still an option at this time, however the directors rescue strategy would need to be examined and fully analysed first

**Administration** - This procedure is designed to hold a business together while plans are formed either to put in place a financial restructuring to rescue the Company, or to sell the business and assets to produce a better result for the investors than a liquidation. Once the Administrators are appointed they take over the running of the Company from the directors and are responsible for any decision to continue or discontinue trading. They are also in control over how the Company's assets are disposed of. Often the Company will trade for a short period in order for a better result to be achieved for the creditors.

Having taken into consideration the circumstances, it was deemed that an Administration would potentially provide for a better return to investors than liquidation, especially in this case as we allow for the directors to put forward an effective rescue strategy.

As required by the Insolvency Code of Ethics, Paul Anthony Higley and I considered the various threats to our objectivity arising from this prior involvement. We concluded that those threats were at an acceptable level such that we could still act objectively and hence could be appointed Administrators of the Company.

On 25 November 2016, Paul Anthony Higley and I were appointed by the Company as Joint Administrators and took over from the Board responsibility for the management of the affairs, business and property of the Company. The appointment permitted the Joint Administrators to take any actions required either jointly or alone, and I have been the Administrator primarily involved in dealing with the Company's affairs.

### 3. RECENT TRADING RESULTS AND CURRENT FINANCIAL POSITION

A summary of the Company's recent trading performance is shown below:-

	Management Accounts to 25 Nov 16	Statutory Accounts to 31 March 16	Statutory Accounts to 31 March 15
	£	£	£
Turnover	0		
Cost of Sales	269,941.71		
Gross Profit	(269,941.71)		
Gross Profit %	-		
Overheads	1,552,371.54		
Net Profit/Loss after tax	-	Not Provided	Not Provided

It should be noted that the management accounts have not been verified for accuracy and therefore may not reflect the Company's true trading position.

We have not yet been provided with full accounts for the years ended 31 March 16 and 31 March 15.

You will note that the management accounting information does not include a net profit figure after tax and the tax liability has not yet been calculated.

#### Statement of Affairs (SOFA)

The directors are required to lodge a statement of affairs as at 25 November 2016. This is an estimate of the Company's financial position as at the date of appointment. A copy of the statement of affairs is enclosed at Appendix II.

Assets subject to fixed charge – the statement of affairs list 12 US properties which are held under fixed charge. It is believed that 7 of these are in Chicago, 4 of these are in Cleveland and 1 in Baltimore. The book value of these properties total \$2,105,940 (£1,730,577.72) with a total estimated to realise value of \$470,000 (£386,227.30)

The reason given for the large difference between the estimated to realise value and the book value is the fact that these properties are located in less desirable areas and that if sold it would be in an auction, to be sold as quickly as possible. Given more time it may be possible to achieve better returns.

May I remind investors that the SOFA is produced and signed by the directors. May I bring to the attention of investors that it has been advised by the directors that properties are held with in an Illinois registered company called Colonial Capital LLC. An asset of Colonial Capital Limited is shares held within Colonial Capital LLC

Also not declared on the director's statement of affairs is the fact that there is an overdrawn loan account owed by the director to the Company which amounts to £605,011. This figure has been taken from the Company's accounts to 31 March 2016 and we will verify the value to date going forward. It is not known if the director has assets to repay this loan

As mentioned previously there are funds of an estimated US\$300,000 frozen in a clients account. This asset is hugely speculative but still has not been included in the statement of affairs. I will begin to explore the various strategies to realise this asset.

#### **Investors**

Investor claims amount to £10,697,029.06. These are based on both capital investment and overdue interest payments. Many of these investments have come from international investors. There are circa 230 investors.

#### **Preferential Claims**

As all the employees were transferred to other associated companies prior to the Company being placed into liquidation there are no preferential claims in this matter.

#### **Prescribed Part**

There are provisions of the insolvency legislation that require an Administrator to set aside a percentage of a Company's assets for the benefit of the unsecured creditors in cases where the Company gave a "floating charge" over its assets to a lender on or after 15 September 2003. This is known as the "prescribed part of the net property." A Company's net property is that left after paying the preferential creditors, but before paying the lender who holds a floating charge. An Administrator has to set aside:

- 50% of the first £10,000 of the net property; and
- 20% of the remaining net property;

up to a maximum of £600,000.

As outlined in Appendix I, the Company has registered 26 Charges at Companies House in favour of a number of the investors. These Charges purport to give floating charges over the Company's assets, crystallising to a fixed charge on default. Given the unusual nature and drafting of these Charges, their validity is to be reviewed by our solicitors. If the Charges transpire to be invalid, or they have indeed crystallised into Fixed Charges, then the prescribed part provisions will not apply. If, however, they do constitute valid floating charges for the purposes of the prescribed part provisions, then the Administrators estimate that the net property of the Company is £271,044, and that the prescribed part of the net property for unsecured creditors is £57,208. These figures are not guaranteed and will depend on the level of realisations achieved and the costs incurred.

## **Unsecured Claims**

All unsecured non-preferential claims will be subject to agreement in due course. Unsecured creditors are estimated at £129,155.62. Based on current information, it is likely that there will be a distribution to unsecured creditors, however, the quantum and timing of such distribution is not yet known. This will depend on the future course the Company takes.

## **Receipts and Payments**

I attach at Appendix III a summary of the receipts and payments relating to the Company for the period from when it entered Administration on 25 November 2016 to the date of these proposals.

## **4. OBJECTIVES OF THE ADMINISTRATION AND THE ADMINISTRATORS' STRATEGY FOR ACHIEVING THEM**

As Administrator of the Company I am an officer of the Court, and I must perform my duties in the interests of the creditors as a whole in order to achieve the purpose of the Administration, which is to achieve one of the three objectives set out in the insolvency legislation, namely to:

- (a) rescue the Company as a going concern; or
- (b) achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration), or
- (c) realise property in order to make a distribution to one or more secured or preferential creditors.

