

AM10

Notice of administrator's progress report



Companies House

THURSDAY



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23/11/2017

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COMPANIES HOUSE

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house

1 Company details

Company number 0 3 3 0 9 4 6 8

Company name in full The Cottage Brewing Company Limited

→ Filling in this form
Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Craig

Surname Povey

3 Administrator's address

Building name/number Three Brindleyplace

Street 2nd Floor

Post town Birmingham

County/Region

Postcode B 1 2 J B

Country

4 Administrator's name ①

Full forename(s) Richard

Surname Toone

① Other administrator
Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number Three Brindleyplace

Street 2nd Floor

Post town Birmingham

County/Region

Postcode B 1 2 J B

Country

② Other administrator
Use this section to tell us about
another administrator.

AM10
Notice of administrator's progress report

6 Period of progress report

From date	^d 2	^d 1	^m 0	^m 4	^y 2	^y 0	^y 1	^y 7
To date	^d 2	^d 0	^m 1	^m 0	^y 2	^y 0	^y 1	^y 7

7 Progress report

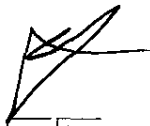
I attach a copy of the progress report

8 Sign and date

Administrator's signature

Signature

X



X

Signature date

^d 2	^d 0	^m 1	^m 1	^y 2	^y 0	^y 1	^y 7
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AM10

Notice of administrator's progress report



Presenter information

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

Contact name **Mark Broomhall**

Company name **CVR Global LLP**

Address **Three Brindleyplace**

2nd Floor

Post town **Birmingham**

County/Region

Postcode **B 1 2 J B**

Country

DX

Telephone **0121 794 0600**



Checklist

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- The company name and number match the information held on the public Register.
- You have attached the required documents.
- You have signed the form.



Important information

All information on this form will appear on the public record.



Where to send

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



Further information

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

The Cottage Brewing Company Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 21/04/2017 To 20/10/2017 £	From 21/04/2017 To 20/10/2017 £
	SECURED ASSETS	
73,322.00	Book Debts	NIL
		NIL
	SECURED CREDITORS	
(38,054.00)	Chargeholder (1)	NIL
		NIL
	HIRE PURCHASE	
65,000.00	Plant & Machinery	NIL
(14,781.00)	Finance Company(1)	NIL
		NIL
	ASSET REALISATIONS	
17,000.00	Plant & Machinery	90,000.00
1,500.00	Furniture & Equipment	NIL
	Book Debts	16,756.28
10,500.00	Beer Kegs	NIL
	Bank Interest Gross	3.94
		106,760.22
	COST OF REALISATIONS	
	Office Holders Fees	30,000.00
	Pre-Administration Fee	4,584.00
	Electronic filing fee	12.00
	Court Filing Fee	50.00
	Agents/Valuers Fees (1)	6,729.85
	Meeting Costs	28.65
	Stationery & Postage	325.33
	Settlement of finance	33,000.00
	Statutory Advertising	76.50
	Insurance of Assets	924.00
	MOCO Financial	300.00
		(76,030.33)
	PREFERENTIAL CREDITORS	
(7,286.11)	Employee Arrears/Hol Pay	NIL
		NIL
	UNSECURED CREDITORS	
(143,679.04)	Trade & Expense Creditors	NIL
(49,976.21)	Employees	NIL
(509,089.00)	HM Revenue and Customs	NIL
(19,580.10)	Landlord	NIL
(130,018.00)	Other Creditors	NIL
		NIL
(745,141.46)	30,729.89	30,729.89
	REPRESENTED BY	
	Vat Receivable	8,443.27

Bank 1 Current
Vat Payable

40,286.62
(18,000.00)

30,729.89



Craig Povey
Joint Administrator

Chancery Division, Birmingham District Registry

No. 8099 of 2017

**The Cottage Brewing Company Limited
(In Administration)**

The Joint Administrators' Progress Report to 20 October 2017

Craig Povey

Richard Toone

CVR Global LLP

Three Brindleyplace, 2nd Floor, Birmingham, B1 2JB

0121 794 0600

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.

