

The Insolvency Act 1986

# 2.34B

## Notice of move from administration to creditors' voluntary liquidation

Name of Company  
1st Saxon-Clenmay Limited

Company number  
05238029

In the  
High Court of Justice, Chancery Division, Leeds  
District Registry  
(full name of court)

Court case number  
3253 of 2009

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

We (a) Daniel Francis Butters, Deloitte LLP, 1 City Square, Leeds, West Yorkshire, LS1 2AL  
William Kenneth Dawson, Deloitte LLP, PO Box 500, 2 Hardman Street, Manchester, M60 2AT  
Richard Michael Hawes, Deloitte LLP, Blenheim House, Fitzalan Court, Newport Road, Cardiff, CF24 0TS

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

having been appointed administrators of (b) 1st Saxon-Clenmay Limited, C/o 1 City Square, Leeds LS1 2AL

(c) Insert date of appointment

on (c) 20 November, 2009

(d) insert name of applicant/appointer

by (d) High Court of Justice, Chancery Division, Leeds District Registry hereby give notice that

(e) Insert name(s) and address(es) of liquidator(s)

the provisions of paragraph 83(1) of Schedule B1 to the Insolvency Act 1986 apply, and it is proposed that (e) Daniel Francis Butters, Deloitte LLP, 1 City Square, Leeds, West Yorkshire, LS1 2AL  
William Kenneth Dawson, Deloitte LLP, PO Box 500, 2 Hardman Street, Manchester, M60 2AT  
Richard Michael Hawes, Deloitte LLP, Blenheim House, Fitzalan Court, Newport Road, Cardiff, CF24 0TS  
will be the liquidators of the company (IP Nos 9242, 8266, 8954)

We attach a copy of the final progress report

Signed

  
Joint Administrators

Dated

29/10/10

**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

Daniel Francis Butters  
Deloitte LLP  
1 City Square  
Leeds  
West Yorkshire  
LS1 2AL  
DX Number 0113 243 9021  
DX Exchange

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

FRIDAY



\*AJYGUOUJ\*

A04 05/11/2010 336 y Limited, Glasgow, Scotland

COMPANIES HOUSE

**1<sup>st</sup> Saxon-Clenmay Limited - Court No, 3253 of 2009**  
**1<sup>st</sup> Saxon- Clenmay Group Limited - Court No, 3252 of 2009**  
**Renovo Holdings Limited – Court No, 3251 of 2009**  
**Renovo Services Group Limited – Court No, 3254 of 2009**  
**Quadron Property Services Limited – Court No, 3220 of 2009**

**(IN ADMINISTRATION)**  
**(together “the Group”)**

**FINAL PROGRESS REPORT TO CREDITORS**  
**PURSUANT TO RULE 2.110 OF THE INSOLVENCY RULES 1986**

**29 October 2010**

This report has been prepared for the sole purpose of updating the Creditors for information purposes. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by Creditors for any purpose other than updating them for information purposes, or by any other person for any purpose whatsoever.

The Administrators act as agents of the Group without personal liability

**Daniel Francis Butters**  
**Deloitte LLP**  
**1 City Square**  
**Leeds**  
**LS1 2AL**

**William K Dawson**  
**Deloitte LLP**  
**2 Hardman Street**  
**Manchester**  
**M60 2AT**

**Richard M Hawes**  
**Deloitte LLP**  
**Blenheim House**  
**Fitzalen Court**  
**Cardiff CF24 0TS**

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## ABBREVIATIONS

For the purpose of this report the following abbreviations shall be used

"The Act"	Insolvency Act 1986 (as amended)
"The Rules"	Insolvency Rules 1986 (as amended)
"the Administrators"	Daniel Francis Butters, William K Dawson and Richard M Hawes
"the Bank"	Clydesdale Bank plc t/a Yorkshire Bank
"1SCL"	1 <sup>st</sup> Saxon-Clenmay Limited
"1SCGL"	1 <sup>st</sup> Saxon-Clenmay Group Limited
"RHL"	Renovo Holdings Limited
"RSGL"	Renovo Services Group Limited
"QPSL"	Quadron Property Services Limited
"the Group"	1SCL, 1SCGL, RHL, RSGL and QPSL (In Administration)
"the Renovo Companies"	1SCL, 1SCGL, RHL and RSGL
"Deloitte"	Deloitte LLP
"HMRC"	HM Revenue and Customs
"QSL"	Quadron Services Limited
"the RPS"	Redundancy Payments Service
"CVL"	Creditors Voluntary Liquidation

## **1. INTRODUCTION**

### **1.1 Introduction**

This report has been prepared in accordance with Rule 2.110 of The Rules to provide creditors with a summary of the Administration of the Group which includes a summary of

*The Administrators' proposals,*

*Any amendments to, or deviations from, those proposals,*

*The steps taken during the administration, and*

*The outcome*

A schedule of statutory information in respect of the Group is attached at Appendix 1

### **1.2 Details of the appointment of the administrators**

Daniel Francis Butters and William Kenneth Dawson were appointed as Joint Administrators of QPSL on the 17 November 2009

Daniel Francis Butters, William Kenneth Dawson and Richard Michael Hawes were appointed Joint Administrators of 1SCL, 1SCGL, RHL and RSGL on the 20 November 2009

All appointments were made by Clydesdale Bank plc of 30 St Vincent Place, Glasgow, G1 2HL as the Qualifying Floating Chargeholder

The Court for all the proceedings is the High Court of Justice, Chancery Division, Leeds District Registry under the following case numbers

1SCL, Court No 3253 of 2009

1SCGL, Court No 3252 of 2009

RHL, Court No 3251 of 2009

RSGL, Court No 3254 of 2009

QPSL, Court No 3220 of 2009

For the purposes of Paragraph 100(2) of Schedule B1 of the Act, the Administrators confirm that they have been authorised to carry out all functions, duties and powers by either of them jointly and severally

## **2. THE ADMINISTRATORS' PROPOSALS**

### **2.1 Introduction**

As previously reported to creditors, the Administrators' objectives differed between QPSL and the Renovo Companies

#### **QPSL**

The Administrators were unable to sell the business as a going concern and also concluded that trading QPSL profitably, whilst seeking a purchaser for the business, was not a viable option

Consequently, the Administrators have performed their functions in relation to QPSL with the objective set out in Paragraph 3(1)(c) of Schedule B1 of the Act, which is to realise company property in order to make a distribution to secured and/or preferential creditors

#### **The Renovo Companies**

The Administrators concluded that a sale of the Renovo Companies' business and assets, (which included the transfer and preservation of jobs under TUPE) to the purchaser Seaflame would result in a better outcome for the Renovo Companies than would be obtained through a Liquidation of those Companies

Therefore the Administrators have performed their functions in accordance with Paragraph 3(1)(b) of Schedule B1 of the Act, which is to achieve a better result for creditors than would be obtained through a liquidation of the Companies

#### **The Administrators Proposals**

The Administrators' proposals in order to achieve the objectives for QPSL and The Renovo Companies were deemed approved by the creditors of the Group in accordance with Rule 2.33(5) of the Rules are as follows