Achieving objective (a) could still be a possibility depending on the director's rescue strategy. Also, at this time I am not going to rule out the chance of a Creditors Voluntary Arrangement, however this strategy is totally dependent on what the directors have to offer.

I am definitely seeking to achieve objective (b) for the Company but this again will be dependant on the rescue strategy that the directors put forward.

The insolvency legislation has set a 12 month maximum duration for Administrations, unless the duration is extended by the Court or the creditors. If I am unable to complete the Administration of the Company within 12 months then I will either apply to the Court, or hold a meeting of creditors, in order to seek approval to extending the duration of the Administration.

## **5. ACTIONS OF THE ADMINISTRATORS FOLLOWING APPOINTMENT**

### **Preliminary meetings and discussions**

I met with both directors at the Company's offices to discuss the background to the appointment and to determine if a rescue plan could be put to investors to save the business. Directors were requested to put together a rescue proposal. An initial plan was only received early January. We have also had discussions with a number of agents for groups of investors who believe if a workable rescue plan can be put together this will enhance the position for creditors. It is not yet in final form.

### **Investor Claims and Queries**

We have been dealing with a significant number of queries from investors who are understandably worried about the future of their capital and interest payments. We have endeavoured to answer all queries in an appropriate and timely manner.

### **Organising and overseeing record collection and IT systems back ups**

Considering the nature of the Company's demise we felt it necessary to back up all IT records. General Geek Limited were therefore engaged to ensure that all computerised records were securely maintained. Although we have obtained some paper records we will consider obtaining and securing further paper records if it is deemed necessary.

### **Investigation**

Our investigations into the affairs of the Company and the events leading up to our appointment are still at an early stage and we will report our conclusions to the appropriate regulatory bodies in due course. In the meantime, if creditors have any information regarding the conduct of the directors which they feel should be brought to our attention, any concerns regarding the way in which the Company's business has been conducted or information on potential recoveries for the Administration, they should provide full details to us in writing.

### **General**

In addition, I have undertaken routine statutory and compliance work, such as filing notices of our appointment at Companies House, preparing gazette notices and insuring property and assets. This is not an exhaustive list. These are tasks that are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, and whilst they do not produce any direct benefit for creditors, they are still necessary.

### **Estimated outcome if a Creditors' Voluntary Liquidation is voted for**

As mentioned previously, investors and other creditors have the option of placing the Company into Liquidation at this stage. To allow for investors and creditors to make a more informed decision I have produced an estimated outcome statement if Liquidation was voted for at Appendix IV.

It is shown that if a liquidation process ensues the estimated dividend to creditors will be 2.5p in the £.

### **Alternative course of action-Rescue Plan**

We are currently reviewing the director's rescue plan. We have received some preliminary work. This has been examined and discussed along side our corporate finance team. This still needs significant work to verify that is feasible.

Unfortunately, there is presently a lack of substantial evidence and research that has backed up the director's assumptions. We have provided the directors with a list of documents that we require in order for us to verify their proposed rescue plan. The directors are currently putting this together.

Once all these documents are received, we will then be able to present a verified action plan going forward. The proposed rescue plan will be sent to all creditors in a separate report. This is of course dependant on whether the proposals in this report are accepted or rejected.

We also propose forming a creditors committee composing of 3 to 5 investors at the meeting of creditors to act on behalf of the large body of investors. We believe that if a rescue strategy is voted for this will provide for the most efficient way to make decisions going forward and to decide on the general day to day strategy whilst the rescue plan is implemented.

If the investors vote to go forward with a rescue strategy the need for transparency and regular reporting will be a priority. We propose to meet with the creditors committee on a regular basis and issue brief reports on the progress of the rescue strategy on a quarterly basis.



If at anytime we feel that the rescue plan is not working we will make a proposal to the creditors committee to liquidate the Company and realise its assets.

## 6. PRE-APPOINTMENT FEES AND EXPENSES

The Board of Directors and Members of the Company instructed me to assist them in placing the Company in Administration on 23 November 2016. They agreed that I should be paid my pre-appointment fees and expenses as a fixed fee of £4,000.00 plus VAT.

In addition to my own pre-appointment fees, the following expenses were incurred,

Birketts LLP, Brierly Place, New London Road, Chelmsford, Essex, CM2 0AP were instructed on 23 November 2016 to draft and file in court the relevant Administration documents and provide general legal advice leading up to the administration.

Pre-appointment fees charged and expenses incurred by the Joint Administrators in the period prior to their appointment are summarised below. The statement also shows those fees and expenses that were paid prior to the Administration and those that remain unpaid.

Charged by	Services provided	Total charged £	Amount Paid £	Identity of person making payment £	Amount Unpaid £
Price Bailey LLP	Pre-appointment advice	4,000.00	4,000.00	The Company	Nil
Birketts LLP	Legal advice	4,000.00	-	The Company	4,000.00

The Administrators pre-appointment fees were paid prior to the Administration by Colonial Capital Limited.

## 7. ADMINISTRATORS' REMUNERATION AND EXPENSES

To date a total of 155.20 hours have been spent working on the above tasks in the Administration, and total time costs to date are £34,575.90 charged at an average charge out rate of £222.78. Details of the time units used and current charge-out rates are provided in our practice fee recovery sheet, a copy of which is enclosed at Appendix V. I attach an analysis of time costs incurred to date by reference to grade of staff and work done at Appendix VI.

