

# 2.24B

The Insolvency Act 1986

## Administrator's progress report

Name of Company W Eaden Lilley & Co Limited
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Company number 00030736
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In the High Court <small>(full name of court)</small>
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Court case number 10352 of 2009
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(a) Insert full name(s) and address(es) of administrator(s)

I/We (a)  
 Laurence Pagden  
 Menzies Business Recovery  
 Lynton House  
 7-12 Tavistock Square  
 London  
 WC1H 9LT

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

(b) Insert date

From (b) 28 January 2013
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To (b) 27 July 2013
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Signed \_\_\_\_\_  
 Joint / Administrator(s)

Dated \_\_\_\_\_  
 10. 2013

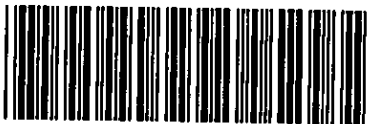
### Contact Details:

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

Laurence Pagden Menzies Business Recovery Lynton House 7-12 Tavistock Square London WC1H 9LT	020 7387 5868 DX Exchange
DX Number	

THURSDAY



\*A217XUGY\*

A25 03/10/2013 #105

COMPANIES HOUSE

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**



Our ref LP/MRN/SL/W035/3  
Your ref



business recovery  
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www.menziesbr.co.uk

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**TO ALL KNOWN MEMBERS & CREDITORS**

1 October 2013

Please ask for  
Sarah Lazarou  
DDI 020 7465 1905  
slazarou@menziesbr.co.uk

Dear Sirs

**W. Eaden Lilley & Co. Limited (In Administration) – (“the company”)  
High Court of Justice No 10352 of 2009**

**1 Introduction**

1 01 In order to comply with the regulations, I now report on the progress made in the Administration during the six months ended 27 July 2013

**2 Statutory information**

2 01	Court	High Court of Justice 10352 of 2009
2 02	Company name	W Eaden Lilley & Co Limited
2 03	Registered office	Lynton House, 7-12 Tavistock Square, London WC1H 9LT
2 04	Registered number	30736
2 05	Administrator	Laurence Pagden Menzies Business Recovery LLP, Lynton House, 7-12 Tavistock Square, London WC1H 9LT
2 06	Date of Administrator's appointment	28 January 2009 (then joint with Ian Donald Williams) In view of the fact Mr Williams was retiring from insolvency practice, he ceased to be Joint Administrator, by order of the High Court, on 23 November 2011
2 07	Name and address of Appointor	William Eaden Lilley 22 Shepreth Road, Barrington, Cambridge CB2 5SB
2 08	Extensions to period of appointment	First to 27 July 2010 with consent of creditors Second to 27 April 2011 with consent of Court Third to 27 April 2012 with consent of Court Fourth to 25 April 2014 with consent of the Court

Menzies Business Recovery LLP is a limited liability partnership registered in England and Wales with registered number OC367167

A list of the members is open to inspection at its registered office 1st Floor Midas House, 62 Goldsworth Road Woking Surrey GU21 6LQ  
Any reference to a partner in relation to Menzies Business Recovery LLP means a member of Menzies Business Recovery LLP  
Simon Underwood Laurence Pagden, Mark Newton and Robert Pick are licensed by the Insolvency Practitioners Association in the UK.  
When acting as officeholders they do so without personal liability

Menzies is a member of International. A world wide network of independent accounting firms and business advisers



INVESTOR IN PEOPLE

3 **Receipts and payments**

3 01 A receipts and payments account to 27 July 2013 is attached at Appendix I

4 **Conduct of the Administration and unrealised assets**

4 01 In the reports of 17 August 2009, 29 December 2009, 22 February 2010, 23 August 2010, 24 February 2011, 16 August 2011, 21 February 2012, 2 August 2012 and 22 February 2013, the steps being taken to realise the company's assets were set out. What follows deals with asset realisations in the same order.

*Long leasehold property*

4 02 As previously advised, I concluded the rent review on the long lease held by the company with Cambridge City Council, and then finalised the sub-lease with the sitting tenant, Simperts Limited. The sum of £157,500 has been received in respect of rental income, £17,500 of which has been received in the period to which this report relates.