Craig Povey and Richard Toone were appointed Joint Administrators of The Cottage Brewing Company Limited on 21 April 2017. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

Contents	Page Number
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Appendices

- I. Statutory Information and Definitions
 - II. The Joint Administrators' Receipts and Payments Account
 - III. The Joint Administrators' Time Costs
 - IV. Estimate Fee Analysis, Charge-out Rates, Disbursements and Costs
 - V. Proof of Debt form
-

1. EXECUTIVE SUMMARY

This report describes the progress since the commencement of the Administration ("the Review Period").

A summary of key information in this report is detailed below.

Asset realisations

Asset	Estimated to realise per Statement of Affairs	Realisations to date	Anticipated future realisations	Total anticipated realisations
Book Debts (Secured)	35,268.00*	16,756.28	Uncertain	16,756.28
Plant and Machinery, Furniture and Equipment, Beer Kegs	94,000.00**	90,000.00	NIL	90,000.00
Bank Interest Gross	N/A	3.94	3.00	6.94
TOTAL	129,268.00	106,760.22	3.00	106,763.22

* Estimated surplus after deduction of secured liability

** Gross value before deduction of finance

Expenses

Expense	Estimated per Proposal's Estimated Outcome Statement	Expense incurred to date	Expense drawn to date	Anticipated further expense to closure	Total anticipated expense
Pre Administration Fees	4,584.00	4,584.00	4,584.00	NIL	4,584.00
Joint Administrators' fees	44,297.00	46,615.00	30,000.00	4,000.00	50,615.00
Joint Administrators' disbursements	1,167.00	889.78	792.48	100.00	989.78
Solicitors' fees	3,500.00	1,277.50	NIL	NIL	1,277.50
Agents' fees	5,112.00	10,346.53	6,729.85	NIL	10,346.53
Insurance of Assets	1,500.00	924.00	924.00	NIL	924.00
Settlement of Finance	14,781.00	33,000.00	33,000.00	NIL	33,000.00
TOTAL	74,941.00	97,636.81	76,030.33	4,100.00	101,736.81

Dividend prospects

Creditor class	Distribution / dividend paid to date	Anticipated distribution / dividend, based upon the above
Secured creditor	N/A*	N/A*
Preferential creditors	NIL	Uncertain
Unsecured creditors	NIL	NIL

*Secured creditor has been settled in full from fixed charge book debts

1.1 Summary of key issues outstanding

- Collection of remaining book debts
- Completion and submission of final returns to HMRC
- Distribution to preferential creditors (where possible)

2. THE PROGRESS OF THE ADMINISTRATION

2.1 The Joint Administrators' receipts and payments account

Attached is a receipts and payments account for the Review Period.

The rest of this report describes the key developments in the Administration over the Review Period. For a detailed list of work undertaken by the Joint Administrators as a whole, see the attached.

In this section, we have summarised the main asset realisations during the Review Period and an estimation of the those assets yet to be realised, together with details of the associated costs incurred but as yet remaining unpaid.

2.2 Administration (including statutory reporting)

The Joint Administrators have met all required statutory and regulatory obligations. Whilst many of these tasks have not had a direct benefit in enhancing realisations for the insolvent estate, they have assisted in the efficient and compliant progressing of the administration, which has ensured that the Joint Administrators and their staff have carried out their work to requisite professional standards.

During the Review Period, primarily these tasks have included:

- Informing all relevant persons of the commencement of the Administration, including filing statutory documents at Companies House and meeting statutory advertising requirements;
 - Issuing the Joint Administrators' Proposals, seeking relevant creditors' approvals and issuing notice of the outcome;
 - Drafting and issuing the progress report to creditors;
 - Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
 - Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
 - Monitoring and maintaining an adequate statutory bond;
 - Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements;
 - Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments; and
 - Completing periodic tax returns.
-

2.3 Realisation of assets

Book Debts (Factored)

As reported in the Joint Administrators' proposals, the Company's debtor ledger was subject to an invoice factoring agreement with Lloyds Bank Commercial Finance Limited ('LCF').