Due to the uncertain future strategy of this case it is impossible for me to put forward a future fee estimate and therefore at this stage, I am not going to seek any resolutions relating to my fees. This will be done once these proposals are agreed or otherwise.

Information about category 2 expenses is set out in our practice fee recovery policy at Appendix V.

The following category 2 disbursements have been incurred to date.

Type of category 2 disbursement	Amount incurred/accrued since appointment	Amount still to be paid
Photocopying	£104.40	£104.40

I have incurred total expenses of £1,334.22 since my appointment as Administrator. I have not been able to draw any expenses in this matter.

I have incurred the following expenses since my appointment as Administrator:

Type of expense	Amount incurred/accrued since appointment	Amount still to be paid
General Geek Limited	£510.00	£510.00
Statutory Insurance Bond	£624.00	£624.00
Advertising	£81.90	£81.90
Postage	£118.32	£118.32

I have used the following agents or professional advisors since my appointment as Administrator:

Professional Advisor	Nature of Work	Basis of Fees
General Geek Limited	IT Consultants	Fixed Fee
Birketts Solicitors	Legal Advice	Time Costs

The choice of professionals was based on my perception of their experience and ability to perform this type of work and the complexity and nature of the assignment. I also considered that the basis on which they will charge their fees represented value for money.

General Geek Limited were instructed to produce a back up of the Company's IT system.

At this stage, it is not possible to accurately anticipate the quantum of additional expenses to be incurred. We will provide further details to creditors in our next report.

Similar to my fees, I do not propose to seek a resolution on category 2 disbursements or my expenses at this stage.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type are available in a series of Guidance Notes issued with Statement of Insolvency Practice 9, and they can be accessed at [www.pricebailey.co.uk/creditors](http://www.pricebailey.co.uk/creditors). There are different versions of these Guidance Notes, and in this case please refer to the October 2015 version. Please note that we have also provided further details in the practice fee recovery sheet.

## 8. ADMINISTRATORS' INVESTIGATIONS

I have a duty to consider the conduct of those who have been directors of the Company at any time in the three years preceding the Administration. I am also required to investigate the affairs of the Company in general in order to consider whether any civil proceedings should be taken on its behalf. I should be pleased to receive from you any information you have that you consider will assist me in this duty. I would stress that this request for information forms part of my normal investigation procedure.

## 9. EC REGULATION ON INSOLVENCY PROCEEDINGS

I consider that the EC regulation on insolvency proceedings apply to the Administration of the Company. I also consider that they are "main" proceedings since the Company's registered office and its trading address are in the United Kingdom.

## 10. ADMINISTRATORS' PROPOSALS

In order to achieve the objective set out at section 4 above, Paul Anthony Higley and I formally propose to creditors that:

- (a) We continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration. In particular that we:
  - I allow a creditors committee composing of 3 to 5 investors to be formed to represent the body of investors allowing for us to implement the directors rescue plan in the most effective and efficient way possible.
  - II sell the Company's assets at such time(s) on such terms as we consider appropriate;
  - III. investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or Company whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or Company which supplies or has supplied goods or services to the Company; and
  - IV do all such things and generally exercise all their powers as Administrators as we consider desirable or expedient at our discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these proposals
- (b) the Administration of the Company will end by filing notice of dissolution with the Registrar of companies if the rescue plan is successful and all creditors and investors are paid in full. The Company will then automatically be dissolved by the registrar of companies three months after the notice is registered.
- (c) alternatively the Administration will end by placing the Company into Creditors' Voluntary Liquidation if the rescue plan is not successful, and propose that Paul Pittman and Paul Higley are appointed Joint Liquidators of the Company and that we be authorised to act either jointly or separately in undertaking our duties as Joint Liquidators. Creditors may nominate a different person(s) as the proposed liquidator(s), but you must make the nomination(s) at any time after you receive these proposals, but before they are approved. Information about the approval of the proposals is set out at section 11
- (d) are authorised to pay Birketts LLP £4,000.00 plus VAT in relation to the pre appointment legal advice given.

## 11. OPTIONS FOR INVESTORS

In this section I will underline the options available to investors going forward

### Option 1

Reject the proposals using the form provided. This will mean the Company will go into liquidation. The estimated outcome attached at Appendix IV. We will apply to the court for this to take effect

### Option 2

Accept the administrators proposals using the form provided. Whilst the estimated outcome is presently uncertain; the plan estimates an improved outcome versus liquidation. We will work with the directors and consult a committee of creditors (if appointed) to put in place a rescue plan that offers a better outcome for investors than immediate liquidation.

### What will Change

Keeping down the costs- In the past there were too many parties taking funds out of the process. The directors have provided the following breakdown of the Company's expenditure over the last 3 years-

Description	YE March 14	YE March 15	To Nov 16	Total
Commissions	1,126,743.18	558,180.01	695,312.23	2,380,235.42
Salaries	419,743.71	453,641.00	623,126.44	1,496,511.15
Office Costs	138,190.06	210,951.66	428,654.52	777,796.24
Interest	304,839.12	1,045,329.21	1,550,950.09	2,901,118.42
Redemptions			852,187.04	852,187.04
Consultancy Fees	74,890.59	321,802.11	398,602.16	795,294.86
Accountancy Fees	19,594.49	39,287.16	140,706.16	199,587.81
Legal fees	137,129.35	101,112.29	29,657.41	267,899.05
			<b>Total</b>	<b>9,670,629.99</b>

The new plan will look to keep these costs to a minimum.

There is now new funding in place- In the past the Company had to sell at rock bottom prices to realise cash. Under the plan there is long term funding, which will allow for properties to be sold in an orderly fashion, or rented out, rather than sacrificed.