4 03 The property has been extensively marketed over the last four years and while this has generated several expressions of interest and tentative offers, none of these have materialised into sales for the reasons outlined in previous reports.

4 04 In my report dated 22 February 2013, I mentioned that the fixed charge holder, Barclays Bank Plc, had instructed me to accept the best available offer of £150,000, which would result in it recovering less than was outstanding to the bank.

4 05 My selling agents were initially advised that the interested party was a cash buyer, but it later transpired that this was not the case. The proposed purchaser subsequently indicated they were seeking an alternative method of funding, but have failed to respond to any communications from my agents since May 2013. It is therefore assumed that the buyer is unable to proceed with purchasing the property.

4 06 Accordingly, after further discussions with my selling agents, I am in the process of reverting to the fixed chargeholder with the proposal to dispose of the property in an auction.

*Fixtures, furniture and equipment*

4 07 All the company's fixtures and fittings have been sold and the funds received.

*Stocks*

4 08 All the company's stocks have been realised, as previously reported.

*Motor vehicle*

4 09 The company owned a motor vehicle which was sold on the recommendation of the agents.

*Book debts*

- 4 10 As previously reported, it is considered uneconomic to attempt further collection of these small sums

*Sundry refunds*

- 4 11 These comprise principally business rates refunds
- 4 12 The VAT refund represents that proportion of the VAT on the Administrator's payments which is recoverable, bearing in mind that the remaining property is not elected to be subject to VAT

*Company trading name*

- 4 13 The previously reported sale of the company trading name to W Eaden Lilley Holdings Limited has been shown as a fixed charge recovery

*Gross bank interest*

- 4 14 To date, £527 42 has been received as a result of the realisations of the company's assets, having been placed on a deposit account

**5 Creditors**

- 5 01 I will deal with these in the order of priority prescribed by legislation

*Unsecured preferential creditors*

- 5 02 Employee claims for pay arrears (up to £800 per employee) and holiday pay rank preferentially. The claims of certain former employees, up to statutory limits, have been paid by the Insolvency Service Redundancy Payments Office. The current preferential claims are as follows

£

Employees	2,772 87
Insolvency Service Redundancy Payments Office	<u>20,360 83</u>
	<u>23,133.70</u>

*Secured creditor*

- 5 03 Barclays Bank Plc holds a legal charge over the company's long leasehold property at Mercers Row, Cambridge registered on 13 December 2003. In addition, it holds a fixed and floating charge over all the company's assets, registered on 7 October 2003
- 5 04 It is currently anticipated that the proceeds from the sale of the long leasehold property will not be sufficient to discharge the debt owed to the bank

*Unsecured non preferential creditors*

- 5 05 The company's records disclose unsecured claims of £1,197,921 which includes the pension scheme, directors' loans, rent, VAT, PAYE and ex-employees' claims. Claims received to date

total £2,142,201 87, including a provisional claim of £1,800,000 from The Pension Protection Fund This last claim appears to have been substantially reduced but confirmation has not been forthcoming

*Section 176A of the Insolvency Act 1986*

- 5 06 I am obliged to provide an estimate at the prescribed part of the company's net assets that is available to unsecured non preferential creditors pursuant to the provisions of Section 176A of the Insolvency Act 1986, which applies where a company has granted a floating charge to a creditor after 13 September 2003
- 5 07 In this case a floating charge was created after this date The value of the prescribed part is now estimated to be nil
- 5 08 It should be noted that preferential creditors are yet to receive a dividend and their claims exceed the funds available, therefore the prospects of an eventual dividend to non-preferential creditors are minimal

**6 *Investigations***

- 6 01 The results of these were fully reported in the previous reports

**7 *Administrator's remuneration and disbursements***

- 7 01 At the meeting of creditors held on 11 March 2009, it was resolved that the then Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration, limited to £80,000, subject to review
- 7 02 Subsequently, creditors resolved by correspondence to raise the cap on these fees to £100,000
- 7 03 The majority of the early work in this case was undertaken by a manager handling the day to day running of the Administration Subsequently, the Joint Administrators were increasingly involved Additional assistance has been provided by cashiers dealing with banking and statutory duties, and administrators offering various support duties whose time costs are charged directly to the case
- 7 04 Set out below are details of the timecosts from 28 January 2009 to 27 July 2013