LCF have now concluded their collections and ledger balances totalling £118,700 have been reassigned to the estate, along with a surplus cash balance of £13,547.51.

Further balances totalling £3,208.77 have been recovered in respect of the remaining ledger, however, I will shortly be passing the ledger to specialist recovery agents for collection. Final recoveries are currently uncertain.

Plant and Machinery, Furniture and Equipment, Beer Kegs

As at the date of my appointment, the Company owned a quantity of Plant and Equipment which had been valued by independent valuation agents, Kumar and Company Limited, as follows:

Asset	In-Situ Value	Ex Situ Value
Plant and Machinery (Financed)	65,000.00	21,800.00
Plant and Machinery (Non-Financed)	17,000.00	7,700.00
Furniture and Equipment	1,500.00	300.00
Beer Casks	10,500.00	7,000.00
TOTAL	94,000.00	36,800.00

Creditors will recall that it was originally proposed that the Company exit Administration into a Company Voluntary Arrangement with the chattel assets to be excluded from the arrangement, however, the proposal was rejected and accordingly, K&C were instructed to proceed with a disposal of the chattel assets.

12 expressions of interest were received and K&C entered into discussions both with the interested parties to seek offers, and with Close Brewery Rentals (CBR) regarding the financed assets and settlements on these.

A number of offers were received for the assets in their entirety, all of which were from unconnected third parties, with the best offer providing for gross sale proceeds of £90,000 plus VAT; however, it quickly transpired that the settlement figures being sought by CBR were far in excess of the £14,781 originally estimated in the Administration proposals, with CBR advising that a total of £96,000 would be required to settle their agreements and release the assets for sale. K&C subsequently entered into extensive negotiations with CBR to secure a more favourable settlement for the estate, and a reduced settlement of £33,000 (including VAT) was agreed.

Following agreement being reached with CBR, the offer of £90,000 plus VAT was accepted and the sale was concluded by K&C accordingly.

Bank Interest Gross

Total bank interest in the sum of £3.94 has been received during the review period.

Directors' Loan Account

In accordance with the Company's books and records, the Company's director, Mark Dearman was identified as having an overdrawn director's loan account in the sum of £215,289. Mr Dearman has provided a full sworn affidavit of means which demonstrates no significant income or assets from which the balance could be settled, and accordingly, it is not considered

appropriate that the estate should suffer the costs of pursuing bankruptcy action where no recovery for the estate would be expected.

2.4 Estimated future realisations

As noted under section 2.3, the only remaining asset to be realised comprises the Company's remaining debtor ledger. This will shortly be passed to collection agents for recovery, however, final recoveries from this remain uncertain.

2.5 Costs incurred but remaining unpaid

The following table summarises the costs incurred during the Review Period, but which as yet remain unpaid:

Cost Description	Amount (£)
Agents' fees	3,616.68
Legal fees	1,277.50
TOTAL	4,894.18

During the Review Period, the Joint Administrators have also incurred time costs and direct expenses, not all of which have yet been discharged. Further details of these costs are set out in section 5 below.

3. CREDITORS: CLAIMS AND DISTRIBUTIONS

3.1 Secured creditors

The Company granted a fixed and floating charge to Lloyds Bank Commercial Finance ('LCF') on 11 December 2012, who were estimated to be owed £38,054 on appointment. LCF's charge was fixed over the Company's factored book debts and I can confirm that liabilities to LCF have been settled in full from their collection of the ledger.

The Company had also granted a fixed charge to Leaf Business Management ('LBM') on 29 March 2017. During the Review Period, the Joint Administrators' legal advisors, Moore & Tibbits Limited, were instructed to review the validity of the LBM charge, and they have confirmed that charge is not considered to be valid. The liabilities advised to be due to LBM will, therefore, rank as an unsecured claim.

3.2 Preferential creditors

The Joint Administrators and their staff have incurred time costs in assisting employees to submit claims to the Redundancy Payments Office, and making the relevant submissions from the Company's records.