- 1 the Administrators continue to manage the affairs and any remaining assets of the Companies and the settlement of all Administration expenses,
- 2 the Administrators continue with their enquiries into the conduct of the directors of the Companies and continue to assist any regulatory authorities with their investigation into the affairs of the Companies,
- 3 the Administrators be authorised to agree the claims of the secured, preferential and unsecured creditors against each of the Companies unless the Administrators conclude, in their reasonable opinion, that a Company will have no assets available for distribution,
- 4 the Administrators be authorised to distribute funds to the secured and preferential creditors as and when claims are agreed and funds permit and, in relation to distributions to unsecured creditors, if the Court gives permission following an appropriate application,
- 5 that, in the event the creditors of each Company so determine, at meetings of creditors, a Creditors Committee be appointed in respect of each or any Company comprising of not more than five and not less than three creditors of that Company or Companies,
- 6 that, in respect of each Company, the Creditors' Committee, if one is appointed, shall be asked to agree that the Administrators' fees be fixed by reference to the time given in attending to matters arising in the Administrations and asked to agree the Administrators' expenses

- 7 that, if a Creditors' Committee is not appointed at a meeting of creditors, the creditors shall fix the Administrators' remuneration by reference to the time properly given by the Administrators and their staff in attending to matters arising in the Administration, calculated at the prevailing standard hourly charge out rates used by Deloitte LLP at the time when the work is performed. And that the Administrators be authorised to draw their remuneration, plus VAT, from the Administration estate, together with disbursements incurred which relate specifically to the case
- 8 that, if a Creditors' Committee is not appointed at a meeting of creditors, the creditors shall fix the Administrators' disbursements for mileage to be fixed by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising during the Administration, calculated at the prevailing standard mileage rate used by Deloitte LLP at the time when mileage is incurred (presently up to 40p per mile), plus VAT where applicable. And that the Administrators be authorised to draw their/his disbursements for mileage from the Administration estate
- 9 that, if a Creditors' Committee is not appointed, the secured and preferential creditors of each Company shall be asked to agree the Administrators' fees, in accordance with Rule 2 106(5A)(a), by reference to the time given in attending to matters arising in the Administration and that the Administrators' expenses for mileage be calculated by reference to mileage properly incurred by the Administrators and their staff in attending to matters arising in the Administrations, at the prevailing standard mileage rate used by Deloitte LLP at the time when the mileage is incurred (presently up to 40p per mile),
- 10 that, following the realisation of assets and resolution of all matters in the Administrations, and as quickly and efficiently as is reasonably practicable, the Administrators implement the most cost effective steps to formally conclude the Administrations. This may include the distribution of funds to unsecured creditors (provided Court permission is obtained) and then the dissolution of the Companies or alternatively, seeking to put each or any of the Companies into Creditors' Voluntary Liquidation ("CVL") or Compulsory Liquidation, depending on which option will result in a better realisation for creditors,
- 11 that, if each or any of the Companies were to be placed into CVL, the Administrators propose to be appointed Liquidators and any Creditors' Committees appointed will become Liquidation Committees pursuant to R4 174 of the Rules. As per paragraph 83(7) of Schedule B1 of the Act and R2 117 (3) of the Rules, the creditors may nominate a different person to be Liquidator(s) provided the nomination is made before the proposals are approved by creditors. For the purposes of s231 of the Act the Liquidators will each be authorised to carry out all functions, duties and powers either jointly or severally
- 12 in the absence of Creditors' Committees, the secured and preferential creditors of each Company agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators' filing their final report to creditors and vacating office

## **2.2 Amendments to proposals**

We confirm that there have been no deviations or major amendments to the Administrators' Proposals

## **2.3 Achievement of the approved proposals**

We have summarised below the outcome in respect of each of the approved proposals

<b>Proposal</b>	<b>Current status</b>
<b>1</b>	Book debts, WIP and accrued income collections are broadly complete Remaining balances will be passed to the Liquidator to pursue through litigation if required
<b>2</b>	The Administrators have submitted their reports on the directors' conduct to The Department for Business Innovation and Skills. The content of these reports are confidential
<b>3</b>	The secured creditor claim has been agreed. The final claims of the preferential creditors have yet to be agreed
<b>4</b>	A distribution to the Bank of £138,000 has been made under the terms of their fixed charge. The claims of preferential creditors are yet to be agreed at this stage. Any distribution to unsecured creditors through Section 176A of the Act is dependent upon future realisations. In accordance with the Act it will be necessary to make any distribution to unsecured creditors through the subsequent liquidation of the Companies
<b>5</b>	No creditors committee was appointed
<b>6</b>	No creditors committee was appointed
<b>7-9</b>	The approval to draw fees on a time cost basis has been received from the Bank and Preferential creditors where appropriate
<b>10</b>	We propose making a distribution to unsecured creditors via the prescribed part the Group. Consequently all companies within the Group are to be placed into CVL
<b>11</b>	To be effective upon placing the Group into CVL
<b>12</b>	Approval for the Administrators' discharge has been sought from the Bank and preferential creditors where appropriate

Further information in respect of the realisation of assets and the status of liabilities are in the following sections of this report



### **3. STEPS TAKEN DURING THE ADMINISTRATION**

#### **3.1 Purpose of the Administration**

##### **QPSL**

Upon their appointment, the Administrators reviewed the potential for trading QPSL with a view to achieving a sale of the business and assets as a going concern. Prior to the Administrators' appointment, two major contracts were terminated by QPSL's customers and other local authorities notified the Administrators that they were concerned that QPSL could not meet the requirements of its existing contracts whilst in Administration. Due to the apparent lack of trading options, and a lack of funding to continue to meet payroll costs, the Administrators determined that it was not possible to continue trading.

In the absence of a going concern sale, the Administrators pursued a realisation of the company's property in order to make a distribution to the secured or preferential creditors.

##### **The Renovo Companies**

The Administrators had been holding talks with a third party Seafame regarding a possible sale of the business and assets. The Administrators concluded that a business and asset sale would result in a better outcome for The Renovo Companies' creditors than would be obtained through an immediate liquidation of those companies.

#### **3.2 Sale of business and realisation of assets**

##### **QPSL**

Upon appointment the Administrators were informed that certain contracts had been terminated or had transferred to other service providers. The Administrators considered that the employees that were wholly or mainly assigned to those contracts transferred under the provisions of the TUPE Regulations. All employees who were not subject to a transfer under the TUPE Regulations were made redundant with effect from 17 November 2009.

The principal assets available for realisation are the QPSL debtors, accrued income and work in progress. Accrued income represents jobs carried out by the company for customers which are complete but had not been invoiced as at the date of Administration. Work in progress reflects costs incurred on jobs where the work had not been completed.

As mentioned in previous reports QSL's Management had operated the business, including many of the contracts existing at the point of Administration. They therefore had a detailed knowledge of the company's operating and financial systems, and existing relationships with a large number of the company's customers.

The Administrators therefore entered an agreement with QSL to

- Update & reconcile the ledgers,
- Close out and invoice jobs held on the accrued income and work in progress ledgers, and
- Collect all balances due to QPSL.

QSL received a commission of 10% on debtor monies received by QPSL, and 25% on monies received under accrued income and work in progress ledgers. QSL's progress with regard to collections is discussed under Section 4 of this report.

## The Renovo Companies

A sale of the business and assets of 1SCL and 1SCGL to Seaflame was completed immediately following our appointment on 20 November 2009. The following assets were sold (excludes VAT)

Assets	£
The Bonds	1
The Commercial Records and the Customer Lists	1
The Customer Contracts	1
The Fixtures and Fittings	1
The Goodwill	164,000
The Intellectual Property	1
The Motor Vehicles	8,000
The Plant and Machinery	25,000
The Stock	52,995
	<hr/>
	<b>250,000</b>
	<hr/>

Initial consideration of £250,000 was paid on completion

Book debts were excluded from the sale. These assets had a book value of circa £777k. The Administrators appointed Seaflame to act as agents of the Renovo Companies to collect these debts for which Seaflame would receive 10p in the £. Additional consideration was also to be paid upon the realisation of work in progress and accrued income (20p and 25p respectively), which depended upon Seaflame's ability to convert such balances into cash. Book values of these assets at the date of appointment were £1,037k for WIP and £227k for accrued income and the progress on collections by Seaflame is discussed under Section 4 of this report.

