

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company. Macob Property Holdings Limited	Company number 08014025
In the High Court of Justice, Chancery Division, Companies Court [full name of court]	Court case number 1657 of 2014

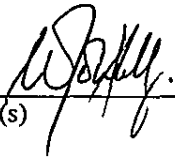
(a) Insert full name(s) and address(es) of administrator(s) **W/ We, (a) W John Kelly of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG and Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG**

* Delete as applicable **attach a copy of ~~my~~ / our proposals in respect of the administration of the above company**

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

(b) Insert date

(b) 25 April 2014

Signed 
 Joint / Administrator(s)
 Dated **25 April 2014**

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.

Begbies Traynor (Central) LLP	
10th Floor, Temple Point, 1 Temple Row Birmingham	
	Tel 0121 200 8150
Fax Number 0121 200 8160	DX Number

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

WEDNESDAY



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30/04/2014

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COMPANIES HOUSE



The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

Macob Property Holdings Limited (In Administration)

Statement of proposals for achieving the purpose of the administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986

Important Notice

This statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. 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 this report to them, or by any other person for any purpose whatsoever. Any estimated outcomes for creditors included in these proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Macob Property Holdings Limited (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Act on 4 March 2014
"the administrators", "we", "our", "us"	W John Kelly of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG And Nigel Price of Begbies Traynor (Central) LLP, 10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986 (as amended)
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(1)(a) of the Act)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security (Section 248(1)(b)(i) of the Act), and (ii) In relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(1)(b)(ii) of the Act)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Act

2. STATUTORY INFORMATION

Name of Company	Macob Property Holdings Limited
Trading name(s)	Macob Property Holdings Limited
Date of Incorporation	30 March 2012
Company registered number	08014025
Company registered office	10th Floor, Temple Point, 1 Temple Row, Birmingham, B2 5LG
Former registered office	2 Oakfield Road, Bocam Park, Bridgend, CF35 5LJ
Trading address(es)	Unit 2, Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS
Principal business activities	Holding Company

	Name	Shareholding
Directors and details of shares held in the Company (if any)	Wayne Rees	<i>None</i>
	Rowland John Roberts	<i>77 ordinary shares</i>
	David Michael Walters	<i>20 ordinary shares</i>
	Mark Simon Thomas	<i>3 ordinary shares</i>

	Name:	Shareholding
Company Secretary and details of the shares held in Company (if any)	None	-

Auditors
Clay Shaw Thomas Limited
Chartered Accountants and Statutory Auditors
Ty Atebion, Bocam Park, Bridgend, CF35 5LJ

Share capital
100 x £1 00 ordinary shares

Shareholders
77% Rowland John Roberts
20% David Walters
3% Mark Simon Thomas

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Date of appointment	4 March 2014
Date of resignation	N/A
Court	High Court of Justice, Chancery Division, Companies Court
Court Case Number	1657 of 2014
Person(s) making appointment / application	Directors
Acts of the administrators	The administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time.
EC Regulation on Insolvency Proceedings	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation.

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows

- *3 (1) The administrator of a company must perform his functions with the objective of-
- (a) rescuing the company as a going concern, or
 - (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors
- (2) Subject to sub-paragraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole
- (3) The administrator must perform his functions with the objective specified in sub-paragraph (1)(a) unless he thinks either-
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in sub-paragraph (1)(b) would achieve a better result for the company's creditors as a whole
- (4) The administrator may perform his functions with the objective specified in sub-paragraph (1)(c) only if-
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph (1)(a) and (b), and
 - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole "

4. CIRCUMSTANCES GIVING RISE TO OUR APPOINTMENT

Macob Property Holding Limited ("MPHL") was incorporated on 30 March 2012. Its purpose was to act as a new holding company following the restructure of a group of seventeen companies (including the parent company MPHL). The group consisted of three trading companies (two contracting and one scaffolding), five internal service companies (such as payroll and health & safety) and eight development companies (i.e. holding land and/or property for future development) ("the Group").

The contracting companies (Macob Limited and Macob Southern Limited) were operating in a difficult sector (construction and specifically house building) and had underperformed in recent months. This had placed a significant burden on the overall working capital facilities of the group. The group operated with a composite accounting system arrangement provided by its bank, which enabled the individual subsidiaries to hold and operate their own accounts. Whilst certain of the subsidiaries within the group had net assets, the performance and viability of its key trading subsidiaries was less certain and, consequently, more pressure was placed on working capital facilities and the overall ability of the group to pay its debts as and when they fell due.

Turnover levels in the two contracting companies were lower than had been anticipated, gross margin was depressed and losses were resulting. Whilst management were disappointed with the recent results they were more concerned by the lack of new work and tendering opportunities, particularly new work that could be priced appropriately. Management were very concerned about the ongoing viability of the two contracting companies and, as a consequence, parts of the wider group including the associated internal service companies. Management were mindful that the position of stakeholders in these companies should not deteriorate and/or be prejudiced by ongoing trading.

As detailed above, the overall group facility was coming under pressure as a consequence of the poor trading and in the absence of an immediate increase to the overdraft facility, a sizeable injection of equity and/or funds from the sale of an asset in the development companies, it was likely that one of the subsidiaries would face a precipitous action (i.e. a winding up petition) from one or more of its creditors.