Preferential claims relating to unpaid holiday pay and wage arrears were estimated at £7,286.11 in the Director's Estimated Statement of Affairs. It is uncertain whether there will be sufficient realisations to pay a dividend to preferential creditors.

3.2 Unsecured creditors

Unsecured claims were estimated at £852,342 in accordance with the Company's books and records. Any distribution to unsecured creditors will be wholly dependent upon the final recoveries achieved from the Company's book debts.

3.3 Claims process

Due to the possible distribution to unsecured creditors, you are requested to submit claims to the address on the front of this report.

A Proof of Debt form is attached at Appendix V.

4. INVESTIGATIONS

4.1 Investigations

As part of the Joint Administrators' statutory duties, an investigation into the conduct of the Company Director was completed.

In this regard, a confidential report was submitted to The Insolvency Service on 19 July 2017.

4.2 Initial Assessment of Potential Recoveries

As part of our duties as Joint Administrators, we are obliged to review shortly after appointment all the information available to us and conduct an initial assessment of whether there are any matters which may lead to any recoveries for the benefit of creditors. This would typically include any potential claims which may be brought against parties either connected to or who have past dealings with the Company.

This review has been completed and we confirm that the only matter identified was the overdrawn directors loan account, further details of which are provided under 2.3 above.

5. THE JOINT ADMINISTRATORS' FEES AND EXPENSES

5.1 Pre-Administration Costs

Included within the Joint Administrators' Proposals was a Statement of Pre-Administration Costs.

These costs were approved as detailed below:

Party instructed	Amount approved (£)	Date approved
CVR Global LLP	£4,649.00	26 May 2017
Kumar and Company Limited	£2,569.50	26 May 2017
Moore & Tibbits Limited	£945.50	26 May 2017
TOTAL APPROVED	£8,164.00	

I can confirm that all of the above have been settled with the exception of the costs to Moore & Tibbits Limited.

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I can confirm that all of the above have been settled with the exception of the costs to Moore & Tibbits Limited.

5.2 The Joint Administrators' Fees

The basis of the Joint Administrators' fees was fixed on 26 May 2017 by a resolution of creditors as follows:

- By reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by CVR Global LLP at the time the work is performed (plus VAT); for the Administration. The estimate for such time costs being £44,297.

I can confirm that the time costs incurred during the review period are £46,615 which represents 182.20 hours at an average hourly rate of £255.85. Fees totalling £30,000 have been drawn on account of time costs incurred to date.

A breakdown of the time costs incurred during the Review Period and for the Administration as a whole is attached together with further information regarding the charge-out rates of the Joint Administrators and their staff is provided in the attached appendices.

"A Creditors' Guide to Administrators' Remuneration" is available for download at <https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2017/administration-creditor-fee-guide-6-april-2017.ashx?la=en>.

Should you require a paper copy, please send your request in writing to the Joint Administrators at the address on the front of this report and this will be provided to you at no cost.

5.3 Comparison of estimates

The Joint Administrators' time costs incurred to date (whether or not they have been charged to the Administration estate) are compared with the original fees estimate as follows:

Work category	Original fees estimate			Actual time costs incurred during the Review Period		
	Number of hours	Blended hourly rate £ per hour	Total fees £	Number of hours	Average hourly rate £ per hour	Total time costs £
Administration (including statutory reporting)	49.40	216.60	10,700.00	47.50	259.03	12,304.00
Realisation of assets	43.60	260.61	11,362.50	21.20	284.69	6,035.50
Creditors (claims and distribution)	79.00	232.34	18,354.50	96.50	251.09	24,230.50
Investigations	9.50	213.68	2,030.00	10.70	240.98	2,578.50
Case Specific Matters	9.00	205.56	1,850.00	6.30	232.78	1,466.50
TOTAL	190.50	232.53	44,297.00	182.20	255.85	46,615.00

Having regard for the costs that are likely to be incurred in bringing this Administration to a close, creditors will note that the original fees estimate has been exceeded.