### 3.3 Distributions to creditors

A first and final distribution of £138k has been made to the Bank under its fixed charge. The Bank has received a further distribution under its floating charge of £333k.

Preferential creditors are currently estimated at £400k. We are working closely with the RPS to clarify whether employees of QPSL for certain contracts should have been transferred under TUPE.

It is envisaged that a dividend will be paid to unsecured creditors of the Group via the Prescribed Part during the Liquidation of the companies.

### 3.4 Exit

It is proposed that the Group is placed into Liquidation to enable a distribution to be made to the unsecured creditors of the Companies via the Prescribed Part.

## **4 JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT AND ADMINISTRATION OUTCOME**

### **4.1 Introduction**

Asset realisations have centred upon book debt, WIP and accrued income collections which have been undertaken with the assistance of QSL and Seaflame. Litigation is possible with debtors and we have therefore not included an Estimated Outcome Statement in this report for creditors as we believe this will prejudice future realisations in the subsequent Liquidation of the companies.

### **4.2 Asset realisations**

In this section, we have summarised the main asset realisations during the Administration and an estimate of those assets yet to be realised.

#### **QPSL**

Attached at Appendix 2 is a Receipts and Payments account covering the period from 17 November 2009 to 29 October 2010.

The Administrators are continuing to work with QSL to update the company's debtor ledgers, close out and invoice jobs held on the accrued income and work in progress ledgers and collect all sums due to QPSL. Recoveries to 29 October 2010 totalled £827k, which consists of book debts and accrued income/work in progress which have been converted to invoices by QSL.

A large portion of the remaining book debts and work in progress are subject to counterclaims from debtors. The majority of these claims relate to alleged breach of contract due to unsatisfactory work completed by QPSL and/or the costs of finding replacement services following the demise of the company.

The Administrators have engaged TFB Associates, a firm of quantity surveyors experienced in insolvency matters, in order to assist in the assessment of certain counterclaims. The Administrators and subsequent Liquidators will be working with QSL and TFB Associates over the coming months to finalise the counterclaims received in order to determine the final balance due for each account.

The Administrators have been advised that circa £500k of the total remaining book debts, accrued income and work in progress are realisable, subject to finalisation and agreement of the counterclaims mentioned above.

#### **The Renovo Companies**

Attached at Appendix 2 is a Receipts and Payments account covering the period from 20 November 2009 to 29 October 2010.

We have been informed by Seaflame that the book debts, work in progress and accrued income collections are broadly complete.

After reconciling the Administrators' bank account, the previous trading accounts held at the Bank for 1SCL and 1SCGL and Seaflame's current account we confirm that a total of £621k has been collected in respect of book debts from an opening ledger of £776k. Total credit notes of £139k have been issued due to defective work including a bad debt of £59k from QPSL. It will be necessary for 1SCL to prove in the Liquidation of QPSL.

At the date of appointment per the company's books and records, there was a total of £1.037m to be invoiced in respect of WIP and £227k in respect of accrued income.

A total of £250k has been invoiced in WIP of which £237k has been collected and £41k in respect in accrued income of which £35k has been collected

Significant write offs of £971k have been apportioned as uncollectable. The largest 4 write offs account for 86% of the total stated of which one contract is more than 50%

We have asked Seaflame to clarify why these debts have been written off to which an unsatisfactory response has been received. The proposed Liquidators will pursue this matter and take necessary further action if required

We have therefore not provided an Estimated Outcome Statement in this report as we believe that this would be prejudicial to any potential future receipts from book debts, accrued income and WIP

RHL purchased the share capital of 1SCGL in July 2008 and a sum of £100k was held in an escrow account on behalf of the parties to that transaction. These monies were intended to cover warranty claims made by RHL.

Both parties have sought legal advice and the pursuit of RHL's potential claims would have required significant litigation, risk and cost. We have therefore negotiated a settlement on the £100k held plus interest due. As a consequence we have received £42k for the benefit of creditors in RHL.

## **RSGL**

We have been contacted by a representative of Euler Hermes UK plc who have informed us that two bonds were issued in the name of RSGL. The first bond is to Bournemouth Borough Council (Bournemouth) in respect of QPSL in the sum of £400k and one to Winchester County Council (Winchester) for 1SCL in the sum of £120k. RSGL in turn deposited a total of £390k cash collateral with Euler.

Under the terms of the Sale and Purchase Agreement (dated 20 November 2009) the Winchester contract was novated to Seaflame. The bond should therefore be returned to RSGL. However, Bournemouth have made a claim against the bond and the cash held. A Quantity Surveyor has been instructed to review the contract and claims and we are hopeful of negotiating a settlement whereby a portion of the cash held will be returned to RSGL.

We have therefore made the appropriate steps to place RSGL into Liquidation in order that the asset may be realised and a dividend paid to unsecured creditors.

### **4.3 Estimated outcome for creditors**

The estimated outcome for creditors is dependent upon the collection of the remaining book debts, accrued income and work in progress. Given the extent of the secured bank debt, which is estimated at circa £5.1m there will not be a dividend to unsecured creditors other than via the prescribed part.

## **5. DISTRIBUTIONS TO CREDITORS**

### **5.1 Secured creditors**

A first and final distribution of £138k has been made to the Bank under its fixed charge

The Bank has received an additional distribution under its floating charge of £333k We confirm that funds have been retained in order that the value of the prescribed part (as detailed under Section 5.3 of this report) may be met

### **5.2 Preferential creditors**

Preferential creditors in QPSL are estimated by the Administrators at £400k As noted in our previous reports, it is unclear whether employees for certain contracts were subject to a transfer of employment under TUPE regulations We are currently seeking legal advice in this matter It is possible that not all preferential creditor claims submitted to the Administrators are valid, and therefore the estimate of £400k is subject to further review and possible change The proposed Liquidators will investigate these claims thoroughly before any dividend is paid

### **5.3 Prescribed Part**

As discussed in the first report to creditors, by virtue of Section 176A (2)(a) of the Act, the Administrators must make a Prescribed Part of the Company's net property available for the satisfaction of unsecured debts Net property is the amount of the Company's property which would, but for this section, be available for the holders of floating charges created by the Company

The value of the Prescribed Part can't exceed £600,000 per company It is not envisaged that the Prescribed Part for any of the Companies will exceed the maximum amount of £600,000

At this stage it is difficult to quantify the value of any prescribed part for the Renovo Companies as it is dependent upon future floating charge realisations

### **5.4 Unsecured creditors**

We have summarised the current status of unsecured claims below

#### **QPSL**

Despite our requests no Statement of Affairs has been completed by the directors of the Company

The Company's ledgers indicated that unsecured creditors totalled circa £3.4m excluding sums due to HMRC which were dealt with on a Group return To date the Administrators have received claims totalling £2.7m which includes HMRC's claim for outstanding PAYE/ NIC (£1.5m)

#### **The Renovo Companies**

The Joint Administrators have received the Statement of Affairs from the directors of the Renovo Companies These Statements of Affairs provide for unsecured creditor claims of £14,636,500 of which £9,603,280 relates to inter Group balances