With no additional finance available, and to avoid an uncontrolled and unplanned insolvency procedure, a notice of intention to appoint an administrator was filed in Court on 3 March 2014. Appointments were made over MPHL, Macob Southern Limited ("Southern"), Macob Limited ("ML"), Macob Developments Limited ("Developments"), Macob Administration Limited ("Administration"), Macob Training & Safety Services Limited ("Training"), Macob Civil Engineering Limited ("Civil") and Macob Properties Limited ("Properties"). W John Kelly and Nigel Price of Begbies Traynor were appointed as Joint Administrators on 4 March 2014 on all the above companies except for Properties, which had an appointment date on 5 March 2014.

There were nine other companies within the group (eight development companies and one trading company) that were not placed into administration.

5. STATEMENT OF AFFAIRS

The directors' have prepared a statement of affairs of the Company as at 4 March 2014 which is attached at Appendix 2. It makes no provision for the costs of the administration or any subsequent liquidation or voluntary arrangement.

Our comments on the estimated assets and liabilities can be found in the pages that follow.

6. THE ADMINISTRATION PERIOD

The Premises

MPLH holds the leasehold interest in the head office premises at Unit 2 Ynysbridge Court. The rent was paid up to and including 24 March 2014. We have agreed with the landlord a short period of occupation beyond this date to ensure that all accounting and financial records of those companies subject to administration proceedings can be brought up to date. There are a number of sub-tenants operating from the same premises and MPLH is responsible for collecting the rent on behalf of the landlord. All rents were paid up to 24 March 2014 and we are in the process of collecting rents for subsequent periods. We have issued invoices to collect the rent from the sub-tenants for the next quarter and to date the sum of £5,281 has been received.

Sale of shares. Macob Scaffolding Limited

MPLH held 80% of the shares in Macob Scaffolding Limited (CRN 03366279) ("Scaffolding"). This was a trading company not subject to administration. Scaffolding was a relatively small company with an annual turnover in the region of c£720,000. Whilst it had returned modest profits in the past its contribution was insufficient to offset the losses and cash constraints caused by the two larger trading companies (ML and Southern).

On 14 March 2014, the shares in Scaffolding were acquired by Percson Properties Limited ("Percson") for consideration of £100,000. Percson also paid £400,000 directly to the secured creditor, Barclay Bank Plc ("the Bank"), in consideration of the release of the Bank's security held against Scaffolding. Percson is owned by John Roberts and further details of this transaction are provided at Section 10. Percson also paid a further £4,000 to acquire the right to utilise tax losses (up to an amount equal to £200,000) generated by the group in respect of the accounting period 1 October 2012 to 30 September 2013.

Receipts and Payments

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration (4 March 2014) to 18 April 2014.

7. ESTIMATED OUTCOME FOR CREDITORS

The sums owed to creditors at the date of appointment (as detailed in the directors' statement of affairs) are as follows:

Secured creditor

The Company had granted a fixed and floating charge debenture to the Bank on 4 May 2012. The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities. The working capital facilities included credit and debit balances in accounts held by the different companies in the group. In accordance with the Bank's security, which included a composite banking arrangement as well as cross-guarantees held in relation to other companies in the group, the credit balances were all set off upon appointment to establish an overall indebtedness of £7,118,357. As outlined in Section 4, there were eight companies placed into administration and nine that are currently not in administration. It should be noted that there is an additional loan of £2,100,000, which is provided to Bluefield Caernarfon Limited, which is not included in the composite balance shown above but which may also be guaranteed by MPLH and the group.

Preferential creditors

There are no preferential creditors as the Company did not have any employees

Unsecured creditors

Claims of unsecured creditors are estimated at £260,440, which includes £8,387,460 of inter-company creditors

On the basis of realisations to date and estimated future realisations we estimate an outcome for each class of the Company's creditor as follows

Secured creditor

Pursuant to its fixed charge, the Bank will be entitled to the net proceeds generated by the sale of the shareholding in Scaffolding. Should the administrators sell any additional shares held by MPHL in those companies that are not in administration then the Bank would also take priority to other creditors from these realisations. The likelihood of any such realisation is very uncertain at this stage. The Bank will also be entitled to net proceeds recovered from the sale and/or realisation of assets subject to its floating charge (for instance tax losses, debtors and any VAT refunds), after first allowing for any prescribed part if applicable (see below)

Preferential creditors

There are no preferential creditor claims

Prescribed Part for unsecured creditors pursuant to Section 176A of the Act

Section 176A of the Act provides that, where the company has created a floating charge on or after 15 September 2003, the administrator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured debts. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The *prescribed part of the Company's net property* is calculated by reference to a sliding scale as follows

- 50% of the first £10,000 of *net property*,
- 20% of *net property* thereafter,
- Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part of net property* if

- the *net property* is less than £10,000 and the administrator thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- the administrator applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

We have estimated, to the best of our knowledge and belief, the Company's net property, as defined in section 176A(6) of the Act, to be £Nil and the prescribed part of the Company's net property to be £Nil

On present information we do not intend to make an application to court under Section 176A(5) of the Act for an order not to distribute the prescribed part of net property to the unsecured creditors. However, we reserve our position generally in this regard should circumstances materially change

Unsecured creditors

Based upon realisations to date and estimated future realisations there will be insufficient funds available to enable a dividend to be paid to the unsecured creditors

8. OUR PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at Section 3 of this report above

For the reasons set out in this report, it is not reasonably practicable to achieve either of the objectives specified in sub-paragraph 3(1)(a) and 3(1)(b), because the Company ceased trading upon appointment and therefore, would be unable to enter into a Company Voluntary Arrangement and, at this stage, there is unlikely to be a return to any class of creditor other than the secured creditor

Consequently, the most appropriate objective to pursue in this case is that specified in sub-paragraph 3(1)(c), namely realising property in order to make a distribution to one or more secured or preferential creditors. Furthermore, we consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

The purpose of the Administration will be achieved by maximising the value of the shares and investments held by MPHL (where possible such as Scaffolding) and then distributing the net proceeds to the secured creditor pursuant to its fixed charge. The estimated return available through any of the intercompany debtors remains very uncertain due to the level of secured creditor debt that would first need to be repaid across the group

In order that the purpose of the administration may be fully achieved, we propose to remain in office as administrators in order to conclude the realisation of the Company's property and conclude the statutory duties

Following these events we propose to finalise distributions to the secured creditor

Exit from Administration

(1) Contingency plan – extending the administration

It is anticipated that due to the nature of the Company's assets, it may not be possible to finalise the administration as envisaged within one year of the date of our appointment. In particular, this situation will arise if we are not able to conclude the sale of the various shares and investments. Paragraph 76 of Schedule B1 to the Act provides that the appointment of an administrator shall cease to have effect at the end of the period of one year beginning with the date on which it takes effect. However, our term of office may be extended either by court order for a specified period or by consent of the creditors for a specified period not exceeding six months. It may therefore become necessary at some future time for us to seek creditor consent to extending the period of the administration for up to a further six months following the anniversary of our appointment in order to ensure that the objective of the administration can be fully achieved

(2) Dissolution

On present information we consider that the Company will have insufficient property to enable a distribution to be made to unsecured creditors. Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 84 of Schedule B1 to the Act. Under these provisions, on the registration of a notice sent by us to the Registrar of Companies, our appointment as administrators ceases to have effect, and at the end of three months the Company will automatically be dissolved.

Where an administrator sends such a notice of dissolution to the Registrar of Companies, he must also file a copy of the notice with the court and send a copy to each creditor of the Company, and on application by any interested party the court may suspend or disapply the automatic dissolution of the Company.

(3) Creditors' voluntary liquidation

Notwithstanding the above, in the unlikely event that there becomes, or is likely to become, sufficient funds to enable a distribution to the unsecured creditors then the Administrators do not have a general power to make a distribution to unsecured creditors and may only do so if the court gives permission. It is considered that the court will only grant such permission in exceptional circumstances where the normal course for making distributions to unsecured creditors in a voluntary liquidation is inappropriate. Additionally, there may be matters for enquiry concerning a company's affairs which are not within the scope of an administrator's powers and which can only be properly dealt with by a liquidator.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators and that the purpose of the administration has been fully achieved, we propose to implement the provisions of Paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, our appointment as administrators shall cease to have effect and the Company will automatically be placed into creditors' voluntary liquidation. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator

We confirm that as part of our proposals we propose that we act as joint liquidators in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of our proposals.

It is proposed that for the purpose of the winding up, any act required or authorised under any enactment to be done by the joint liquidators is to be done by all or any one or more of the persons for the time being holding office.

(4) Contingency plan – unforeseen surplus funds

If (whether or not an extension to the period of administration actually becomes necessary) it ultimately transpires that there are indeed surplus funds enabling a distribution to the unsecured creditors, then unless the court makes an order permitting such a distribution on our application, we will issue revised proposals for consideration by creditors dealing with the most appropriate exit strategy from the administration in those circumstances.

9. REMUNERATION AND DISBURSEMENTS

Pre-administration costs

In the period before the Company entered administration, we carried out work consisting of meetings with directors and funders to review options available to MPHL (and the wider group) and implementing a strategy to deal with the Group's financial position ("the Work") The Work was carried out pursuant to an agreement made between us and the directors and the secured creditors entered into on 21 February 2014 ("the Agreement") The Agreement provides for the payment of our fees and the discharge of expenses incurred by us ("the Pre-administration costs") in carrying out the Work The Work was carried out before the Company entered administration because we consider that the work has furthered the likelihood of achieving the objective of the administration that is being pursued, namely realising property in order to make a distribution to one or more secured or preferential creditors

The Pre-administration costs are as follows

Our fees are in the total sum of £57,217 plus VAT (please see the Analysis of Pre-administration Costs attached at Appendix 3) and other expenses incurred are as follows

Description of Expense	Amount
BTG -Disbursements	£1,521 17 plus VAT
Eversheds LLP - Fees	£8,000 plus VAT
Eversheds LLP – Disbursements	£71 90 plus VAT
Eversheds LLP – Disbursements	£315 (No VAT)
Total	£9,908.07 plus VAT

Of the Pre-administration costs detailed above, the sum of £25,000 plus VAT was paid in fees before the Company entered administration by the Company There are unpaid Pre-administration costs in the sum of £42,125 07, made up of fees of £32,217 and expenses of £9,908 07 ("the Unpaid Costs") We are seeking that the Unpaid Costs may be paid as an expense of the administration

Pursuant to Rule 2 67A of the Rules, approval to pay the Unpaid Costs as an expense is required from the creditors' committee, or in the absence of a committee, or if the committee does not make a determination, the secured creditor of the Company Payment of the unpaid Pre-administration costs requires separate approval and is not part of our proposals subject to approval pursuant to Paragraph 53 of Schedule B1 to the Act

In order to provide sufficient information to enable approval of our fees, an Analysis of Pre-administration Costs and a Pre-administration Time Costs Summary appear at Appendix 3 These show the number of hours spent by each grade of staff involved in the case and give the average hourly rate charged for the Pre-administration costs They also provide an explanation of the work undertaken prior to our appointment

Remuneration

We propose that the basis of our remuneration be fixed under Rule 2 106 of the Rules by reference to the time properly given by us (as administrators) and the various grades of our staff calculated at the prevailing hourly rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration

These proposals contain a statement by us, in accordance with paragraph 52(1)(b) of Schedule B1 to the Act, that we consider that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176A(2)(a) of the Act (the 'prescribed part' for unsecured creditors referred to at section 7) In these circumstances, if there is no creditors' committee, or the committee does not make a determination, it is for each secured creditor and the

preferential creditors of the Company to determine the basis of our remuneration under Rule 2 106 of the Rules. In the absence of an initial meeting of creditors (see section 11 Conclusion, below) and the establishment of a creditors' committee, our remuneration is fixed by the approval of the secured and preferential creditors in accordance with Rule 2 106 (5A)

Appendix 3 sets out our firm's hourly charge out rates and the time that we and our staff have spent in attending to matters arising in the administration since 4 March 2014

Disbursements

We propose that disbursements, including disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with our firm's policy, details of which are set out at Appendix 3. These disbursements will be identified by us and subject to the approval of those responsible for determining the basis of our remuneration

10. OTHER INFORMATION TO ASSIST CREDITORS

Report on the conduct of directors

We have a statutory duty to investigate the conduct of the directors and any person we consider to be or have been a shadow or de facto director during the period of three years before the date of our appointment, in relation to their management of the affairs of the Company and the causes of its failure. We are obliged to submit confidential reports to the Department for Business, Innovation and Skills

As administrators of the Company we are required by best practice guidance to make enquiries of creditors as to whether they wish to raise any concerns regarding the way in which the Company's business was conducted prior to the commencement of the administration, or wish to bring to our attention any potential recoveries for the estate. If you would like to bring any such issues to our attention please do so in writing to the address detailed at Section 1 of this report. This request for information is standard practice and does not imply any criticism or cause of action against any person concerned in the management of the Company's affairs

Connected party transactions

We have not been made aware of any sales of the Company's assets to connected parties prior to our appointment. However, in accordance with Statement of Insolvency Practice 13, we confirm that the following assets were sold to a company that is owned and managed by a director of MPHLL

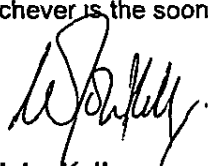
Date of sale	Asset sold and nature of transaction	Consideration paid and date	Name of Purchaser	Relationship with the Company
14 03 2014	80% Shareholding in Scaffolding and the use of group tax losses	£100k - shares £4k - tax losses £400k – release of security (paid directly to charge holder)	Percson Properties Ltd	Common directorship and shareholding Mr R J Roberts

11. CONCLUSION

As explained in Section 7 above, the Company has insufficient property to enable a distribution to be made to unsecured creditors (other than by virtue of the prescribed part)

In the circumstances, we do not intend to summon an initial meeting of the Company's creditors. However, creditors, whose debts amount to at least 10% of the total debts of the Company, may requisition such a meeting. Any such requisition must be in the prescribed manner in accordance with Rule 2.37 and be made within 8 business days of the date on which our statement of proposals is sent out. The expenses of summoning and holding a meeting at the request of a creditor shall be paid by that person, who shall deposit with us security for their payment. If no such meeting is requisitioned, then by Rule 2.33(5), our proposals are deemed to have been approved by the creditors. Where the proposals are deemed to have been approved, we will write to you to confirm that is the position.

In the absence of an initial creditors' meeting we will report on progress again approximately six months after the commencement of the administration, or at the conclusion of the administration, whichever is the sooner.



W John Kelly
Joint Administrator
Date 25 April 2014

ACCOUNT OF RECEIPTS AND PAYMENTS

4 March 2014 to 25 April 2014

**Macob Property Holdings Limited
(In Administration)
Joint Administrators' Trading Account
To 25/04/2014**

S of A £	£	£
POST APPOINTMENT SALES		
Sub-tenant rent receipts	5,281 25	5,281 25
<hr/>		
TRADING SURPLUS/(DEFICIT)		5,281.25

Macob Property Holdings Limited
(In Administration)
Joint Administrators' Abstract of Receipts & Payments
To 25/04/2014

S of A £		£	£
	SECURED ASSETS		
Uncertain	Shares & Investments	NIL	
100,000 00	Sale of Share Macob Scaffolding Limit	100,000 00	
		<u>100,000 00</u>	100,000 00
	SECURED CREDITORS		
(7,118,357 02)	Barclays Bank plc	NIL	
		<u>NIL</u>	NIL
	ASSET REALISATIONS		
Uncertain	Debtor Macob Developments Limited	NIL	
Uncertain	Debtor GYG Holdings Limited	NIL	
Uncertain	Debtor Macob Administration Limited	NIL	
Uncertain	Debtor Twenty 20 Homes Limited	NIL	
Uncertain	Debtor Macob Projects Limited	NIL	
Uncertain	Debtor Bocam Park Limited	NIL	
Uncertain	Debtor Macob Cosmetics Limited	NIL	
Uncertain	Debtor Bocam Park 2 Limited	NIL	
Uncertain	Debtor Macob Tenby Limited	NIL	
Uncertain	Debtor James Loveluck Baglan	NIL	
Uncertain	Debtor Macob Properties Limited	NIL	
Uncertain	Debtor Kinloch Court Investments	NIL	
4,000 00	Tax Losses	4,000 00	
6,662 87	VAT Refund	NIL	
6,445 00	Other debtors	NIL	
	Trading Surplus/(Deficit)	5,281 25	
		<u>5,281 25</u>	9,281 25
	UNSECURED CREDITORS		
(14,587 99)	Trade Creditors	NIL	
(207,365 00)	Directors' loan account	NIL	
(100,520 00)	Bocam Park Management	NIL	
(7,117,518 30)	Macob Limited	NIL	
(3,699 06)	Macob Developments Limited	NIL	
(8,940 18)	Macob Administration Limited	NIL	
(250,000 00)	Percson Properties Limited	NIL	
(310,926 00)	Macob Civil Engineering Limited	NIL	
(593,744 00)	Macob Southern Limited	NIL	
(2,133 00)	Macob Training & Safety Services Limi	NIL	
		<u>NIL</u>	NIL
	DISTRIBUTIONS		
(100 00)	Ordinary Shareholders	NIL	
		<u>NIL</u>	NIL
(15,610,782.68)			<u>109,281.25</u>
	REPRESENTED BY		
	Bank 1 Current		110,337 50
	Vat Payable		(1,056 25)
			<u>109,281.25</u>

DIRECTORS' STATEMENT OF AFFAIRS AS AT:

4 MARCH 2014

Macob Property Holdings Limited
Statement Of Affairs as at 4 March 2014

A - Summary of Assets

Assets	Book Value £	Estimated to Realise £
Assets subject to fixed charge:		
Shares & Investments	1,017,882 00	Uncertain
Sale of Share Macob Scaffolding Limited	100,000 00	100,000 00
Barclays Bank plc		(7,118,357 02)
Deficiency c/d		<u>(7,018,357 02)</u>
Assets subject to floating charge:		
Debtor Macob Developments Limited	71,908 00	Uncertain
Debtor GYG Holdings Limited	161,361 00	Uncertain
Debtor Macob Administration Limited	127,487 00	Uncertain
Debtor Twenty 20 Homes Limited	1,084,519 00	Uncertain
Debtor Macob Projects Limited	7,550,140 00	Uncertain
Debtor Bocam Park Limited	1,639,651 00	Uncertain
Debtor Macob Cosmetics Limited	1,238,175 00	Uncertain
Debtor Bocam Park 2 Limited	4,207,437 00	Uncertain
Debtor Macob Tenby Limited	18,222 00	Uncertain
Debtor James Loveluck Baglan	612,000 00	Uncertain
Debtor Macob Properties Limited	1,871,281 00	Uncertain
Debtor Kinloch Court Investments	10,681 00	Uncertain
Tax Losses	4,000 00	4,000 00
VAT Refund	6,662 87	6,662 87
Other debtors	6,445 00	6,445 00
Uncharged assets:		
Estimated total assets available for preferential creditors		<u>17,107 87</u>

Signature _____ Date _____

Macob Property Holdings Limited
Statement Of Affairs as at 4 March 2014

A1 - Summary of Liabilities

	Estimated to Realise £
Estimated total assets available for preferential creditors (Carried from Page A)	17,107 87
Liabilities	
Preferential Creditors -	NIL
Estimated deficiency/surplus as regards preferential creditors	17,107 87
Debts secured by floating charge pre 15 September 2003 Other Pre 15 September 2003 Floating Charge Creditors	NIL
	17,107 87
Estimated prescribed part of net property where applicable (to carry forward)	6,421 57
Estimated total assets available for floating charge holders	10,686 30
Debts secured by floating charges post 15 September 2003 Deficiency b/d	7,018,357 02
Estimated deficiency/surplus of assets after floating charges	7,018,357 02 <u>(7,007,670 72)</u>
Estimated prescribed part of net property where applicable (brought down)	6,421 57
Total assets available to unsecured creditors	6,421 57
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	
Trade Creditors	14,587 99
Directors' loan account	207,365 00
Bocam Park Management	100,520 00
Macob Limited	7,117,518 30
Macob Developments Limited	3,699 06
Macob Administration Limited	8,940 18
Percson Properties Limited	250,000 00
Macob Civil Engineering Limited	310,926 00
Macob Southern Limited	593,744 00
Macob Training & Safety Services Limited	2,133 00
	8,609,433 53
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)	(8,603,011 96)
Shortfall in respect of F C's post 14 September 2003 (brought down)	7,007,670 72
Estimated deficiency/surplus as regards creditors	(15,610,682 68)
Issued and called up capital Ordinary Shareholders	100 00
	100 00
Estimated total deficiency/surplus as regards members	<u>(15,610,782 68)</u>

Signature _____ Date _____

Begbies Traynor (Central) LLP
Macob Property Holdings Limited
B - Company Creditors

Key	Name	Address	£
CE01	EVERSHEDS LLP	1 CALLAGHAN SQUARE, CARDIFF, CF10 5BT	5,973 89
CF00	FRESHWATER	RAGLAN HOUSE, MALTHOUSE AVENUE, CARDIFF GATE BUSINESS PARK, CARDIFF, CF238BA	238 80
CH00	H M Revenue & Customs	Enforcement & Insolvency, Durrington Bridge House, Barrington Road, Worthing, BN12 4SE	0 00
CH01	H M Revenue & Customs	Insolvency Department, Regian House, James Street, Liverpool, L75 1AD	0 00
CH02	Hill Dickinson	No 1 St Paul's Square, Liverpool, L3 9SJ	530 78
CK00	KEOGHS LLP	2 THE PARKLANDS, BOLTON, BL6 4SE	124 20
CM00	MACOB LIMITED	YNYSBRIDGE COURT, GWAELOD -Y- GARTH, CARDIFF, SOUTH WALES, CF15 9SS	354 34
CM01	MACOB DEVELOPMENTS LTD	YNYSBRIDGE COURT, GWAELOD -Y- GARTH, CARDIFF, SOUTH WALES, CF15 9SS	3,699 06
CM02	MACOB ADMINISTRATION LIMITED	YNYSBRIDGE COURT, GWAELOD -Y- GARTH, CARDIFF, SOUTH WALES, CF15 9SS	8,940 18
CR00	Redskt IT (Hemel) Limited	Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ	5,888 40
CW00	WEIGHTMANS LLP	RIVERBRIDGE HOUSE, ANCHOR BOULEVARD, CROSSWAYS BUSINESS PARK, DARTFORD, DA26SL	1,831 92
11 Entries Totalling			27,581.57

Begbies Traynor (Central) LLP
Macob Property Holdings Limited
C - Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HR00	Mr Rowland John Roberts	c/o Unit 2 Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS	0	77	0	77
HT00	Mr Mark Thomas	c/o Unit 2 Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS	0	3	0	3
HW00	Mr David Walters	c/o Unit 2 Ynysbridge Court, Gwaelod-y-Garth, Cardiff, CF15 9SS	0	20	0	20
3 Entries Totalling						100

DIRECTORS' STATEMENT OF AFFAIRS

Notes to the Directors' Statement of Affairs

1 Shares & Investments

The Company was incorporated to operate as a holding company Accordingly, it holds shares in the following companies

Company Name:	CRN:	Shareholding	Status
Macob Limited	01569919	95%	In Administration
Macob (Southern) Limited	02719531	100%	In Administration
Macob Administration Limited	03366389	100%	In Administration
Macob Developments Limited	01642916	100%	In Administration
Macob Civil Engineering Limited	02623634	100%	In Administration
Macob Training and Safety Services Limited	04424727	100%	In Administration
Macob Properties Limited	05895928	75%	In Administration
Macob Projects Limited	03503801	80%	Active
Bocam Park Limited	03617880	100%	Active
Macob Cosmetics Limited	03816733	100%	Active
Bocam Park Management Company Limited	04256177	100%	Active
Macob Scaffolding Limited	03366279	80%	Active
Greenmeadow Springs Limited	04255135	100%	Active
Bocam Park 2 Limited	05098848	100%	Active
Kinloch Court Investments Limited	06469442	100%	Active
Twenty20 Homes Limited	03104575	90%	Active

Seven of the companies are subject to Administration Those companies all ceased trading immediately upon entering Administration and it is very unlikely they will have sufficient assets to enable a return to the shareholders unless all of the secured creditors, unsecured creditors and, where applicable, preferential creditors are fully repaid, together with any statutory interest The value of these investments is likely to be nil but for the purpose of this statement it has been included as uncertain

The value of the shares held in the companies that are not subject to Administration is also unknown and uncertain at this stage There are assets in these companies (largely development opportunities comprising land and/or buildings) that will be realised in due course and that could generate sufficient realisations to discharge any indebtedness due to secured creditors (directly in that company and any other balances that are due pursuant to cross guarantees) and unsecured creditors In these circumstances there could be a return to the shareholder (i e MPHL) although any amount remains very uncertain

- 2 The level of any return from the intercompany debtors will be entirely dependent on the final outcome and level of realisations achieved in the specific connected company Any return will be determined by the level of funds that ultimately become available for distribution to all unsecured creditors (connected and unconnected) and all claims will rank equally for dividend purposes in these circumstances
- 3 The monies due from HM Revenue & Customs represent an estimated VAT repayment position for the quarters ending December 2013 and March 2014 (i e up to date of appointment)

- 4 The claims of the Department for Business, Innovation and Skills represent employees' estimated claims under The Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially, and pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 which are non-preferential MPHL did not have any employees so therefore, there aren't any preferential claims
5. Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts "Net property" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation) The prescribed part is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000)

We will not be required to set aside the prescribed part of net property if

- a The net property is less than £10,000 and we think that the cost of distributing the prescribed part would be disproportionate to the benefit,
- b Or if the net property is more than £10,000, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds

The floating charge was created on 4 May 2012 in favour of Barclays Bank plc, however, based on current information, there are insufficient assets to meet the Prescribed Part requirements

- 6 The Company had granted a fixed and floating charge debenture to Barclays Bank plc ("The Bank") on 4 May 2012 The overall group debt to Barclays at the date of appointment totalled £7,118,357 (before interest and charges) which comprises a loan and overdraft facilities The working capital facilities included credit and debit balances in accounts held by the different companies in the group In accordance with the banks security, which included a composite banking arrangement as well as cross guarantees held in relation to other companies in the group, the credit balances were all setoff upon appointment to establish an overall group indebtedness of £7,118,357 It should be noted that there is an additional loan of approximately £2,100,000, which is provided to Bluefield Caernarfon Limited, which is not included in this composite balance but which may also be guaranteed by MPHL and the group
- 7 Creditors' claims are subject to agreement and will not be prejudiced by omission from the Statement of Affairs or by inclusion in a different amount from that claimed
- 8 The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs
- 9 Transactions with directors and associates

Standard practice requires disclosure to the meeting of any transactions (other than in the ordinary course of business) between the Company (including any of its subsidiaries or any other company in which it has or had an interest) and any of its directors or their associates (as defined in Section 435 of the Act) in the period of two years prior to the commencement of administration, and in the period since the commencement of the administration, or proposed to be undertaken Relevant details are as follows

Transaction 1

Date of transaction

14 March 2014

Assets acquired

Sale of shares and tax losses (Value of losses

Amount of consideration paid	available is restricted) £100,000 - shares £4,000 - tax losses £400,000 - release of security (paid direct to charge holder)
Date consideration paid	14 March 2014
Name of counterparty	Percson Properties Limited
Nature of counterparty's connected party relationship with the vendor	Common shareholder and common director
Name and qualification of person who provided independent valuation advice	Messrs Edward Symmons RCIS had previously provided an in-situ and ex-situ value of the business and assets in Scaffolding
Date of resolution of Company authorising transaction	n/a
The scope of our investigations and conclusions reached	None This was a transaction undertaken post appointment

TIME COSTS AND EXPENSES

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of our licensing bodies.

Total time spent to 22 April 2014 on this assignment amounts to 154.20 hours at an average composite rate of £315.08 per hour resulting in total time costs to £49,279.

To assist creditors in determining this matter, the following further information on time costs and expenses are set out:

- Begbies Traynor (Central) LLP's policy for re-charging expenses
- Begbies Traynor (Central) LLP's charge-out rates
- Pre-administration Time Costs Summary with Analysis of Pre-administration Costs attached
- Narrative summary of time costs incurred
- Table of time spent and charge-out value

In addition, a copy of 'A Creditors Guide to Administrators' Fees (E&W) 2011' which provides guidance on creditors' rights can be obtained online at www.begbies-traynor.com/creditorsguides. Alternatively, if you require a hard copy of the Guide, please contact my office and I will arrange to send you a copy.

BEGBIES TRAYNOR CHARGING POLICY

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to draw remuneration on the basis of the time properly spent in dealing with the case. It also applies where further information is to be provided to creditors regarding the office holder's fees following the passing of a resolution for the office holder to be remunerated on a time cost basis. Best practice guidance¹ requires that such information should be disclosed to those who are responsible for approving remuneration.

In addition, this note applies where creditor approval is sought to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm and also where payments are to be made to outside parties in which the office holder or his firm or any associate has an interest. Best practice guidance² requires that such charges should be disclosed to those who are responsible for approving the office holder's remuneration, together with an explanation of how those charges are calculated.

OFFICE HOLDER'S FEES IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

The office holder has overall responsibility for the administration of the estate. He/she will delegate tasks to members of staff. Such delegation assists the office holder as it allows him/her to deal with the more complex aspects of the case and ensures that work is being carried out at the appropriate level. There are various levels of staff that are employed by the office holder and these appear below.

The firm operates a time recording system which allows staff working on the case along with the office holder to allocate their time to the case. The time is recorded at the individual's hourly rate in force at that time which is detailed below.

EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

Best practice guidance classifies expenses into two broad categories:

- *Category 1 disbursements (approval not required)* - specific expenditure that is directly related to the case usually referable to an independent external supplier's invoice. All such items are charged to the case as they are incurred.
- *Category 2 disbursements (approval required)* - items of incidental expenditure directly incurred on the case which include an element of shared or allocated cost and which are based on a reasonable method of calculation.

(A) The following items of expenditure are charged to the case (subject to approval)

- Internal meeting room usage for the purpose of statutory meetings of creditors is charged at the rate of £100 per meeting,
- Car mileage is charged at the rate of 45 pence per mile,
- Storage of books and records (when not chargeable as a *Category 1 disbursement*) is charged on the basis that the number of standard archive boxes

¹ Statement of Insolvency Practice 9 (SIP 9) – Remuneration of insolvency office holders in England & Wales

² Ibid 1

held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,

- *Expenses which should be treated as Category 2 disbursements (approval required)* – in addition to the 2 categories referred to above, best practice guidance indicates that where payments are made to outside parties in which the office holder or his firm or any associate has an interest these should be treated as Category 2 disbursements
- (B) The following items of expenditure will normally be treated as general office overheads and will not be charged to the case although a charge may be made where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 disbursement*
- Telephone and facsimile
 - Printing and photocopying
 - Stationery

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions. The rates applying to the Birmingham office as at the date of this report are as follows

	Standard 1 May 2011 – until further notice Regional
Partner	395
Director	345
Senior Manager	310
Manager	265
Assistant Manager	205
Senior Administrator	175
Administrator	135
Trainee Administrator	110
Support	110

Time spent by support staff such as secretarial, administrative and cashing staff is charged directly to cases. It is not carried as an overhead.

Time is recorded in 6 minute units.

PRE ADMINISTRATION TIME COSTS SUMMARY

CASE NAME Macob Property Holdings Limited
CASE TYPE ADMINISTRATION
OFFICE HOLDERS W John Kelly AND Nigel Price
DATE OF APPOINTMENT 4 March 2014

1 CASE OVERVIEW

1.1 This overview is intended to provide sufficient information to enable the body responsible for the approval of pre-administration costs to consider the level of those costs in the context of the case

1.2 Time costs information

Details of the time spent by each grade of staff prior to the appointment of the administrators and the overall average hourly charge out rate for the pre-administration work are set out in the attached table. Full details of the work undertaken by the administrators and their staff prior to appointment are set out below and in the Administrators' Statement of Proposals

1.3 Overview of work undertaken prior to appointment

A full review of the group's financial position was undertaken in order to ascertain which companies were underperforming and to what extent and what options were available, including appropriate insolvency processes

1.4 Complexity of work undertaken prior to appointment

We reviewed the financial information comprising management information and statutory financial statements from each of the companies in the group including the parent company. This required numerous meetings with management in order to obtain the required information and then to assess and review the findings

1.5 Exceptional responsibilities

None

1.6 The proposed Administrators' effectiveness

An agreement was reached with the group's management and the secured creditor in order to commence the insolvency proceedings for eight companies within the group

1.7 The views of the creditors

The group's secured creditor, Barclays Bank Plc was consulted at all stages during the pre-appointment period

1.8 Approval of fees

The Administrators are seeking a resolution in relation to their pre-administration costs as follows that a proportion of the joint administrators' unpaid pre-administration costs in the total sum of £25,000 plus VAT detailed in the statement of pre-administration costs contained in the joint administrators' Statement of Proposals, be approved for payment

1 9 Approval of Expenses and Disbursements

The Administrators are seeking a resolution in relation to their pre-administration disbursements as follows that the joint administrators' unpaid pre-administration disbursements in the total sum of £1,521 17 plus VAT detailed in the statement of pre-administration costs contained in the joint administrators' Statement of Proposals, be approved for payment

Category 2 Disbursements

The following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements are proposed to be charged in relation to the period prior to appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – to and from Cardiff re management meetings	627 30
TOTAL	627 30

1 10 Other professionals employed & their costs

Eversheds LLP were instructed to assist with the legal aspects of placing the eight companies into administration. The Administrators are seeking a resolution in relation to their pre-administration time costs and disbursements as follows that the unpaid pre-administration time costs in the sum of £8,000 and disbursements in the total sum of £71 90 plus VAT and £315 excluding VAT, as detailed in the statement of pre-administration costs contained in the joint administrators' Statement of Proposals, be approved for payment

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

- 2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3
- 2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3

SUMMARY OF OFFICE HOLDERS' TIME COSTS

CASE NAME Macob Property Holdings Limited
CASE TYPE ADMINISTRATION
OFFICE HOLDERS W John Kelly AND Nigel Price
DATE OF APPOINTMENT 4 March 2014

1 CASE OVERVIEW

1.1 This overview and the time costs analysis attached is intended to provide sufficient information to enable the body responsible for the approval of the office holders' fees to consider the level of those fees in the context of the case

1.2 Complexity of the case

This is a complex case involving a group of companies of which eight companies have been placed into administration. MPHL is the parent and we have had to deal with the landlord, collect rents from sub tenants and also conclude the sale of its shares and interest in a subsidiary not subject to insolvency proceedings

1.3 Exceptional responsibilities

None

1.4 The office holders' effectiveness

We have secured a sale of 80% shareholding in Macob Scaffolding for £100,000. We also secured the sale of tax losses for the sum of £4,000.

1.5 Nature and value of property dealt with by the office holders'

The share sale of Macob Scaffolding Limited ("Scaffolding") to Percson Properties Limited ("Percson") realised £100,000. The sale of tax losses which could be used in ongoing trading realised a further £4,000. The directors' estimated statement of affairs details a pre-appointment VAT refund in the sum of £6,662.87, which is due and payable and that a small number of book debts unpaid.

1.6 Anticipated return to creditors

There will be no return to the preferential or unsecured creditors.

The secured creditor will receive a distribution but is likely to suffer a shortfall under its charges.

1.7 Time costs analysis

An analysis of time costs incurred between 3 March 2014 and 22 April 2014 prepared in accordance with Statement of Insolvency Practice 9 is attached showing the number of hours spent by each grade of staff on the different types of work involved in the case, and giving the average hourly rate charged for each work type.

The time costs analysis provides details of work undertaken by the office holders and their staff following their appointment only.

In addition to the post appointment time costs detailed in the time costs analysis, pursuant to rule 2.67(1)(c) of the Insolvency Rules 1986, the office holders' consider that the sum of £25,000 plus VAT is also properly recoverable in relation to work undertaken prior to their appointment consisting of determining whether it was reasonably likely that the purpose of

administration would be achieved and completing the required statements of the proposed administrators. The sum is calculated as follows

	Partner(s)	Senior Manager(s)	Manager(s) and Assistant Manager(s)	Total Hours	Time Cost	Average Hourly Rate
Hourly Rate	£395	£310	£265 and £205			
Pre-appointment Time	58 hours	91 30 hours	25 70 hours	175	57,217	326 95

1 8 The views of the creditors

Any queries from creditors have been dealt with in a timely manner

1 9 Approval of fees

We request that a resolution is passed to approve the basis of the Administrators' fees for the Administration period on a time cost basis, subject, to the agreement of the secured creditor, if appropriate

1 10 Approval of Expenses and Disbursements

We request that a resolution is passed to approve the basis of the Administrators' expenses and disbursements for the Administration period, subject, to the agreement of the secured creditor, if appropriate

1 11 Category 2 Disbursements

The following Category 2 disbursements and disbursements which should be treated as Category 2 disbursements have been charged to the case since the date of my appointment

Other amounts paid or payable to the office holder's firm	
Type and purpose	Amount £
Mileage – attending site in Cardiff	925 20
TOTAL	925 20

1 12 Other professionals employed & their costs

Eversheds LLP were instructed to provide assistance with the legal aspects of placing the companies into administration and all post appointment legal matters. Their fee will be based on a time costs basis

2 EXPLANATION OF OFFICE HOLDERS' CHARGING AND DISBURSEMENT RECOVERY POLICIES

2 1 Begbies Traynor (Central) LLP's policy for charging fees and expenses incurred by office holders is attached at Appendix 3

2 2 The rates charged by the various grades of staff who may work on a case are attached at Appendix 3

3. SUMMARY OF WORK CARRIED OUT SINCE APPOINTMENT

Since the date of our appointment, the following work has been carried out

- Preparing day one documentation and all statutory documentation
- Meeting with the landlord of the premises and liaising with sub tenants
- Meetings with solicitors regarding sale of Macob Scaffolding Limited shares
- Dealing with queries from creditors
- Arranging collection of the books and records
- Carrying out all statutory duties
- Liaising with pension provider regarding details of the Company's scheme
- Attending meetings with the Company's directors
- Producing update report for the Bank