The main reason why the fees estimate has been exceeded is the incurring of significant time, over and above that originally anticipated, in dealing with creditor enquiries, particularly with regard to the originally proposed Company Voluntary Arrangement, and a number of associated complexities that arose in the preparation of the various reports and correspondence to creditors for the Voluntary Arrangement, which creditors will note was ultimately rejected.

Please note that such challenges may not disturb fees or expenses (whether or not discharged from the estate) disclosed in prior progress reports.

6. CONCLUSION

The Administration will continue in order to finalise the following outstanding matters:

- Collection of remaining book debts
- Completion and submission of final returns to HMRC
- Distribution to preferential creditors (where possible)

If you require any further information please contact Mark Broomhall of this office.



C J POVEY
Joint Administrator

All Licensed Insolvency Practitioners of the firm are authorised in the UK by the Institute of Chartered Accountants in England and Wales.

Craig Povey and Richard Toone were appointed Joint Administrators of The Cottage Brewing Company Limited on 21 April 2017. The affairs, business and property of the Company are managed by the Joint Administrators. The Joint Administrators act as agents of the Company and contract without personal liability.

**THE COTTAGE BREWING COMPANY LIMITED
(IN ADMINISTRATION)**

STATUTORY INFORMATION

Company Name	The Cottage Brewing Company Limited
Previous Names	
Proceedings	In Administration
Court	Chancery Division, Birmingham District Registry
Court Reference	8099 of 2017
Date of Appointment	21 April 2017
Joint Administrators	Craig Povey and Richard Toone CVR Global LLP Three Brindleyplace, 2nd Floor, Birmingham, B1 2JB
Registered office address	c/o CVR Global LLP Three Brindleyplace, 2nd Floor, Birmingham, B1 2JB
Company Number	03309468
Appointment by	Mr Mark Dearman (Director) c/o The Cottage Brewing Company, Old Cheese Dairy, Hornblotton Road, Lovington, Somerset, BA7 7PS

DEFINITIONS

The Act	Insolvency Act 1986
The Rules	Insolvency Rules 1986 or Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event)
The Joint Administrators	Craig Povey and Richard Toone of CVR Global LLP
The Company	The Cottage Brewing Company Limited (in Administration)
The Court	Chancery Division, Birmingham District Registry
SIP	Statement of Insolvency Practice
Review Period	Period covered by the report from 21 April 2017 to 20 October 2017

THE COTTAGE BREWING COMPANY LIMITED
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT

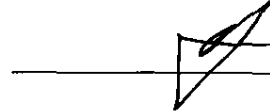
The Cottage Brewing Company Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

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		NIL	NIL
	SECURED CREDITORS		
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		NIL	NIL
	HIRE PURCHASE		
65,000.00	Plant & Machinery	NIL	NIL
(14,781.00)	Finance Company(1)	NIL	NIL
		NIL	NIL
	ASSET REALISATIONS		
17,000.00	Plant & Machinery	90,000.00	90,000.00
1,500.00	Furniture & Equipment	NIL	NIL
	Book Debts	16,756.28	16,756.28
10,500.00	Beer Kegs	NIL	NIL
	Bank Interest Gross	3.94	3.94
		106,760.22	106,760.22
	COST OF REALISATIONS		
	Office Holders Fees	30,000.00	30,000.00
	Pre-Administration Fee	4,584.00	4,584.00
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	Court Filing Fee	50.00	50.00
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	Statutory Advertising	76.50	76.50
	Insurance of Assets	924.00	924.00
	MOCO Financial	300.00	300.00
		(76,030.33)	(76,030.33)
	PREFERENTIAL CREDITORS		
(7,286.11)	Employee Arrears/Hol Pay	NIL	NIL
		NIL	NIL
	UNSECURED CREDITORS		
(143,679.04)	Trade & Expense Creditors	NIL	NIL
(49,976.21)	Employees	NIL	NIL
(509,089.00)	HM Revenue and Customs	NIL	NIL
(19,580.10)	Landlord	NIL	NIL
(130,018.00)	Other Creditors	NIL	NIL
		NIL	NIL
(745,141.46)		30,729.89	30,729.89
	REPRESENTED BY		
	Vat Receivable		8,443.27