The Company itself will not be trading, this is being done by the LLC in the US (the company is owed funds by the LLC) This is the main reason why we have been awaiting the directors rescue plan as opposed to putting one forwards ourselves. The Administrators will not be trading the American entity We will look to oversee this with various controls to be put in place.

We also propose forming a creditors committee composing of 3 to 5 investors at the meeting of creditors to act on behalf of the large body of investors. We believe that if a rescue strategy is voted for this will provide for the most efficient way to make decisions going forward and to decide on the general day to day strategy whilst the rescue plan is implemented

Whilst there is no certainty, if we are able to reduce costs, with the long term funding we feel there is a good opportunity to be able to improve returns for creditors.

## 12. APPROVAL OF PROPOSALS

A meeting of creditors is being held to enable creditors to consider and vote on the formal proposals to achieve the objective of the Administration of the Company The meeting will be held on 3 February 2017 at 11.00 a.m. at the offices of Price Bailey, 7<sup>th</sup> Floor, Dashwood house, 69 Old Broad Street, London, EC2M 1QS and a formal notice about the meeting is enclosed with these proposals at Appendix VII.

A proxy form and a proof of debt for your use at the meeting of creditors is also enclosed at Appendix VII As a creditor you can only vote if you complete and send these forms to us and your claim is admitted. I must receive your completed proof of debt by no later than noon on the business day before the day of the meeting. Whilst you can lodge a proxy at any time up to the commencement of the meeting of creditors, it would be helpful if you would do so at the same time as you lodge your proof of debt If you have already submitted your proof of debt and supporting documents you only need to submit the proxy from. You are not required to

attend the meeting, and non-attendance will not affect your rights against the Company. Creditors whose claims are wholly secured are not entitled to vote, but can attend or be represented at the meeting.

The meeting of creditors will be given the opportunity to appoint a creditors' committee. A committee is made up of between three and five representatives of creditors who will then meet me on a regular basis to discuss the Administration of the Company. If a committee is appointed then it will be for them to approve pre-appointment costs and expenses and the basis of our remuneration in respect of the work done in the Administration of the Company. If a committee is not appointed then a separate resolution will be taken at the meeting to approve pre-appointment costs and expenses. The approval of our remuneration as well as our category 2 expenses will be considered as part of these proposals, such that a resolution approving the proposals will approve those fees.

### 13. FURTHER INFORMATION

At Price Bailey LLP we always strive to provide a professional and efficient service, however we recognise that it is in the nature of insolvency proceedings for disputes to arise from time to time. We undertake to look into any complaint carefully and promptly, and to do all we can to explain the position to you. If we have given you less than satisfactory service, we undertake to do everything reasonable to put it right. Any complaint should be referred initially to the Insolvency Practitioner responsible for our services to you. If you do not receive an acceptable response you should contact the Head of Compliance at Price Bailey LLP, Causeway House, 1 Dane Street, Bishops Stortford, CM23 3BT.

Most disputes can be resolved amicably either through the provision of further information or following negotiations. However, in the event that you have exhausted our complaints procedure and you are not satisfied that your complaint has been resolved or dealt with appropriately, you may complain to the regulatory body that licences the insolvency practitioner concerned. Any such complaints should be addressed to The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds, LS11 9DA, and you can make a submission using an on-line form available at [www.gov.uk/complain-about-insolvency-practitioner](http://www.gov.uk/complain-about-insolvency-practitioner); or you can email [insolvency.enquiryline@insolvency.gsi.gov.uk](mailto:insolvency.enquiryline@insolvency.gsi.gov.uk); or you may phone 0300 678 0015 - calls are charged at up to 12p per minute from a land line, or for mobiles, between 3p and 45p per minute if you're calling from the UK.

To comply with the Provision of Services Regulations, some general information about Price Bailey, including about our Code of Ethics and Professional Indemnity Insurance, can be found at [www.pricebailey.co.uk/legal](http://www.pricebailey.co.uk/legal)

If creditors have any queries regarding these proposals or the conduct of the Administration in general, or if they want hard copies of any of the documents made available on-line, they should contact Jasdeep Koundu on the above telephone number, or by email at [Jasdeep.koundu@pricebailey.co.uk](mailto:Jasdeep.koundu@pricebailey.co.uk).



**P J Pittman MIPA**  
**Joint Administrator**

Authorised to Act in the UK by the Insolvency Practitioners Association  
For and on behalf of  
**PRICE BAILEY LLP**

*Paul Pittman and Paul Higley of Price Bailey LLP were appointed as the Joint Administrators of Colonial Capital Limited on the 25 November 2016. The affairs, business and property of the Company are being managed by the Joint Administrators who act as agents of the Company and without personal liability.*

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration  
Issued on: 18 January 2017**

**Appendix I:  
Statutory Information**

## **Appendix 1 – Statutory information**

### **Company Information**

Company name	Colonial Capital Limited
Trading name:	Colonial Capital Limited
Company number	07849082
Date of incorporation:	16 November 2011
Trading address.	Suite 14, The Aquarium, 101 Lower Anchor Street, Chelmsford, Essex, CM2 0AU
Current registered office	7 <sup>th</sup> Floor, Dashwood House, 69 Old Broad Street, London, EC2M 1QS
Former registered office.	Suite 14, The Aquarium, 101 Lower Anchor Street, Chelmsford, Essex, CM2 0AU
Principal trading activity	Property Investment Facilitator

### **Appointment Details**

Administrators	Paul James Pittman & Paul Anthony Higley
Administrators' address	Price Bailey LLP, 7 <sup>th</sup> Floor, Dashwood House, 69 Old Broad Street, London, EC2M 1QS
Date of appointment	25 November 2016
Court name and reference	The High Court of Justice, Chancery Division, Companies Court 007795 of 2016
Appointment made by:	The Company
Actions of Administrators	Any act required or authorised under any enactment to be done by an administrator may be done by either or both of the Administrators acting jointly or alone