Time costs £	Amount billed £	Amount outstanding £	Total hours	Average rate per hour £
139,078 33	100,000	39,078 33	737 00	188 71

- 7 05 I attach at Appendix II a breakdown of the timecosts by work category

- 7 06 In common with all professional firms, scale rates increase from time to time over the period of administration of each insolvency case Full details of the charge out rates currently charged by my firm as from 1 September 2012 are as follows

	<i>Rate per hour</i> (£)
Partner / Director	315-370
Manager	200
Senior	125
Administrator	85-105
Support	50-85

- 7 07 A Creditors' guide to Administrator's fees is available via the following link

<http://www.menzies.co.uk/en/services/business-recovery/guide-to-fees/>

Alternatively, it is available free of charge by contacting Menzies Business Recovery LLP

*Administrator's disbursements*

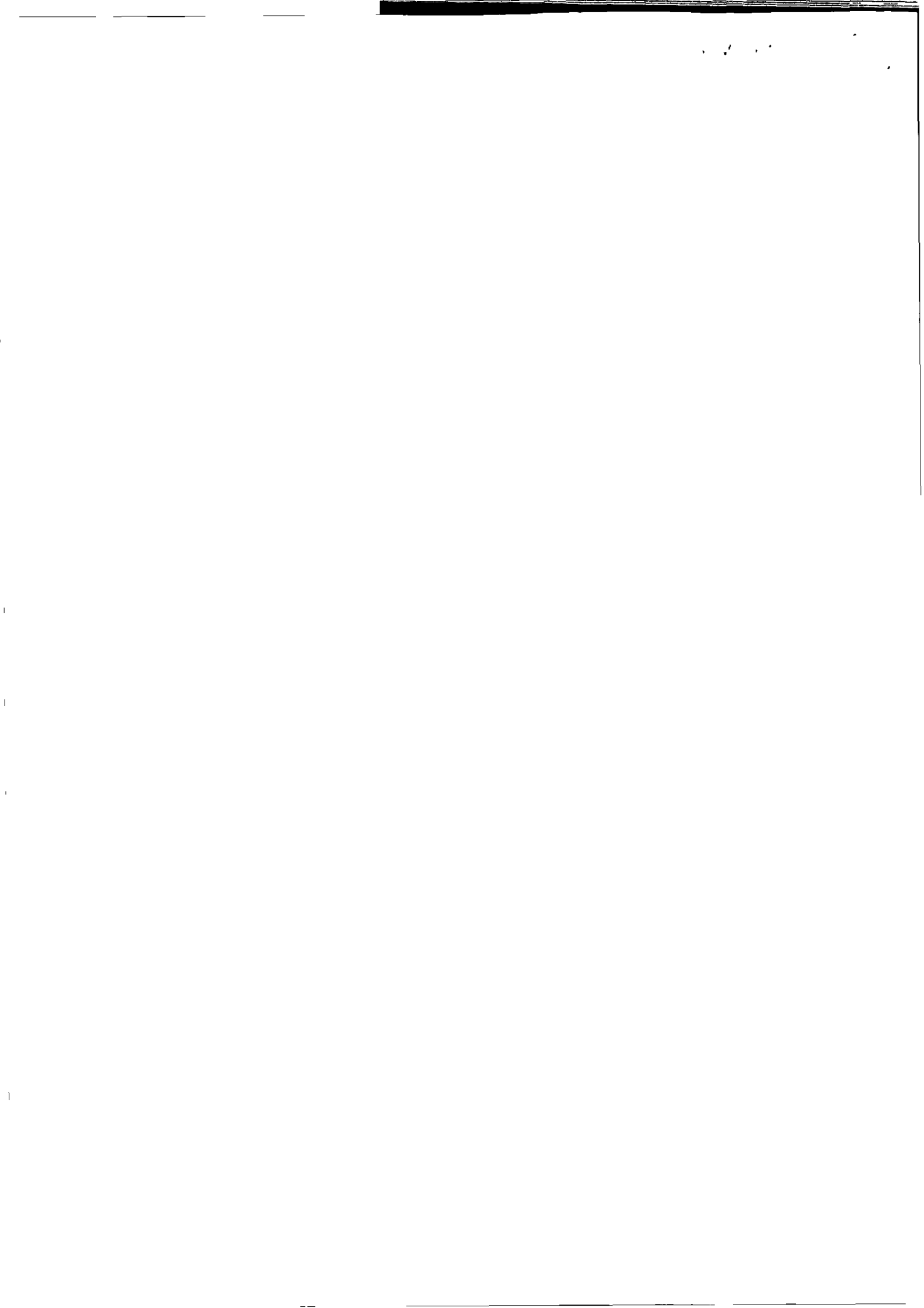
- 7 08 The disbursements incurred are shown separately on the receipts and payments account and are self explanatory and represent actual payments made on behalf of the case
- 7 09 Disbursements which have not yet been reimbursed to my firm total £409 37 and are as follows