Bank 1 Current
Vat Payable

40,286.62
(18,000.00)

30,729.89



Craig Povey
Joint Administrator

THE COTTAGE BREWING COMPANY LIMITED
(IN ADMINISTRATION)

THE JOINT ADMINISTRATORS' TIME COSTS FOR THE PERIOD 21 APRIL 2017 TO 20 OCTOBER 2017

THE COTTAGE BREWING COMPANY LTD - ADM - COTT64930

Time and Chargeout Summary for the period 21/04/2017 to 20/10/2017							
Classification of work function	Hours				Total Hours	Time Cost £	Average hourly rate £
	Partner / Director	Manager	Other Senior Professionals	Assistants & Support Staff			
Administration & Planning	17.20	0.20	8.10	22.00	47.50	12,304.00	259.03
Investigations	0.50	0.00	8.50	1.70	10.70	2,578.50	240.98
Realisation of Assets	5.40	0.00	11.30	4.50	21.20	6,035.50	284.69
Creditors	3.50	0.00	76.50	16.50	96.50	24,230.50	251.09
Case Specific Matters	0.00	0.00	5.60	0.70	6.30	1,466.50	232.78
Total Hours	26.60	0.20	110.00	45.40	182.20	46,615.00	255.85
Total fees Claimed	10,374.00	66.00	29,720.00	6,455.00	46,615.00		

Category 2 Disbursements	
Other amounts paid or payable to the office holder's firm or to any party in which the office holder or his firm or any associate has an interest	
Type and Purpose	£
Online Filing	12.00
Accounting Software	300.00
Travel and Meeting Expenses	77.45
Postage and Stationery	325.33
Specific Bond	110.00
Company Search	15.00
Statutory Advertising	76.50
Court Filing	50.00
	966.28

**THE COTTAGE BREWING COMPANY LIMITED
(IN ADMINISTRATION)**

ESTIMATE FEE ANALYSIS, CHARGE-OUT RATES AND DISBURSEMENTS AND COSTS

Revised Fees and Costs Estimate for The Cottage Brewing Company Limited in Administration as at 20/10/2017

Below is the revised fee estimate in respect of the above case. The total amount being is £57,348.50 for 226.20 hours at an average hourly rate of £253.53. The original overall fee estimate of £44,297 was approved on 26 May 2017.

Approval for remuneration sought is based on an estimate of the work necessary to the completion of the administration of the case. In the event additional work is necessary beyond what is contemplated, further approval may be sought from creditors.

General Description	Includes	Estimate of No. of Hours	Estimated blended hourly rate	Estimate of total
ADMINISTRATION AND PLANNING	Work involved in this category relates mainly to routine and statutory functions. It does not necessarily provide financial benefit to creditors, but ensures that the case is managed and administered in accordance with legislation and in a professional manner. Specific work is detailed below:	62.50	255.60	£15,975.00
Statutory/advertising	Filing of documents to meet statutory requirements Advertising in accordance with statutory requirements			
Document maintenance/file review/checklist	Filing of documents Periodic file reviews Periodic reviews of the application of ethical, anti-money laundering and anti-bribery safeguards Maintenance of statutory and case progression task lists/diaries Updating checklists			
Bank account administration	Preparing correspondence opening and closing accounts Requesting bank statements Bank account reconciliations Correspondence with bank regarding specific transfers Maintenance of the estate cash book Banking remittances and issuing cheques/BACS payments			
Planning / Review	Discussions regarding strategies to be pursued Meetings with team members and independent advisers to consider practical, technical and legal aspects of the case			
Books and records / storage	Dealing with records in storage Sending job files to storage			
INVESTIGATIONS	The office holders are required to undertake an investigation in to the affairs of the company or individual prior to the commencement of the insolvency process. An office holder is required to submit a report on the conduct of the Directors who were in office in the period three years prior to the commencement of the insolvency process, to the Insolvency Service, in accordance with legislation. Occasionally such investigations identify further potential asset recoveries. Specific work is detailed below:	10.70	253.36	£2,711.00
SIP 2 Review	Collection, and making an inventory, of company books and records Correspondence to request information on the company's dealings, making further enquiries of third parties Reviewing questionnaires submitted by creditors and directors Reconstruction of financial affairs of the company Reviewing company's books and records Preparation of deficiency statement Review of specific transactions and liaising with directors regarding certain transactions Liaising with the committee/creditors or major creditors about further action to be taken			
Statutory reporting on conduct of director(s)	Preparing statutory investigation reports Liaising with Insolvency Service			