### **Officers of the Company**

<b>Name</b>	<b>Role</b>	<b>Date Appointed</b>	<b>Cessation</b>
Mr Kevin Antony Neil	Director	16 November 2011	To Date
Mr Peter Leonard Shuttleworth	Director	25 February 2013	To Date

### **Share capital**

The Company's authorised and issued share capital is 10 ordinary shares of £1 each. Shareholdings of the officers are as follows

<b>Name</b>	<b>Class of share</b>	<b>Number of Shares</b>	<b>% of Total Owned</b>
Kevin Anthony Neil	Ordinary	10	100

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration  
Issued on: 18 January 2017**

**Appendix II:  
Estimated Statement of Affairs**



**Insolvency Act 1986**  
**Colonial Capital Limited**  
**Estimated Statement Of Affairs as at 25 November 2016**

	Book Value US \$	Estimated to Realise US \$
<b>ASSETS SUBJECT TO A FIXED CHARGE</b>		
Property Investments in Colonial Capital LLC		
6832 S Loomis Blvd. Chicago	237,420.00	50,000.00
6834 S Bishop, Chicago	237,420.00	50,000.00
808 S Keeler, Chicago	265,680.00	55,000.00
7002 S Justine, Chicago	209,160.00	40,000 00
5640 S Winchester. Chicago	237,420.00	40,000 00
3821 W Arthington, Chicago	265,680.00	50,000.00
5701 S Marshfield, Chicago	265,620 00	50,000 00
23984 Banbury Road, Cleveland	61,470.00	25,000.00
23901 Banbury Road, Cleveland	61,470 00	25,000 00
23930 Banbury Road, Cleveland	61,470.00	25,000.00
23755 Banbury Circle, Cleveland	61,470 00	25,000 00
3106 Kentucky Avenue, Baltimore	141,660.00	35,000.00
	<u>2,105,940.00</u>	<u>470,000.00</u>
<b>LIABILITIES</b>		
PREFERENTIAL CREDITORS:-		
Employees Holiday Pay & Arrears of Wages		Nil
		<u>470,000.00</u>
DEBTS SECURED BY FLOATING CHARGE PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		Nil
		<u>470,000.00</u>
Estimated prescribed part of net property where applicable (to carry forward)		Nil
		<u>470,000.00</u>
DEBTS SECURED BY FLOATING CHARGES POST 15 SEPTEMBER 2003 (Investors)		(10,000,000.00)
		<u>(9,530,000.00)</u>
Estimated prescribed part of net property where applicable (brought down)		Nil
		<u>(9,530,000.00)</u>
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors		
HM Revenue & Customs (VAT)		
HM Revenue & Customs (PAYE)		
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(9,530,000 00)
Issued and called up capital		
Ordinary Shareholders		
<b>TOTAL SURPLUS/(DEFICIENCY)</b>		<u><u>(9,530,000 00)</u></u>

Note: The figures above have been taken directly from the Statement of Affairs produced by the Director and are shown in US Dollars. The Director's Statement of Affairs did not include other potential assets or the trade & expense liabilities and crown debts. Details of these have been provided by the Administrators in the Proposals.

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration**

**Issued on: 18 January 2017**

**Appendix III:**

**Summarised Receipts and Payments Account for the  
Period 25 November 2016 to 18 January 2017**

**Colonial Capital Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Administrators' Estimates £		From 25/11/2016 To 18/01/2017 £
	<b>ASSET REALISATIONS</b>	
390,000.00	Due from Colonial Capital LLC	NIL
Uncertain	Director's Loan Account	NIL
Uncertain	Cash Held by Metropolitan Police	NIL
500.00	Tangible Assets	NIL
37,672.43	Cash at Bank	37,972.43
-	Bank interest	0.61
<u>428,172.43</u>		<u>37,973.04</u>
	<b>COST OF REALISATIONS</b>	
	Legal fees	Nil
	<b>COST OF ADMINISTRATION</b>	
	Administrators' Fees	Nil
	Administrators' Disbursements	Nil
	Electronic Records Archiving	Nil
	Legal fees	Nil
	Bank Charges	Nil
	<b>CREDITORS</b>	
(10,697,029.00)	Bond Holders	Nil
(50,550.48)	Trade & Expense Creditors	NIL
Nil	HM Revenue & Customs (VAT)	NIL
(46,061.74)	HM Revenue & Customs (CT)	NIL
(32,761.35)	HM Revenue & Customs (PAYE)	NIL
	<b>SHAREHOLDERS</b>	
(100.00)	Ordinary Shareholders	NIL
<u>(10,398,330.14)</u>		<u><u>37,973.04</u></u>