Total unsecured creditor claims received to date are £1.6m, which includes HMRC's claim for outstanding PAYE/ NIC of 805k

#### **VAT Claim**

All the Companies form part of a VAT Group On the 12 May 2010 we received an updated claim from HMRC in the sum of £1.5m for outstanding VAT in relation to the Group As a

dividend is estimated to be paid to unsecured creditors via the Prescribed Part it will be necessary to investigate HMRC's claim further to ensure it is apportioned correctly across the Liquidations

**Dividend to creditors**

In accordance with the Act, distributions to unsecured creditors, via the Prescribed Part, will be made will be made through the proposed Liquidation of 1SCL, 1SCGL, RSGL and QPSL

**Creditors should complete and return a proof of debt form, in order that their claim may be lodged in the Liquidation and they are eligible for dividend.**

## 6 OTHER MATTERS AND INFORMATION TO ASSIST CREDITORS

### 6.1 Extensions to original period of appointment

The initial 12 month term of the Administrations is due to expire on 16 November 2010 for QPSL and 19 November 2010 for 1SCL, 1SCGL, RHL and RSGL. The Administrators will not be seeking an extension of time to the Administrations.

### 6.2 Investigations

The Administrators have completed their reports into the conduct of the directors of the Group. The reports are confidential and have been submitted to The Department for Business Innovation and Skills (BIS).

### 6.3 Administrators' discharge

The secured and preferential creditors of the Companies agree that the Administrators be discharged from liability per paragraphs 98 and 99 of Schedule B1 of the Act immediately upon the Administrators filing their final report to creditors and vacating office.

### 6.4 SIP 13 – Transactions with connected parties

In accordance with the guidance given in Statement of Insolvency Practice Number 13, details of the Company's transactions with connected parties in the period of two years prior to the making of the Administration Order

Date	Details of transaction	Sales / (Purchases) (£)	Name of counterparty	Connection
1 January 2009 to 30 May 2009	Transferring of money from QPSL to 1SCL	1.8m	1SCL	1SCL formed part of the Group with common directors

In accordance with Statement of Insolvency Practice 2 it is a Liquidators' duty to investigate the affairs of an Insolvent Company. Our investigations will therefore continue during the Liquidation of QPSL.

## 7. JOINT ADMINISTRATORS FEES AND EXPENSES

### 7.1 Joint Administrators' Fees

In accordance with Rule 2.106 of The Rules, in the absence of a creditors committee, the Administrators sought approval of their fees and expenses from the Company's creditors. The approval to draw fees on a time cost basis has been received from the Bank and preferential creditors where appropriate. We will continue to liaise with them in respect of any further fees to be drawn.

The Administrators' time costs for the Administration of each Company are summarised in the tables below. A detailed analysis of the time spent by work function is attached at Appendix 3.

#### QPSL

Classification of work function	Partners & Directors	Managers & Assistant Managers	Assistants & Support Staff	Total	Total	Average Rate
	Hours	Hours	Hours	Hours	£	£
Administration and Planning	0.3	181.0	25.7	207.0	58,323	282
Creditors	-	417.9	64.4	482.3	150,539	312
Reporting & Investigations	-	55.2	-	55.2	15,153.0	275
Other Specific Matters	12.3	21.6	15.8	49.7	17,533	353
Trading	-	8.3	7.5	15.8	3,845.8	243
Asset Realisations	-	173.4	39.0	212.4	72,458.8	341
<b>TOTAL</b>	<b>12.6</b>	<b>857.4</b>	<b>152.4</b>	<b>1,022.3</b>	<b>317,853</b>	<b>311</b>

<b>TIME COST</b>	<b>7,011</b>	<b>284,939</b>	<b>25,903</b>	<b>317,853</b>
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**TOTAL FEES DRAWN** **126,783**

#### 1SCL

Classification of work function	Partners & Directors	Managers & Assistant Managers	Assistants & Support Staff	Total	Total	Average Rate
	Hours	Hours	Hours	Hours	£	£
Administration and Planning	-	206.4	17.2	223.6	64,022	286
Creditors	-	104.7	20.5	125.2	33,013	264
Reporting & Investigations	-	5.7	-	5.7	1,510.5	265
Other Specific Matters	22.7	93.0	1.5	117.2	50,854	434
Trading	-	-	-	-	-	-



Asset Realisations	-	54 4	-	54 4	18,013 5	331
<b>TOTAL</b>	<b>22 7</b>	<b>464 2</b>	<b>39 2</b>	<b>526 1</b>	<b>167,413</b>	<b>318</b>

<b>TIME COST</b>	<b>12,566</b>	<b>147,039</b>	<b>7,809</b>	<b>167,413</b>
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**TOTAL FEES DRAWN** 75,497

### 1SCGL

Classification of work function	Partners & Directors	Managers & Assistant Managers	Assistants & Support Staff	Total	Total	Average Rate
	Hours	Hours	Hours	Hours	£	£
Administration and Planning	-	46 8	3 8	50 6	13,385	265
Creditors	-	17 6	-	17 6	4,664	265
Reporting & Investigations	-	-	-	-	-	-
Other Specific Matters	-	6 6	-	6 6	2,096	320
Trading	-	-	-	-	-	-
Asset Realisations	-	-	-	-	-	-
<b>TOTAL</b>	<b>-</b>	<b>71 0</b>	<b>3 8</b>	<b>74 8</b>	<b>20,145</b>	<b>269</b>

<b>TIME COST</b>	<b>-</b>	<b>19,176</b>	<b>969</b>	<b>20,145</b>
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**NO FEES DRAWN**

### RHL

Classification of work function	Partners & Directors	Managers & Assistant Managers	Assistants & Support Staff	Total	Total	Average Rate
	Hours	Hours	Hours	Hours	£	£
Administration and Planning	0 3	8 0	1 6	9 9	2,768	281
Creditors	-	-	-	-	-	-
Reporting & Investigations	-	-	-	-	-	-
Other Specific Matters	-	0 2	-	0 2	120	600
Trading	-	-	-	-	-	-
Asset Realisations	-	-	-	-	-	-
<b>TOTAL</b>	<b>0 3</b>	<b>8 2</b>	<b>1 6</b>	<b>10 1</b>	<b>2,888</b>	<b>287</b>

<b>TIME COST</b>	<b>158</b>	<b>2,323</b>	<b>408</b>	<b>2,888</b>
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## RSGL - In Administration

Classification of work function	Partners & Directors	Managers & Assistant Managers	Assistants & Support Staff	Total	Total	Average Rate
	Hours	Hours	Hours	Hours	£	£
Administration and Planning	-	46.9	2.0	48.9	12,549	257
Creditors	-	3.6	-	3.6	954	265
Reporting & Investigations	-	-	-	-	-	-
Other Specific Matters	-	2.2	-	2.2	650	295
Trading	-	-	-	-	-	-
Asset Realisations	-	-	-	-	-	-
<b>TOTAL</b>	-	52.7	2.0	54.7	14,153	259
<b>TIME COST</b>	-	13,643	510	14,153		

- **Administration and planning** includes case planning, case set-up, notification of appointment, maintenance of our case files and insolvency case record, statutory reporting, compliance, cashing and accounting
- **Investigations** includes investigating the companies affairs and in particular any antecedent transactions and also reporting on the conduct of its directors
- **Realisation of assets** includes identifying, securing and insuring assets, sale of business, transition of contracts, property issues, disposal of stocks, collection of debts, realisation of other fixed assets and VAT and taxation matters
- **Trading** includes planning, identifying strategy, preparation of trading forecasts, monitoring of performance against the forecasts, managing operations, dealing with supplier and landlord issues to ensure continuity of operations, accounting and employees (including pensions and other staff benefits)
- **Creditors** includes set-up of creditor records, creditor communications, preferential claims, unsecured claims, secured and employee claims