APPENDIX IV

General Description	Includes	Estimate of No. of Hours	Estimated blended hourly rate	Estimate of total
	Submission of report with the Insolvency Service Preparation and submission of supplementary report if required Assisting the Insolvency Service with its investigations			
REALISATION OF ASSETS	This involves work in realising assets of the company or individual, which are known and stated in the statement of affairs. It may also include work involved in asset recoveries identified post appointment, which were either unknown or <i>identified during the office holders' investigations</i> . Specific work is detailed below:	25.20	268.08	£6,755.50
Plant and Equipment	Liaising with valuers, auctioneers and interested parties Reviewing asset listings Liaising with secured creditors and landlords			
Freehold/Leasehold Property	Liaising with valuers and agents on marketing strategy and offers received Dealing with tenant issues (if any) Liaising with secured creditors and landlords Agreeing assignment, surrender or disclaiming property			
Debtors	<i>Collecting supporting documentation</i> Correspondence with debtors Reviewing and assessing debtors' ledgers Receiving updates from factoring companies and liaising reassignment of ledger Liaising with debt collectors and solicitors Agreeing debt collection agency agreements <i>Dealing with disputes, including communicating with directors/former staff</i> Pursuing credit insurance claims Submitting VAT bad debt relief claims			
Leasing	Reviewing leasing documents Liaising with owners/lessors Tasks associated with disclaiming leases if appropriate			
Stock	Conducting stock takes Reviewing stock values Liaising with agents and potential purchasers Analysing the value in WIP Contracting with service-providers/suppliers to complete WIP			
Retention of Title Claims	Receive initial notification of creditor's intention to claim Provision of retention of title claim form to creditor Meeting claimant on site to identify goods Adjudicate retention of title claim Forward correspondence to claimant notifying outcome of adjudication Preparation of payment vouchers and correspondence to claimant to accompany payment of claim (if valid) Exchanges with solicitors in deciding claims and dealing with disputes			
Other assets: motor vehicles, intangibles, intellectual property, VAT/corporation tax refunds, Insurance claims	Liaising with agents to agree disposal strategy <i>Dealing with potential purchasers</i> Negotiating sales Liaising with solicitors to agree sales Collecting sales consideration Liaising with insurance companies and directors to pursue claims Examining company records to support tax refunds Exchanges with government departments			
Insurance	Identification of potential issues requiring attention of insurance specialists Correspondence with insurer regarding initial and ongoing insurance requirements Reviewing insurance policies Correspondence with previous brokers			
CREDITORS	This involves work in dealing with creditor queries and correspondence, including reports and where funds permit	118.50	250.78	£29,717.50