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration**

**Issued on: 18 January 2017**

**Appendix IV:  
Estimated Outcome Statement on a Winding-up Basis  
as at 18 January 2017**

**Colonial Capital Limited**  
**(In Administration)**

**Estimated Outcome Statement on a Winding Up Basis as at 18 January 2017**

	Estimated Value on Appointment (£)	Realised / Incurred as at 17/01/2017 (£)	Future Anticipated Movements (£)	Estimated Final Position (£)
<b>RECEIPTS</b>				
Cash at Bank	37,972.43	37,972.43	-	37,972.43
Tangible Assets	6,092.00	-	500.00	500.00
Owed from Colonial Capital LLC	9,759,639.00	-	390,000.00	390,000.00
Director's Loan Account	605,011.00	-	Uncertain	Uncertain
Cash Held by Metropolitan Police	240,000.00	-	Uncertain	Uncertain
Bank Interest	-	0.61	5.00	5.61
	<u>10,648,714.43</u>	<u>37,973.04</u>	<u>390,505.00</u>	<u>428,478.04</u>
<b>PAYMENTS</b>				
Legal Fees	-	-	25,000.00	25,000.00
Legal Fees (Pre-Administration)	-	4,000.00	-	4,000.00
Administrators' Fees	-	34,575.90	65,424.10	100,000.00
Administrators' Disbursements	-	624.00	1,500.00	2,124.00
Company Records Archiving	-	510.00	750.00	1,260.00
Bank Charges	-	-	50.00	50.00
Contingency	-	-	25,000.00	25,000.00
		<u>39,709.90</u>	<u>117,724.10</u>	<u>157,434.00</u>
<b>Net Funds Available for Creditors</b>		<u>(1,736.86)</u>	<u>272,780.90</u>	<u>271,044.04</u>
<b>Less: Owed to Creditors</b>				
Bond Holders				(10,697,029.00)
Trade & Expense				(50,550.48)
HM Revenue & Customs				(78,823.09)
<b>Deficiency to Creditors</b>				<u>(10,555,358.53)</u>

Representing an Estimated Dividend to Creditors on a Winding-up Basis of:

2.50 p in the £

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration**

**Issued on: 18 January 2017**

**Appendix V:  
Practice Fee Recovery Policy  
(including Charge-out Rates)**



## INFORMATION TO ASSIST CREDITORS IN MAKING AN INFORMED DECISION ON ANY RESOLUTION SEEKING APPROVAL OF THE OFFICE HOLDER'S REMUNERATION

### **Introduction**

The insolvency legislation was changed in October 2015 (with one or two exceptions) for insolvency appointments made from that time. This sheet explains how we intend to apply the alternative fee bases allowed by the legislation when acting as office holder in insolvency appointments. The legislation allows different fee bases to be used for different tasks within the same appointment. The fee basis, or combination of bases, set for a particular appointment is/are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the Court.

Further information about creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at [www.creditorinsolvencyguide.co.uk](http://www.creditorinsolvencyguide.co.uk). Details about how an office holder's fees may be approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9) and can be accessed at [www.pricebailey.co.uk/creditors](http://www.pricebailey.co.uk/creditors). Alternatively, a hard copy can be obtained on request from Price Bailey LLP, 7<sup>th</sup> Floor, Dashwood House, 69 Old Broad Street, London EC2M 1QS. Please note that we have provided further details in this policy document.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn. If approval has been obtained for remuneration on a time costs basis, i.e. by reference to time properly spent by members of staff of the practice at our standard charge-out rates, the time incurred will also be disclosed, whether drawn or not, together with the average, or "blended" rates of such costs. Under the legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under some old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged

### **Time cost basis**

When charging fees on a time costs basis we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case and will be recorded in units of not greater than 6 minutes with supporting narrative to explain the work undertaken.

### Charge-out Rates - Insolvency & Recovery Department

Grade of staff	Current charge-out rate per hour, effective from 1 April 2016 £	Previous charge-out rate per hour, effective from 1 April 2015 £
Insolvency Practitioner		
- Partner	360 – 450	360 – 450
- Non-Partner	320 – 400	320 – 400
Managers		
- Qualified Senior Manager	270 – 340	270 – 340
- Senior Manager	245 – 310	245 – 310
- Manager	215 – 270	215 – 270
Administrators		
- Senior Administrator	180 – 225	180 – 225
- Administrator	150 – 200	150 – 200
- Junior Administrator	120 – 150	n/a
Assistants & Support Staff		
- Assistant	75 – 125	75 – 125
- Cashiering	25 – 80	25 – 80
- Secretarial	25 – 35	25 – 35

Where necessary and appropriate, members of staff from other departments of the practice will undertake work on a case. They will be charged at their normal charge out rate for undertaking such work.

### Charge-out Rates – General Accountancy, Tax, Payroll, Employment Law Services, Strategic Corporate Finance, Forensic, Pensions

Grade of staff	Current charge-out rate per hour, effective from 1 April 2016		Previous charge-out rate per hour, effective from 1 April 2015	
	Compliance £	Advisory £	Compliance £	Advisory £
Partners	300	375	290	363
Partners (Guernsey)	350	438	350	438
Directors	270	338	264	330
Directors (Guernsey)	300	375	300	375
Senior Manager	224	280	220	275
Manager	168	210	164	219
Assistant Manager	142	178	140	175
Supervisor	120	150	118	163
Senior	98	123	96	132
Internal Auditor	95	119	90	113
Semi Senior	80	100	78	98
Assistant Accountant	62	78	60	75
Trainee Accountant	44	55	42	53
Bookkeeper	50	63	50	63
Trainee Accountant (Probationary)	34	43	32	40
Admin	26	33	26	33



These charge-out rates charged are reviewed on 1 April each year and are adjusted to take account of inflation and the firm's overheads.

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

- Administration and Planning.
- Investigations.
- Realisation of Assets.
- Creditors.
- Trading
- Case specific matters.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and on new appointments we will now generally only seek time costs for the following categories:

- Investigations
- Distributions
- Trading

When we seek time costs approval we have to set out a fees estimate. That estimate acts as a cap on our time costs so that we cannot draw fees of more than the estimated time costs without further approval from those who approved our fees. When seeking approval for our fees, we will disclose the work that we intend to undertake, the hourly rates we intend to charge for each part of the work, and the time that we think each part of the work will take. We will summarise that information in an average or "blended" rate for all of the work being carried out within the estimate. We will also say whether we anticipate needing to seek approval to exceed the estimate and, if so, the reasons that we think that may be necessary.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal

If we subsequently need to seek authority to draw fees in excess of the estimate, we will say why we have exceeded, or are likely to exceed the estimate; any additional work undertaken, or proposed to be undertaken; the hourly rates proposed for each part of the work; and the time that the additional work is expected to take. As with the original estimate, we will say whether we anticipate needing further approval and, if so, why we think it may be necessary to seek further approval.

#### **Percentage basis**

The legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal (realisations and/or distributions). Different percentages can be used for different assets or types of assets.

In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a percentage basis more often. A report accompanying any fee request will set out the potential assets in the case, the remuneration percentage proposed for any realisations and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The percentage approved in respect of realisations will be charged against the assets realised, and where approval is obtained on a mixture of bases, any fixed fee and time costs will then be charged against the funds remaining in the liquidation after the realisation percentage has been deducted.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a percentage basis then an increase in the amount of the percentage applied can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the percentage applied. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

#### **Fixed fee**

The legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. In cases where we were appointed prior to 1 October 2015, most of our fees were recovered on a time costs basis and appropriate authority was obtained from the creditors or the committee as set down in the legislation. The legislation changed on 1 October 2015 and we now seek remuneration on a fixed fee basis more often. A report accompanying any fee request will set out the set fee that we proposed to charge and the work covered by that remuneration, as well as the expenses that will be, or are likely to be, incurred. Expenses can be incurred without approval, but must be disclosed to help put the remuneration request into context.

The disclosure that we make should include sufficient information about the insolvency appointment to enable you to understand how the proposed fee reflects the complexity (or otherwise) of the case, any responsibility of an exceptional kind falling on the office holder, the effectiveness with which the office holder has carried out their functions, and the value and nature of the property with which the office holder has to deal.

If the basis of remuneration has been approved on a fixed fee basis then an increase in the amount of the fixed fee can only be approved by the committee or creditors (depending upon who approved the basis of remuneration) in cases where there has been a material and substantial change in the circumstances that were taken into account when fixing the original level of the fixed fee. If there has not been a material and substantial change in the circumstances then an increase can only be approved by the Court.

## **Members' voluntary liquidations and Voluntary Arrangements**

*The legislation changes that took effect from 1 October 2015 did not apply to members' voluntary liquidations (MVL), Company Voluntary Arrangements (CVA) or Individual Voluntary Arrangements (IVA). In MVLs, the company's members set the fee basis, often as a fixed fee. In CVAs and IVAs, the fee basis is set out in the proposals and creditors approve the fee basis when they approve the arrangement.*

## **All bases**

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

## **Agent's Costs**

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes:

- Solicitors/Legal Advisors
- Auctioneers/Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

In new appointments made after 1 October 2015, the office holder will provide details of expenses to be incurred, or likely to be incurred, when seeking fee approval. When reporting to the committee and creditors during the course of the insolvency appointment the actual expenses incurred will be compared with the original estimate provided.

## **Disbursements**

In accordance with SIP 9 the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses are directly referable to an invoice from a third party, which is either in the name of the estate or Price Bailey LLP, in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. Examples of category 1 disbursements are statutory advertising, external meeting room hire, external storage, specific bond insurance and Company search fees.

Category 2 expenses are incurred by the firm and recharged to the estate; they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, internal storage and mileage.

It is proposed that the following Category 2 disbursements are recovered:

Room Hire	£75
Mileage	40p per mile
Storage	£0.70 per box per month
Photocopying	15p per sheet

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration  
Issued on: 18 January 2017**

**Appendix VI:  
Analysis of Time Costs  
for the Period 25 November 2016 to 18 January 2017**

**Colonial Capital Limited  
In Administration**

**Analysis of Time Costs for the period 25 November 2016 to 17 January 2017**

Classification of Work	Insolvency Practitioners		Managers		Administrators		Assistants and Support Staff		Total Hours	Time Cost	Average Hourly Rate
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)		£	£
Administration and Planning	50.70	18,020.00	2.25	378.00	15.75	1,851.50	0.00	0.00	68.70	20,249.50	294.75
Creditors	12.70	4,360.00	0.00	0.00	64.10	7,692.00	0.00	0.00	76.80	12,052.00	156.93
Investigations	5.10	1,792.00	0.00	0.00	2.10	252.00	0.00	0.00	7.20	2,044.00	283.89
Realisation of Assets	0.20	64.00	0.00	0.00	0.00	0.00	0.00	0.00	0.20	64.00	320.00
Trading	0.30	96.00	0.00	0.00	0.00	0.00	0.00	0.00	0.30	96.00	320.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	2.00	70.40	2.00	70.40	35.20
Other Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>69.00</b>	<b>24,332.00</b>	<b>2.25</b>	<b>378.00</b>	<b>81.95</b>	<b>9,795.50</b>	<b>2.00</b>	<b>70.40</b>	<b>155.20</b>	<b>34,575.90</b>	<b>222.78</b>
<b>Average Hourly Rate, £</b>		<b>352.64</b>		<b>168.00</b>		<b>119.53</b>		<b>35.20</b>			

**INFORMATION TO ASSIST CREDITORS IN MAKING AN INFORMED DECISION ON ANY  
RESOLUTION SEEKING APPROVAL OF THE OFFICE HOLDERS REMUNERATION**

**PRICE BAILEY LLP CHARGE OUT RATES**

Our current charge-out rates which may be amended from time to time are as follows.