## 7.2 Disbursements

The Administrators' direct disbursements in the Administration were as follows

Nature of disbursement	Total (£)
<b>QPSL</b>	
Subsistence and parking	980 19
Mileage	922 90
<b>1SCL</b>	
Travel, parking, phone and subsistence	719 56
Bordereau	960 00
Storage	1,365 00
Printing	736 00
<b>Total</b>	<b>5,683.65</b>

Mileage is calculated at the prevailing standard mileage rate of up to 40p used by Deloitte LLP at the time when the mileage is incurred

## 7.3 Charge out rates

Our charge out rates, per hour, for the staff involved in this assignment are as follows

Grade	2009 £	2010 £
<b>Partners</b>	545 to 615	565 to 630
<b>Managers</b>	250 to 525	265 to 535
<b>Assistants and Support Staff</b>	145 to 170	165 to 180

All partners and technical staff (including cashiers) assigned to the case record 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.

With effect from 1 January 2010, charge out rates were increased by an average 5% and the charge out rate bandings have been amended, where applicable, to reflect this change.

## 7.4 Other professional costs

### QPSL

As previously advised, Edward Symmons LLP a firm of chattel agents, were instructed by the Administrators to undertake inventories and valuations of stock, plant and equipment, fixtures and fittings and other chattel assets where appropriate

The Administrators engaged Insol Financial Solutions Limited to provide advise on the position of QPSL's pension scheme following the appointment of Administrators

Cobbetts LLP are the Administrators' legal representatives based on their previous experience and their panel status with the Bank Cobbetts have provided advice on the TUPE transfer of employees and the sale of business

The professional costs to date are summarised in the table below All professional costs are reviewed and analysed before payment is approved

Name of lawyer/agent	Fees
Edward Symmons	5,235
Insol Financial Solutions Limited	775
Cobbetts LLP	1,771
<b>Total</b>	<b>7,781</b>

### The Renovo Companies

Cobbetts LLP were instructed to act as the Administrators' legal representatives Their fees and expenses to date are £73,125 for the provision of legal advice during the course of the Administration This has included the sale of business and the execution of its clauses e.g the novation of the contracts, advice in relation to employee matters including the TUPE transfer of the employees to Seafame, as well as assistance in realising assets

**QUADRON PROPERTY SERVICES LIMITED (IN ADMINISTRATION)**

**SUMMARY OF STATUTORY INFORMATION**

<b>Company name</b>	Quadron Property Services Limited
<b>Previous names</b>	N/A
<b>Company number</b>	06446504
<b>Incorporation date</b>	6 December 2007
<b>Registered office</b>	3 Rivergate, Temple Quay, Bristol, BS1 6GD
	Quadron House, Mendip Road, Weston Super Mare, Somerset, BS23 3HB
<b>Ordinary issued and called up share capital</b>	
Authorised Ordinary "A" shares of £1 each	70,000
Authorised Ordinary "B" shares of £1 each	21,000
Allotted, called up and fully paid	91,000
<b>Shareholders</b>	Renovo Holdings Limited
<b>Directors</b>	John Kauz Derrick Moore Phillip Russell
<b>Company secretary</b>	Phillip Russell
<b>Bankers</b>	Clydesdale Bank Plc t/a Yorkshire Bank
<b>Auditors</b>	N/A

<b>Company name</b>	<b>1<sup>st</sup> Saxon-Clenmay Limited</b>
<b>Previous names</b>	No name change recorded
<b>Company number</b>	05238029
<b>Incorporation date</b>	22 September 2004
<b>Registered office</b>	C/o Deloitte LLP 1 City Square Leeds LS1 2AL
<b>Ordinary issued and called up share capital</b>	
Authorised Ordinary A shares	75
Authorised Ordinary B shares	25
Allotted, called up and fully paid	100
<b>Shareholders</b>	1 <sup>st</sup> Saxon-Clenmay Group Limited
<b>Directors</b>	At the date of Administration there was no director appointed over the company
<b>Company secretary</b>	At the date of Administration there was no secretary appointed over the company
<b>Bankers</b>	Clydesdale Bank Plc
<b>Auditors</b>	PKF (UK) LLP

<b>Company name</b>	<b>1<sup>st</sup> Saxon-Clenmay Group Limited</b>
<b>Previous names</b>	1 <sup>st</sup> Saxon Group Limited until 27 April 2007 Parisol 3000 Limited 27 June 2005 1 <sup>st</sup> Saxon Group Limited until 9 November 1998 Anycase Company Limited until 15 September 1994
<b>Company number</b>	02934478
<b>Incorporation date</b>	31 May 1994
<b>Registered office</b>	C/o Deloitte LLP 1 City Square Leeds LS1 2AL
<b>Ordinary issued and called up share capital</b>	
Authorised Ordinary A shares	3765313
Authorised Ordinary B shares	100
Authorised Ordinary C shares	100
Allotted, called up and fully paid	3765513
<b>Shareholders</b>	Renovo Holdings Limited
<b>Directors</b>	Jason Bartlett
<b>Company secretary</b>	At the date of Administration there was no secretary appointed over the company
<b>Bankers</b>	Clydesdale Bank Plc
<b>Auditors</b>	PKF (UK) LLP

<b>Company name</b>	<b>Renovo Services Group Limited</b>
<b>Previous names</b>	Broomco (4160) Limited until 6 August 2008
<b>Company number</b>	06649190
<b>Incorporation date</b>	17 July 2008
<b>Registered office</b>	C/o Deloitte LLP 1 City Square Leeds LS1 2AL
<b>Ordinary issued and called up share capital</b>	
Authorised Ordinary A shares	850000
Authorised Ordinary B shares	99000
Allotted, called up and fully paid	949000
<b>Shareholders</b>	Sovereign Capital Limited Partnership II Mark Williams Neil Cox George Williams Heather Hayden Dominic Dall David Myers John Nash Michael Needley Sarah Robson Simon Hithcok Matthew Owen Jose Rodriguez Phil Hinson Rob Simpson Tim Whittard Kevin Whittle Stephen Hallett Philip Russell Sipp (Pension Trustees) Limited Derrick Moore John Kauz
<b>Directors</b>	George Williams
<b>Company secretary</b>	At the date of Administration there was no secretary appointed over the company
<b>Bankers</b>	Clydesdale Bank Plc
<b>Auditors</b>	There have been no accounts filed since the date of incorporation



<b>Company name</b>	<b>Renovo Holdings Limited</b>
<b>Previous names</b>	Broomco (4151) Limited until 6 August 2008
<b>Company number</b>	06587236
<b>Incorporation date</b>	8 May 2008
<b>Registered office</b>	C/o Deloitte LLP 1 City Square Leeds LS1 2AL
<b>Ordinary issued and called up share capital</b>	
Authorised shares	1
Allotted, called up and fully paid	1
<b>Shareholders</b>	Renovo Services Group Limited
<b>Directors</b>	Mr G Williams
<b>Company secretary</b>	At the date of Administration there was no secretary appointed over the company
<b>Bankers</b>	Clydesdale Bank Plc
<b>Auditors</b>	There have been no accounts filed since the date of incorporation

## QPSL - IN ADMINISTRATION

## JOINT ADMINISTRATORS FINAL RECEIPTS AND PAYMENTS ACCOUNT FROM 17 NOVEMBER 2009 (DATE OF APPOINTMENT) TO 29 OCTOBER 2010

	Estimated to realise per SOA	Fixed charge	Floating charge	Total
	£	£	£	£
<b>INCOME</b>				
Book debts, Accrued Income and Work in Progress	-	-	826,521	826,521
Holiday stamp refund	-	-	34,741	34,741
Stock	-	-	16,150	16,150
Plant & machinery	-	-	7,600	7,600
Rates refund	-	-	3,394	3,394
Bank interest	-	-	212	212
	-	-	<b>888,618</b>	<b>888,618</b>
<b>EXPENDITURE</b>				
Administrators' fees	-	-	126,783	126,783
Administrators' expenses	-	-	1,903	1,903
Agents fees	-	-	5,235	5,235
QSL collection fees	-	-	44,155	44,155
Legal fees	-	-	1,735	1,735
Legal expenses	-	-	36	36
Bank charges	-	-	24	24
Pensions advice	-	-	775	775
Statutory advertising	-	-	150	150
	-	-	<b>180,796</b>	<b>180,796</b>
<b>Balance in hand</b>	-	-	<b>707,822</b>	<b>707,822</b>

## 1SCL AND 1SCGL -IN ADMINISTRATION

## JOINT ADMINISTRATORS FINAL RECEIPTS AND PAYMENTS ACCOUNT FROM 20 NOVEMBER 2009 (DATE OF APPOINTMENT) TO 29 OCTOBER 2010

	Statement of Affairs £	Fixed Charge £	Floating Charge £	Total £
<b>INCOME</b>				
Goodwill		164,000		164,000
Bank Interest Gross		539		539
Citroen		29,600		29,600
The bonds			1	1
The Commercial Records and Customer List			1	1
The Customer Contracts			1	1
The Intellectual Property			1	1
Plant & Machinery	35,000		25,000	25,000
Fixtures and Fittings			1	1
Motor Vehicles			8,000	8,000
Stock	74,000		52,995	52,995
WIP and AI additional consideration			54,209	54,209
Book Debts, WIP and Accrued Income	1,237,000		621,069	621,069
Rent			18,238	18,238
Novation Receipt			2,000	2,000
Vehicle refund			2,681	2,681
Business rate refund			2,637	2,637
Bank Interest Gross			786	786
	<b><u>1,346,000</u></b>	<b><u>194,139</u></b>	<b><u>787,621</u></b>	<b><u>981,760</u></b>
<b>EXPENDITURE</b>				
Motor vehicles		13,741		13,741
Administrators' Fees		10,000	75,498	85,498
Administrators' Expenses			3,781	3,781
Seaflame commission for book debts			62,583	62,583
Legal Fees		16,000	57,125	73,125
Legal Expenses			921	921
Statutory Advertising			329	329
Rents Payable			17,066	17,066
Bank Charges			24	24
Distribution to the Chargeholder		138,000	332,502	470,502
		<b><u>177,741</u></b>	<b><u>549,828</u></b>	<b><u>727,570</u></b>
<b>Balance in hand</b>		<b><u>16,398</u></b>	<b><u>237,792</u></b>	<b><u>254,190</u></b>

\* We anticipate future realisations to be made in RSGL as referred to under Section 4 2 of this report

A total of £42k has been received by the Administrators' solicitors, in settlement of the funds held in an escrow account, for the purchase of 1SCGL's share capital by RHL (as referred to under Section 4 2 of this report) These funds are in the process of being transferred to our client account for the benefit of RHL's creditors

## JOINT ADMINISTRATORS' DETAILED TIME COSTS

QUADRON PROPERTY SERVICES LIMITED

APPENDIX III

JOINT ADMINISTRATORS' TIME COSTS FROM 17 NOVEMBER 2009 (DATE OF APPOINTMENT) TO 29 OCTOBER 2010

Task Type	Task Level	Partner and Director		Manager and Assistant Managers		Other Professional and Support Staff		Total Hours	Total £	Average Rate £
		Hours	£	Hours	£	Hours	£			
Admin and Planning	Cashiers	-	-	5.5	2,415.0	14.3	3,616.5	19.8	6,032	305
	Closure	-	-	-	-	-	-	-	-	-
	Compliance	-	-	79.0	20,129.5	0.4	102.0	79.4	20,232	255
	Progress Reporting	-	-	24.6	10,281.5	11.0	1,754.5	35.6	12,036	338
	Fees	0.3	157.5	2.5	669.3	-	-	2.7	827	306
	Immediate Actions	-	-	69.5	19,197.5	-	-	69.5	19,198	276
	Meetings	-	-	-	-	-	-	-	-	-
	Other Admin & Plan	-	-	-	-	-	-	-	-	-
	Pre-Appointment	-	-	-	-	-	-	-	-	-
<b>Admin and Planning Total</b>		<b>0.3</b>	<b>158</b>	<b>181.0</b>	<b>52,693</b>	<b>25.7</b>	<b>5,473</b>	<b>207.0</b>	<b>58,323</b>	<b>282</b>
Creditors	Distributions	-	-	-	-	-	-	-	-	-
	Employees	-	-	323.6	112,867.5	30.5	4,772.5	354.1	117,640	332
	Preferential	-	-	4.5	1,655.0	-	-	4.5	1,655	368
	Retention of Title	-	-	37.9	9,551.0	20.4	3,253.8	58.3	12,805	220
	Secured	-	-	-	-	-	-	-	-	-
	Shareholders	-	-	-	-	-	-	-	-	-
Unsecured	-	-	51.9	16,286.0	13.5	2,153.3	65.4	18,439	282	
<b>Creditors Total</b>		<b>-</b>	<b>-</b>	<b>417.9</b>	<b>140,360</b>	<b>64.4</b>	<b>10,180</b>	<b>482.3</b>	<b>150,539</b>	<b>312</b>
Reporting & Investigations	D' Return	-	-	13.7	4,155.5	-	-	13.7	4,156	303
	Investigations	-	-	41.5	10,997.5	-	-	41.5	10,998	265
	Litigation	-	-	-	-	-	-	-	-	-
<b>Investigation Total</b>		<b>-</b>	<b>-</b>	<b>55.2</b>	<b>15,153</b>	<b>-</b>	<b>-</b>	<b>55.2</b>	<b>15,153</b>	<b>275</b>
Other Specific Matters	Other	11.0	5,885.0	8.9	3,823.5	-	-	19.9	9,709	488
	Pensions	-	-	-	-	-	-	-	-	-
	Tax & VAT	1.3	968.5	12.7	4,148.0	15.8	2,708.0	29.8	7,825	263
<b>Other Specific Matters Total</b>	<b>12.3</b>	<b>6,854</b>	<b>21.6</b>	<b>7,972</b>	<b>15.8</b>	<b>2,708</b>	<b>49.7</b>	<b>17,533</b>	<b>353</b>	
Trading	Closure of Trading	-	-	-	-	-	-	-	-	-
	Day 1 Control	-	-	6.0	2,040.0	7.5	1,196.3	13.5	3,236	240
	Ongoing Trading	-	-	2.3	609.5	-	-	2.3	610	265
<b>Trading Total</b>	<b>-</b>	<b>-</b>	<b>8.3</b>	<b>2,650</b>	<b>7.5</b>	<b>1,196</b>	<b>15.8</b>	<b>3,846</b>	<b>243</b>	
Asset Realisation	Book Debts	-	-	151.4	57,290.3	14.5	2,438.8	165.9	59,729	360
	Fixtures and Fitting	-	-	0.8	352.0	4.8	765.6	5.6	1,118	200
	Freehold Property	-	-	-	-	-	-	-	-	-
	Leasehold Property	-	-	5.2	2,231.0	1.1	175.5	6.3	2,406	385
	Motor Vehicles	-	-	5.7	1,635.5	18.6	2,966.7	24.3	4,602	189
	Other Assets	-	-	2.3	1,039.5	-	-	2.3	1,040	452
	Plant & Equipment	-	-	3.6	1,584.0	-	-	3.6	1,584	440
	Sale of Business	-	-	4.3	1,892.0	-	-	4.3	1,892	440
	Third Party Assets	-	-	0.2	88.0	-	-	0.2	88	440
<b>Asset Realisation Total</b>	<b>-</b>	<b>-</b>	<b>173.4</b>	<b>66,112</b>	<b>39.0</b>	<b>6,347</b>	<b>212.4</b>	<b>72,459</b>	<b>341</b>	
<b>Grand Total</b>	<b>12.6</b>	<b>7,011</b>	<b>857.4</b>	<b>284,939</b>	<b>152.4</b>	<b>25,903</b>	<b>1,022.3</b>	<b>317,853</b>	<b>311</b>	