	(£)
Travel	241 72
Storage	151 05
Bank charges	16 00
I T Support Services	0 60
<b>Total</b>	<b><u>409.37</u></b>

- 7 10 No disbursements have or will be reclaimed which include an element of shared or allocated cost (e.g. photocopying)

*Professionals and sub-contractors*

- 7 11 Where appropriate, as is customary, professionals were employed to advise in relation to certain matters requiring additional expertise In this particular case professional valuers, Layer Associates and Edward Symmons LLP, advise us on the disposal and value of the company's physical assets In addition, solicitors Lawrence Graham and Mills & Reeve have been employed to assist with various legal aspects arising in the Administration
- 7 12 Layer Associates are contracted to be paid on a commission basis with Edward Symmons LLP, while Mills & Reeve are being paid on a time cost basis During the period Mills & Reeve were paid £2,227 20 plus VAT





7 13 In order to save costs, the last two applications to Court for extensions of the Administration have been undertaken by Counsel instructed directly

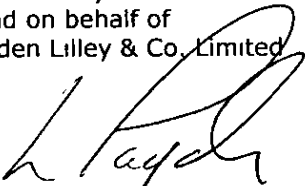
8 **Concluding remarks**

8 01 The final extension granted by the Court will expire on 25 April 2014. The latest proposed purchaser has failed to complete the purchase of the long leasehold property owned by the company. In this respect further instructions are being sought from the fixed charge holder.

8 02 The company's non-property assets have been realised and its tax liabilities arising in the Administration have been agreed and paid.

8 03 Should you require any further information, please do not hesitate to let me know. If any creditor would prefer future communications to be conducted electronically, please let me know by e-mail on [slazarou@menziesbr.co.uk](mailto:slazarou@menziesbr.co.uk)

Yours faithfully  
For and on behalf of  
W Eaden Lilley & Co. Limited

A handwritten signature in black ink, appearing to read "L Pagden", written over the typed name.

Laurence Pagden  
Administrator

The affairs, business and property of the Company are being managed by its Administrator, Laurence Pagden. The Administrator acts as agent of the Company and without personal liability.

## W EADEN LILLEY &amp; CO LIMITED (IN ADMINISTRATION)

## Receipts &amp; Payments Account for the Period 28 January 2009 to 27 July 2013

	28 01 09 to 27 01 13	28 01 13 to 27 07 13	28 01 09 to 27 07 13	Fixed charge 28 01 09 to 27 07 13	Floating charge 28 01 09 to 27 07 13
	£	£	£	£	£
<b>Receipts</b>					
Cash at bank	29,465 21		29,465 21		29,465 21
Sale of stocks	107,383 00		107,383 00		107,383 00
Licence fees	34,756 34		34,756 34		34,756 34
Sale of trading name	10,250 00		10,250 00	10 250 00	
Sales of furniture & equipment	5,985 00		5,985 00		5,985 00
Sales of fixtures and fittings	256 53		256 53		256 53
Sale of motor vehicle	1,400 00		1,400 00		1,400 00
Book debts	15,645 62		15,645 62		15,645 62
Purchases returned	10,805 71		10,805 71		10,805 71
Rent received	140,000 00	17,500 00	157,500 00	157,500 00	
Insurance from tenant	4,747 50		4,747 50	4,747 50	
Sundry refunds	28,282 29		28,282 29	2,757 83	25,524 46
VAT Refund	16,934 95		16,934 95		16,934 95
Bank interest gross	527 42		527 42		527 42
VAT on Joint Administrators' receipts	19,440 83		19,440 83		19,440 83
	<u>425,880 40</u>	<u>17,500 00</u>	<u>443,380 40</u>	<u>175,255 33</u>	<u>268,125 07</u>
<b>Payments</b>					
Joint Administrators' remuneration	100,000 00		100,000 00	10,000 00	90,000 00
Solicitor's costs	80,873 17	2,227 20	83,100 37	18,884 16	64,216 21
Counsel's fee	1,950 00		1,950 00		1,950 00
Affidavit	31 20		31 20		31 20
Agent's charges	17,884 24		17,884 24	1,833 00	16,051 24
Statement of affairs fee	2,500 00		2,500 00		2,500 00
Statutory advertising	153 18		153 18		153 18
Rates	14,866 00		14,866 00		14,866 00
Heat & Light	10,385 70	291 33	10,677 03	3,604 36	7,072 67
Water charges	666 92	84 37	751 29	373 54	377 75
Energy performance certificate	525 00		525 00	525 00	-
Telephone, fax and computer	2,290 00		2,290 00		2,290 00
Bank charges	2,088 99		2,088 99		2,088 99
	<u>234,214 40</u>	<u>2,602 90</u>	<u>236,817 30</u>	<u>35,220 06</u>	<u>201,597 24</u>
Rent	101,817 05	13,000 00	114,817 05	114,817 05	-
Security of premises	2,829 60	183 60	3,013 20	2,834 20	179 00
Insurance	20,252 59	4,770 00	25,022 59	18,990 00	6,032 59
Corporation tax to 27 January 2011	1,229 14		1,229 14	1,023 68	205 46
Corporation tax to 27 January 2012 bal	190 94		190 94	190 94	-
Specific bond	628 00		628 00		628 00
Postage	12 03		12 03		12 03
Searches	35 00		35 00		35 00
Mail redirection	201 55		201 55		201 55
Mileage	301 50		301 50		301 50
Storage costs	157 14	167 55	324 69		324 69
Alarm system maintenance	4,044 46	228 00	4,272 46	2,268 23	2,004 23
Accountancy fees	2,748 91		2,748 91		2,748 91
VAT on Joint Administrators' payments	27,109 94	33 51	27,143 45		27,143 45
VAT paid	8,364 76		8,364 76		8,364 76
	<u>169,922 61</u>	<u>18,382 66</u>	<u>188,305 27</u>	<u>140,124 10</u>	<u>48,181 17</u>
Staff salaries and wages	7,942 07		7,942 07		7,942 07
Printer sold in error	261 50		261 50		261 50
VAT	39 23		39 23		39 23
	<u>412,379 81</u>	<u>20,985 56</u>	<u>433,365 37</u>	<u>175,344 16</u>	<u>258,021 21</u>
<b>Balances</b>					
Current account	10,031 57		6,546 01	- 3,557 85	10,103 86
Deposit account	3,469 02		3,469 02	3,469 02	
	<u>13,500 59</u>		<u>10,015 03</u>	<u>- 88 83</u>	<u>10,103 86</u>

SIP9 Detailed

W. Eaden Lilley & Co Limited (In Administration)

Administrator's time cost analysis for the period 28/01/2009 to 27/07/2013

<b>Administration and planning</b>	122 60	95 30	31 10	0 20	106 37	355 57	64,731 17	182 05
Administration and planning								
<b>Creditors</b>	15 10	8 90	0 50	0 00	68 10	92 60	13,174 50	142 27
Creditors								
<b>Investigations</b>	7 60	32 53	3 00	0 00	8 80	51 93	10,115 16	194 78
Investigations								
<b>Realisation of assets</b>	87 70	43 00	4 80	0 00	49 00	184 50	42,284 50	229 18
Realisation of assets								
<b>Special Projects</b>	0 00	0 00	0 00	0 00	0 00	0 00	0 00	0 00
Special Projects								
<b>Trading</b>	1 00	40 30	6 50	0 00	4 60	52 40	8,773 00	167 42
Trading								
<b>Total Hours</b>	234 00	220 03	45 90	0 20	236 87	737 00		
<b>Total Charge</b>	76,133 50	35,662 66	4,600 00	20 00	22,662 17		139,078 33	188 71