POSITION	HOURLY CHARGE OUT RATE (£)
<u>Insolvency Practitioners</u>	
- Partner	360 - 450
- Non-Partner	320 - 400
<u>Managers</u>	
- Qualified Senior Manager	270 - 340
- Senior Manager	245 - 310
- Manager	215 - 270
<u>Administrators</u>	
- Senior Administrator	180 - 225
- Administrator	150 - 200
- Junior Administrator	120 - 150
<u>Assistants &amp; Support Staff</u>	
- Assistant	75 - 125
- Cashiering	25 - 80
- Secretarial	25 - 35

Our remuneration and disbursements policy and details of our historic charge out rates can be viewed at: [www.pricebailey.co.uk/creditors](http://www.pricebailey.co.uk/creditors).

The Creditors' Guides to Fees can also be viewed at this web address. Hard copies can be made available upon request.

Should you require clarification on any of the above, do not hesitate to contact Price Bailey on 020 7065 2660

**Joint Administrators' Proposals relating to  
Colonial Capital Limited – In Administration  
Issued on: 18 January 2017**

**Appendix VII:**  
**Formal Notice of Meeting**  
**Proof of Debt Form**  
**Proxy Form**

## Rule 2.35

## Notice of a meeting of Creditors

Name of Company Colonial Capital Limited	Company number 07849082
In the High Court of Justice Chancery Division	Court case number 007795 of 2016

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

Notice is hereby given by (a)  
Paul James Pittman  
Price Bailey LLP  
7th Floor Dashwood House  
69 Old Broad Street  
London  
EC2M 1QS

Paul Anthony Higley  
Price Bailey LLP  
7th Floor Dashwood House  
69 Old Broad Street  
London  
EC2M 1QS

(b) Insert full name and  
address of registered  
office of the company

that a meeting of creditors of (b)  
Colonial Capital Limited

(c) Insert details of place  
of meeting

is to be held at (c)  
(c) the offices of Price Bailey LLP, 7<sup>th</sup> Floor, Dashwood House, 69 Old Broad Street, London  
EC2M 1QS

(d) Insert date and time  
of meeting

on (d) Friday 3 February 2017 at 11:00 a m

The meeting is:

\*Delete as applicable

- \*(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ('the schedule')
- ~~\*(2) an initial creditors' meeting requested under paragraph 52(2) of the Schedule~~
- ~~\*(3) to consider revisions to my proposals under paragraph 54(2) of the Schedule~~
- ~~\*(4) a further creditors' meeting under paragraph 56 of the Schedule~~
- ~~\*(5) a creditors' meeting under paragraph 62 of the Schedule.~~

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed: *P J Pittman*

Joint Administrator

Dated: 18/01/2017

\*Delete as applicable

A copy of the \*proposals/~~revised proposals~~ is attached



# **Proof of Debt – General Form**

<b>COLONIAL CAPITAL LIMITED</b>		
<b>(In Administration)</b>		
<b>Date of Appointment: 25 November 2016</b>		
1	Name of creditor (If a company please also give company registration number).	
2	Address of creditor for correspondence.	
3	Total amount of claim, including any Value Added Tax and outstanding uncappedalised interest as at the date the company went into Administration.	
4	Details of any documents by reference to which the debt can be substantiated. (Note: There is no need to attach them now but the Administrator may call for any document or evidence to substantiate the claim at his discretion as may the chairman or convenor of any meeting).	
5	If amount in 3 above includes outstanding uncappedalised interest please state amount.	£
6	Particulars of how and when debt incurred (If you need more space append a continuation sheet to this form).	
7	Particulars of any security held, the value of the security, and the date it was given	
8	Particulars of any reservation of title claimed in respect of goods supplied to which the claim relates.	
9	Signature of creditor or person authorised to act on his behalf _____	
	Name in BLOCK LETTERS _____	
	Position with or in relation to creditor _____ Address of person signing (if different from 2 above) _____	
Admitted to vote for		Admitted for dividend for
£		£
Date		Date
Administrator		Administrator

Notes to help completion of this form

Please give full name and address for communication

Please insert name of person (who must be 18 or over) or "chairman of the meeting" If you wish to provide for alternative proxy-holders in the circumstances that your first choice is unable to attend please state the names of the alternatives as well

Please delete words in brackets if the proxy-holder is only to vote as directed i.e. he has no discretion

Any other resolutions which the proxy-holder is to propose or vote in favour of or against should be set out in numbered paragraphs in the space provided below paragraph (b)

## Proxy (Administration)

In the matter of **COLONIAL CAPITAL LIMITED**  
and in the matter of The Insolvency Act 1986

Name of Creditor

\_\_\_\_\_

Address

\_\_\_\_\_

Name of Proxy-holder

1 \_\_\_\_\_

2 \_\_\_\_\_

3 \_\_\_\_\_

I appoint the above person to be my/the creditor's proxy-holder at the meeting of creditors to be held on 3 February 2017, or at any adjournment of that meeting. The proxy-holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion).

### Voting instructions for Resolutions

1. That the Joint Administrators Proposals as set out in the report to Creditors dated 18 January 2017 are approved.

**ACCEPT / REJECT\***

2. That a Creditors' Committee be established to assist the Joint Administrators in their administration and that the following creditor, being an individual or a duly authorised representative of the creditor, be nominated as a member of the Creditors' Committee.

**ACCEPT/REJECT\***

Name: \_\_\_\_\_

3. In the event that a Creditors' Committee is not established, that the Joint Administrators shall be authorised to pay the pre-Administration legal fees in the amount of £4,000 plus VAT to be paid out of the assets of the Company as and when funds permit.

**ACCEPT/REJECT\***

This form must be signed.

Signature \_\_\_\_\_ Date \_\_\_\_\_

Name in capital letters \_\_\_\_\_

Position with or relationship to creditor or other authority for signature

\_\_\_\_\_

Only to be completed if the creditor has not signed in person