1SCL

APPENDIX III

## JOINT ADMINISTRATORS TIME COSTS FROM 20 NOVEMBER 2009 (DATE OF APPOINTMENT) TO 29 OCTOBER 2010

Task Type	Task Level	Partner and Director		Manager and Assistant Managers		Other Professional and Support Staff		Total Hours	Total £	Average Rate £
		Hours	£	Hours	£	Hours	£			
<b>Admin and Planning</b>	Cashiers	-	-	3 9	1,749 0	17 2	4,386 0	21 1	6,135	291
	Closure	-	-	-	-	-	-	-	-	-
	Compliance	-	-	12 7	3,477 0	-	-	12 7	3,477	274
	Progress Reporting Fees	-	-	137 1	38,808 8	-	-	137 1	38,809	283
	Immediate Actions Meetings	-	-	52 7	15,601 3	-	-	52 7	15,601	296
	Other Admin & Plan	-	-	-	-	-	-	-	-	-
	Pre-Appointment	-	-	-	-	-	-	-	-	-
	<b>Admin and Planning Total</b>		-	-	206 4	59,636	17 2	4,386	223 6	64,022
<b>Creditors</b>	Distributions	-	-	-	-	-	-	-	-	-
	Employees	-	-	-	-	-	-	-	-	-
	Preferential	-	-	-	-	-	-	-	-	-
	Retention of Title Secured	-	-	21 3	5,644 5	-	-	21 3	5,645	265
	Shareholders	-	-	-	-	-	-	-	-	-
	Unsecured	-	-	83 4	24,171 0	20 5	3,197 5	103 9	27,369	263
<b>Creditors Total</b>		-	-	104 7	29,816	20 5	3,198	125 2	33,013	264
<b>Reporting &amp; Investigations</b>	D' Return	-	-	-	-	-	-	-	-	-
	Investigations	-	-	5 7	1,510 5	-	-	5 7	1,511	265
	Litigation	-	-	-	-	-	-	-	-	-
<b>Investigation Total</b>		-	-	5 7	1,511	-	-	5 7	1,511	265
<b>Other Specific Matters</b>	Other	22 5	12,397 5	55 5	22,755 0	-	-	78 0	35,153	451
	Pensions	-	-	-	-	-	-	-	-	-
	Tax & VAT	0 2	168 0	37 5	15,308 5	1 5	225 0	39 2	15,702	401
<b>Other Specific Matters Total</b>		22 7	12,566	93 0	38,064	1 5	225	117 2	50,854	434
<b>Trading</b>	Closure of Trading	-	-	-	-	-	-	-	-	-
	Day 1 Control	-	-	-	-	-	-	-	-	-
	Ongoing Trading	-	-	-	-	-	-	-	-	-
<b>Trading Total</b>		-	-	-	-	-	-	-	-	-
<b>Asset Realisation</b>	Book Debts	-	-	46 0	15,787 5	-	-	46 0	15,788	343
	Fixtures and Fitting	-	-	-	-	-	-	-	-	-
	Freehold Property	-	-	-	-	-	-	-	-	-
	Leasehold Property	-	-	8 4	2,226 0	-	-	8 4	2,226	265
	Motor Vehicles	-	-	-	-	-	-	-	-	-
	Other Assets	-	-	-	-	-	-	-	-	-
	Plant & Equipment	-	-	-	-	-	-	-	-	-
	Sale of Business	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-	
<b>Asset Realisation Total</b>		-	-	54 4	18,014	-	-	54 4	18,014	331
<b>Grand Total</b>		22 7	12,566	464 2	147,039	39 2	7,809	526 1	167,413	318

1SCGL

APPENDIX III

## JOINT ADMINISTRATORS TIME COSTS FROM 20 NOVEMBER 2009 (DATE OF APPOINTMENT) TO 29 OCTOBER 2010

Task Type	Task Level	Partner and Director		Manager and Assistant Managers		Other Professional and Support Staff		Total Hours	Total £	Average Rate £
		Hours	£	Hours	£	Hours	£			
Admin and Planning	Cashiers	-	-	0 6	252 0	3 8	969 0	4 4	1,221	278
	Closure	-	-	-	-	-	-	-	-	-
	Compliance	-	-	1 0	473 5	-	-	1 0	474	474
	Progress Reporting	-	-	31 6	8,290 0	-	-	31 6	8,290	262
	Fees	-	-	-	-	-	-	-	-	-
	Immediate Actions	-	-	13 6	3,400 0	-	-	13 6	3,400	250
	Meetings	-	-	-	-	-	-	-	-	-
	Other Admin & Plan Pre-Appointment	-	-	-	-	-	-	-	-	-
<b>Admin and Planning Total</b>		-	-	46 8	12,416	3 8	969	50 6	13,385	265
Creditors	Distributions	-	-	-	-	-	-	-	-	-
	Employees	-	-	-	-	-	-	-	-	-
	Preferential	-	-	-	-	-	-	-	-	-
	Retention of Title	-	-	-	-	-	-	-	-	-
	Secured	-	-	-	-	-	-	-	-	-
	Shareholders Unsecured	-	-	17 6	4,664 0	-	-	17 6	4,664	265
<b>Creditors Total</b>		-	-	17 6	4,664	-	-	17 6	4,664	265
Reporting & Investigations	D' Return	-	-	-	-	-	-	-	-	-
	Investigations	-	-	-	-	-	-	-	-	-
	Litigation	-	-	-	-	-	-	-	-	-
<b>Investigation Total</b>		-	-	-	-	-	-	-	-	-
Other Specific Matters	Other	-	-	-	-	-	-	-	-	-
	Pensions	-	-	-	-	-	-	-	-	-
	Tax & VAT	-	-	6 6	2,096 0	-	-	6 6	2,096	320
<b>Other Specific Matters Total</b>		-	-	6 6	2,096	-	-	6 6	2,096	320
Trading	Closure of Trading	-	-	-	-	-	-	-	-	-
	Day 1 Control	-	-	-	-	-	-	-	-	-
	Ongoing Trading	-	-	-	-	-	-	-	-	-
<b>Trading Total</b>		-	-	-	-	-	-	-	-	-
Asset Realisation	Book Debts	-	-	-	-	-	-	-	-	-
	Fixtures and Fitting	-	-	-	-	-	-	-	-	-
	Freehold Property	-	-	-	-	-	-	-	-	-
	Leasehold Property	-	-	-	-	-	-	-	-	-
	Motor Vehides	-	-	-	-	-	-	-	-	-
	Other Assets	-	-	-	-	-	-	-	-	-
	Plant & Equipment	-	-	-	-	-	-	-	-	-
	Sale of Business Third Party Assets	-	-	-	-	-	-	-	-	-
<b>Asset Realisation Total</b>		-	-	-	-	-	-	-	-	-
<b>Grand Total</b>		-	-	71 0	19,176	3 8	969	74 8	20,145	269

RHL

APPENDIX III

## JOINT ADMINISTRATORS TIMES COSTS FROM 20 NOVEMBER 2009 TO 29 OCTOBER 2010

Task Type	Task Level	Partner and Director		Manager and Assistant Managers		Other Professional and Support Staff		Total Hours	Total £	Average Rate £
		Hours	£	Hours	£	Hours	£			
<b>Admin and Planning</b>	Cashiers	-	-	-	-	1 6	408 0	1 6	408	255
	Closure	-	-	-	-	-	-	-	-	-
	Compliance	0 3	157 5	0 5	215 0	-	-	0 8	373	497
	Progress Reporting Fees	-	-	7 5	1,987 5	-	-	7 5	1,988	265
	Immediate Actions Meetings	-	-	-	-	-	-	-	-	-
	Other Admin & Plan	-	-	-	-	-	-	-	-	-
	Pre-Appointment	-	-	-	-	-	-	-	-	-
<b>Admin and Planning Total</b>		<b>0 3</b>	<b>158</b>	<b>8 0</b>	<b>2,203</b>	<b>1 6</b>	<b>408</b>	<b>9 9</b>	<b>2,768</b>	<b>281</b>
<b>Creditors</b>	Distributions	-	-	-	-	-	-	-	-	-
	Employees	-	-	-	-	-	-	-	-	-
	Preferential	-	-	-	-	-	-	-	-	-
	Retention of Title Secured	-	-	-	-	-	-	-	-	-
	Shareholders	-	-	-	-	-	-	-	-	-
	Unsecured	-	-	-	-	-	-	-	-	-
<b>Creditors Total</b>		-	-	-	-	-	-	-	-	-
<b>Reporting &amp; Investigations</b>	D' Return	-	-	-	-	-	-	-	-	-
	Investigations	-	-	-	-	-	-	-	-	-
	Litigation	-	-	-	-	-	-	-	-	-
<b>Investigation Total</b>		-	-	-	-	-	-	-	-	-
<b>Other Specific Matters</b>	Other	-	-	-	-	-	-	-	-	-
	Pensions	-	-	-	-	-	-	-	-	-
	Tax & VAT	-	-	0 2	120 0	-	-	0 2	120	600
<b>Other Specific Matters Total</b>		-	-	<b>0 2</b>	<b>120</b>	-	-	<b>0 2</b>	<b>120</b>	<b>600</b>
<b>Trading</b>	Closure of Trading	-	-	-	-	-	-	-	-	-
	Day 1 Control	-	-	-	-	-	-	-	-	-
	Ongoing Trading	-	-	-	-	-	-	-	-	-
<b>Trading Total</b>		-	-	-	-	-	-	-	-	-
<b>Asset Realisation</b>	Book Debts	-	-	-	-	-	-	-	-	-
	Fixtures and Fitting	-	-	-	-	-	-	-	-	-
	Freehold Property	-	-	-	-	-	-	-	-	-
	Leasehold Property	-	-	-	-	-	-	-	-	-
	Motor Vehicles	-	-	-	-	-	-	-	-	-
	Other Assets	-	-	-	-	-	-	-	-	-
	Plant & Equipment	-	-	-	-	-	-	-	-	-
	Sale of Business	-	-	-	-	-	-	-	-	-
	Third Party Assets	-	-	-	-	-	-	-	-	-
<b>Asset Realisation Total</b>		-	-	-	-	-	-	-	-	-
<b>Grand Total</b>		<b>0 3</b>	<b>158</b>	<b>8 2</b>	<b>2,323</b>	<b>1 6</b>	<b>408</b>	<b>10 1</b>	<b>2,888</b>	<b>287</b>

RSGL

APPENDIX III

## JOINT ADMINISTRATORS TIMES COSTS FROM 20 NOVEMBER 2009 TO 29 OCTOBER 2010

Task Type	Task Level	Partner and Director		Manager and Assistant Managers		Other Professional and Support Staff		Total Hours	Total £	Average Rate £
		Hours	£	Hours	£	Hours	£			
Admin and Planning	Cashiers	-	-	0 2	86 0	2 0	510 0	2 2	596	271
	Closure	-	-	-	-	-	-	-	-	-
	Compliance	-	-	0 5	215 0	-	-	0 5	215	430
	Progress Reporting	-	-	21 2	5,487 5	-	-	21 2	5,488	259
	Fees	-	-	-	-	-	-	-	-	-
	Immediate Actions	-	-	25 0	6,250 0	-	-	25 0	6,250	250
	Meetings	-	-	-	-	-	-	-	-	-
	Other Admin & Plan Pre-Appointment	-	-	-	-	-	-	-	-	-
<b>Admin and Planning Total</b>		-	-	46 9	12,039	2 0	510	48 9	12,549	257
Creditors	Distributions	-	-	-	-	-	-	-	-	-
	Employees	-	-	-	-	-	-	-	-	-
	Preferential	-	-	-	-	-	-	-	-	-
	Retention of Title Secured	-	-	-	-	-	-	-	-	-
	Shareholders Unsecured	-	-	3 6	954 0	-	-	3 6	954	265
	<b>Creditors Total</b>		-	-	3 6	954	-	-	3 6	954
Reporting & Investigations	D' Return	-	-	-	-	-	-	-	-	-
	Investigations	-	-	-	-	-	-	-	-	-
	Litigation	-	-	-	-	-	-	-	-	-
<b>Investigation Total</b>		-	-	-	-	-	-	-	-	-
Other Specific Matters	Other	-	-	-	-	-	-	-	-	-
	Pensions	-	-	-	-	-	-	-	-	-
	Tax & VAT	-	-	2 2	650 0	-	-	2 2	650	295
<b>Other Specific Matters Total</b>		-	-	2 2	650	-	-	2 2	650	295
Trading	Closure of Trading	-	-	-	-	-	-	-	-	-
	Day 1 Control	-	-	-	-	-	-	-	-	-
	Ongoing Trading	-	-	-	-	-	-	-	-	-
<b>Trading Total</b>		-	-	-	-	-	-	-	-	-
Asset Realisation	Book Debts	-	-	-	-	-	-	-	-	-
	Fixtures and Fitting	-	-	-	-	-	-	-	-	-
	Freehold Property	-	-	-	-	-	-	-	-	-
	Leasehold Property	-	-	-	-	-	-	-	-	-
	Motor Vehicles	-	-	-	-	-	-	-	-	-
	Other Assets	-	-	-	-	-	-	-	-	-
	Plant & Equipment	-	-	-	-	-	-	-	-	-
	Sale of Business	-	-	-	-	-	-	-	-	-
Third Party Assets	-	-	-	-	-	-	-	-	-	
<b>Asset Realisation Total</b>		-	-	-	-	-	-	-	-	-
<b>Grand Total</b>		-	-	52 7	13,643	2 0	510	54 7	14,153	259