APPENDIX IV

General Description	Includes	Estimate of No. of Hours	Estimated blended hourly rate	Estimate of total
	agreeing creditor claims and provision of dividends to creditors. This may also involve assisting employees. Specific work is detailed below:			
Creditor Communication	Receive and follow up creditor enquiries via telephone Review and prepare correspondence to creditors and their representatives via facsimile, email and post Assisting employees to pursue claims via the RPO Corresponding with the PPF and the Pensions Regulator			
Creditor Reports	Preparing progress report, investigation, meeting and general reports to creditors Disclosure of sales to connected parties			
Dealing with proofs of debt	Receipting and filing POD when not related to a dividend Corresponding with RPO regarding POD when not related to a dividend			
Creditors' decisions	Preparation of decision notices, proxies/voting forms Collate and examine proofs and proxies/votes to establish decisions Consider objections received and requests for physical meeting or other decision procedure (For virtual meeting) Preparation of meeting file, including agenda, certificate of postage, attendance register, list of creditors, reports to creditors, advertisement of meeting and draft minutes of meeting. Responding to queries and questions following decisions Issuing notice of result of decision process			
OTHER CASE SPECIFIC MATTERS	Pre and Post appointment Taxation Non investigative legal matters	9.30	235.43	£2,189.50
TOTAL FEE EST		226.20	253.53	£57,348.50

Current Charge-out Rates for the firm

Time charging policy

Charge-out rates are normally reviewed annually when rates are adjusted to reflect such matters as inflation; increases in direct wage costs; and changes to indirect costs such as Professional Indemnity Insurance. It is the firm's policy for the cashier's time spent on an assignment to be charged to the case. However, secretarial and office admin support time is charged only in respect of identifiable blocks of time devoted to the case where we consider it to be viable to do so. All time is recorded in 6 minute units.

Staff	Charge out rates £
Partners	390-495
Consultants	390-495
Directors	360-390
Associate Directors	330-360
Managers	300-330
Assistant Manager	290-310
Senior Executive	240-275
Executive	155-190
Cashier	135-185
Secretarial/Admin/Analyst	90-125

Direct expenses ("Category 1 Disbursements")

Category 1 disbursements as defined by SIP 9, which can be specifically identified as relating to the administration of the case, will be charged to the estate at cost, with no uplift. These include but are not limited to such items as advertising our appointment, meetings and requesting claims from creditors, storage in relation to the books and records of the company or individuals and the assignment records, online reporting facilities in relation to the uploading of documents and reports for creditors, bonding and other insurance premiums to protect the estate and its assets, and properly reimbursed expenses incurred by personnel in connection with the case. Such expenses currently anticipated and estimated are as follows:

Expenses Category 1	Basis	Estimate of total £
Legal costs Moore and Tibbits Solicitors have been instructed to provide advice in respect of validity of security, the Administrators' appointment, ROT, sale of the business, potential rights of action, and general legal advice as is required.	Time-costs	2,500.00
Agents and Valuers Kumar and Company Limited have been instructed to provide a valuation and to advise on a sale of the company's business and assets	Time-costs	10,350.00
Advertising	At cost	76.50
Bonding	At cost	110.00
Cost of case management software and website document access	At cost	312.00
Insurance	At cost	924.00
Court Filing Fee	At cost	50.00
Total		14,322.50

Indirect expenses ("Category 2 Disbursements")

It is our normal practice to also charge the following indirect disbursements ("Category 2 Disbursements as defined by SIP 9) to the case, where appropriate:

Circulars to creditors:

Plain/headed paper including photocopying	12p per side
Envelopes	12p each
Postage	Actual cost

Room Hire

For the convenience of creditors and to save the cost of booking an outside hotel room, meetings of creditors are occasionally held internally at our offices. Where meetings of creditors are held in one of our internal meeting rooms, a charge of £100 plus VAT may be levied to cover the cost of booking the room.

Travel

Mileage incurred as a result of any necessary travelling is charged to the estate at the H M Revenue & Customs approved rate, currently 40p per mile.

All of the above costs are subject to amendment by the firm at any time and if amended will be notified to creditors with the next circular sent to all creditors.

Company Searches & Electronic Verification of Identity

Included in expense and/or disbursements, Company Searches and electronic Verification of Identity include an element of shared costs. Such expenses are of an incidental nature but are generally incurred on each case. In line with the cost of the external provision of such services, a charge of £15 plus VAT is levied to cover the cost of these searches.

PROOF OF DEBT - GENERAL FORM

The Cottage Brewing Company Limited (in Administration)

Date of Administration: 21 April 2017

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO