

The Insolvency Act 1986  
**Administrator's progress report**

Name of Company  
 Astimwood Properties Limited

Company number  
 04412004

In the  
 High Court of Justice, Chancery Division, Leeds  
 District Registry

Court case number  
 818 of 2013

We  
 C P Holder  
 Zolfo Cooper  
 10 Fleet Place  
 London  
 EC4M 7RB

K J Coates  
 Zolfo Cooper  
 10 Fleet Place  
 London  
 EC4M 7RB

A C O'Keefe  
 Zolfo Cooper  
 The Zenith Building  
 26 Spring Gardens  
 Manchester  
 M2 1AB

Joint Administrators of the above company attach a progress report for the period

From  
 21 June 2013

To  
 20 December 2013

Signed *P Morris*  
 Joint Administrator

Dated 17 / 01 / 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

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SATURDAY



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

Joint Administrators'  
Progress Report  
for the period  
21 June 2013 to  
20 December 2013

Astimwood Properties Limited  
Princetown Developments Limited  
Tidalgate Investments Limited  
All in Administration  
(together the **Companies**)

17 January 2014

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## 1 Statutory information

- 1.1 Charles Peter Holder was appointed Joint Administrator of the Astimwood Properties Limited (Astimwood), Prncedown Developments Limited (Prncedown) and Tidalgate Investments Limited (Tidalgate) (known as the Companies), together with Kevin James Coates and Anne Clare O'Keefe on 21 June 2013, by Aviva Commercial Finance Limited (formerly Norwich Union Mortgage Finance Limited) (Aviva) of Sentinel House, 37 Surrey Street, Norwich, NR1 3UY. Please find the details of the Joint Administrators below:

Name	Address
Charles Peter Holder	Zolfo Cooper, 10 Fleet Place, London, EC4M 7RB
Kevin James Coates	Zolfo Cooper, 10 Fleet Place, London, EC4M 7RB
Anne Clare O'Keefe	Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB

- 1.2 The Administrations are being handled by Zolfo Cooper's Manchester office, situated at The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB.
- 1.3 The Administrations are registered in the High Court of Justice, under the following reference numbers.

Company name	Registered number	Court reference
Astimwood Properties Limited	04412004	818 of 2013
Prncedown Developments Limited	02449379	820 of 2013
Tidalgate Investments Limited	03122850	819 of 2013

- 1.4 The registered office of the Companies has been changed to c/o Zolfo Cooper, The Zenith Building, 26 Spring Gardens, Manchester, M2 1AB and their registered numbers can be found above.
- 1.5 In accordance with paragraph 100(2) of schedule B1 of the Insolvency Act 1986, all functions of the Joint Administrators are to be exercised by any or all of the Joint Administrators.

## 2 Progress of the Administrations

- 2.1 The Companies' main activities are commercial property investment and they own 21 properties across England and Scotland, details of which can be found at Appendix A (the Properties). This report should be read in conjunction with the Joint Administrators' Statement of Proposals dated 2 August 2013 (the Proposals).
- 2.2 As reported in the Proposals the Joint Administrators are pursuing the third objective of an administration for the Companies, namely to realise property in order to make a distribution to one or more secured or preferential creditors. The strategy adopted to achieve this objective for the Companies has involved the ongoing liaison with the Joint Administrators' property agents in formulating and implementing a disposal strategy.
- 2.3 As previously reported all rental income has been assigned to Aviva under its securities and will not form part of the assets of the Administrations
- 2.4 Attached at Appendix B are the Joint Administrators' Receipts and Payments Accounts for the Companies for the period 21 June 2013 to 20 December 2013.

- 2.5 The analysis of receipts and payments for the period excludes the following costs which have been incurred but not yet paid. All costs will be paid within the agreed period with each supplier.

Cost category	Supplier	Company	Amount not yet paid £
Legal fees	DLA Piper UK LLP (DLA)	Astimwood	11,079
Legal fees	DLA Piper UK LLP (DLA)	Princetown	7,977
Legal fees	DLA Piper UK LLP (DLA)	Tidalgate	10,754
Property management fees	SES	Astimwood	25,456
Property management fees	SES	Princetown	48,535
Property management fees	SES	Tidalgate	69,619
Legal costs	Cradick Retail	Princetown	3,600
<b>Total</b>			<b>177,020</b>

- 2.6 Shortly after the appointments, the Joint Administrators instructed John D Wood, the Companies' pre-appointment managing agents, to assist with the collection of the June quarters' rent.
- 2.7 As part of this process the Joint Administrators worked with John D Wood to understand the nature of the Companies' property portfolio and took steps to maximise rent collections for the June quarter, whilst ensuring there was as little disruption as possible to the tenants given the Administration appointments.
- 2.8 Shortly thereafter the Joint Administrators took steps to effect a handover of the property management from John D Wood to Storeys Edward Symmons Limited (SES), together with a handover to Edward Symmons LLP (ES) who assisted in understanding the rent position. This move allowed for the management of rental income to be completed in conjunction with the formulation of a disposal strategy for the Companies' property portfolio. Please note that both SES and ES are part of the same group.
- 2.9 The Joint Administrators worked with SES to identify the larger sites owned by the Companies and arranged for site visits to be conducted to assess their current state and identify any potential areas of concern. All matters in respect of health and safety compliance and maintenance at the sites were identified and addressed immediately.
- 2.10 Subsequently, SES prepared a number of reports for the Joint Administrators to monitor the collection of rental income and to understand the next steps with regards to preparing a disposal strategy for the Properties.
- 2.11 A further update on the progress made in respect of each company since the Joint Administrators' appointments can be found below.

### **Astimwood Properties Limited**

#### **Properties**

- 2.12 Astimwood has two properties, being a large multi-let property at Maitland House, Southend-on-Sea and 136-146 High Street, Southend-on-Sea.

- 2.13 Since the appointment the Joint Administrators have worked with SES to ensure that these two properties have remained fully operational and worked with the agents to collect rental income.
- 2.14 There have been a number of maintenance issues at the Maitland House site which have been identified by SES. The necessary remedial works have been completed to ensure that tenancy levels are maintained.

#### Other matters

- 2.15 Cash at bank of £1,074 was recovered shortly after the appointment and bank interest totalling £77 has been received.

### Princedown Developments Limited

#### Properties

- 2.16 Princedown has seven properties as set out at Appendix A.
- 2.17 As above, the Joint Administrators have worked with SES to maintain occupancy at the Princedown properties. Together with SES, work has also been completed in respect of dealing with local councils in ensuring that all rates matters are addressed.

#### Other matters

- 2.18 Cash at bank of £8,394 was recovered shortly after the appointment and bank interest totalling £45 has been received.

### Tidalgate Investments Limited

#### Properties

- 2.19 Tidalgate has eight properties as set out at Appendix A.
- 2.20 The sales of Burger King, Glasgow and 90-91 George Street, Hove completed at auction on 17 October 2013 and achieved sale prices of £755,000 and £500,000, respectively. Funds in respect of these sales have been received into the Administration bank account.
- 2.21 Since the appointment, the Joint Administrators have worked with SES to discuss potential options for the Properties and addressed all necessary property matters, including understanding the tax treatment per property, dealing with local councils and working with DLA in respect of the sales that have completed.

#### Other matters

- 2.22 Bank interest totalling £67 has been received since the Joint Administrators' appointment.

### **Next steps**

- 2.23 Following recent discussions with Aviva it has been decided that the Joint Administrators will no longer continue with the disposal process of the remaining Properties and ES have now been disinstucted in line with this strategy.
- 2.24 All property asset disposal work will be undertaken by Jones Lang LaSalle (JLL) who were appointed as Law of Property Act (LPA) Receivers over the remaining Properties on 25 November 2013. The Joint Administrators are to work in conjunction with JLL until the Properties have been sold. On conclusion of all property sales the Joint Administrators will discharge final costs, make final distributions to Aviva and proceed to cease to act.
- 2.25 The timescales in respect of completing this process are subject to the completion of the property sales, however, it is expected that the Administrations will be concluded in the next six months and as such, the next report is expected to be the final report to creditors.

## **3 Assets still to be realised**

- 3.1 As detailed above, the remaining Properties are still to be realised, and in line with Aviva's change in strategy it is expected that JLL will continue with their chosen disposal strategy as LPA Receivers.

## **4 Investigations**

- 4.1 The Joint Administrators conducted investigations into the conduct of the directors and transactions entered into prior to the Companies' insolvencies, as required by the Company Directors Disqualification Act 1986, and Statement of Insolvency Practice 2 - Investigations by Office Holders in Administrations and Insolvent Liquidations. Based upon the outcome of the Joint Administrators' investigations, there were no matters identified that required further action.

## **5 Pre-administration costs**

- 5.1 Below are pre-appointment fees charged and expenses incurred by the Joint Administrators. Approval for the costs was received from the secured creditor on 17 October 2013 and are expected to be drawn shortly.

Company	Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Amount unpaid £
Astimwood Properties Limited	Zolfo Cooper LLP	Communications with representatives of the Companies, Aviva and agents to obtain property portfolio information and aid preparation of potential disposal strategy.	3,937	Nil	3,937
Princedown Developments Limited	Zolfo Cooper LLP	As above narrative.	3,478	Nil	3,478
Tidalgate Investments Limited	Zolfo Cooper LLP	As above narrative.	3,642	Nil	3,642
<b>Total</b>					<b>11,057</b>

## 6 Joint Administrators' remuneration

- 6.1 Approval of the Joint Administrators' remuneration has been sought in accordance with rule 2.106 of the Insolvency Rules 1986 as amended. Aviva, as the secured creditor, approved on 17 October 2013 that the basis of the Joint Administrators' remuneration be fixed for the Companies by reference to the time properly spent by the Joint Administrators and their staff on matters arising in the Administrations.
- 6.2 The Joint Administrators' time costs for the Companies for the period 21 June 2013 to 20 December 2013 are detailed in the table below:

Company	Time costs £	Total hours	Average rate per hour £
Astimwood Properties Limited	68,466	189	362
Princedown Developments Limited	65,465	192	342
Tidalgate Investments Limited	68,657	201	342

- 6.3 Attached at Appendix C are Time Analyses for the period which provides details of the costs incurred by activity and by staff grade.
- 6.4 Principal areas of activity during the period are discussed in further detail below.
- **Administration and planning** - time has been incurred formulating and implementing the initial case strategy for the Companies, together with complying with statutory duties and performing general administrative work.
  - **Investigations** - time has been incurred conducting investigations into the directors' conduct together with the Companies' dealings prior to the appointments of the Joint Administrators and the submission of reports to the Department for Business, Innovation and Skills pursuant to the Company Directors Disqualification Act 1986.
  - **Realisation of assets - fixed charge** - time has been incurred dealing with the handover with John D Wood, formulating a realisation strategy for the Properties, holding discussions with SES regarding ongoing site maintenance and concluding sales matters in Tidalgate. Time has also been incurred complying with security, health and safety matters and insurance requirements at the Properties. Work in relation to the handover of property matters to JLL, general strategy and the change in disposal strategy is recorded here. Case related treasury and support time is also recorded here.



- **Creditors** - time has been incurred notifying all creditors of the appointments and preparing statutory reports. Time has also been spent dealing with general creditor correspondence and reporting to Aviva.

- 6.5 A copy of 'A Creditors' Guide to Administrations' which includes guidance on Administrators' fees can be downloaded from Zolfo Cooper's creditor portal (<http://www.zcinfoportal.com>). If you would prefer this to be sent to you in hard copy please contact Leeleya Bachoco on 0161 838 4549 or [lbachoco@zolfocooper.eu](mailto:lbachoco@zolfocooper.eu).
- 6.6 To date, the only fees drawn by the Joint Administrators relate to the fixed agreed fee in respect of the completion of the two Tidalgate properties sold at auction, these total £6,500 plus VAT.
- 6.7 The Joint Administrators can confirm that the following category 1 disbursements have been drawn in respect of the Companies:

Company	Statutory advertising £	Stationery and postage £
Astmwood Properties Limited	85	122
Princetown Developments Limited	85	66
Tidalgate Investments Limited	85	103

- 6.8 The Joint Administrators can confirm that no category 2 disbursements have been drawn to date.
- 6.9 Information in relation to the Joint Administrators' policy on staffing, the use of sub-contractors, payment of disbursements and details of current charge-out rates by staff grade is provided at Appendix D.

## 7 Estimated outcome for creditors

### Secured creditor - Aviva Commercial Finance Limited

- 7.1 The Companies granted a number of fixed and floating charges to Aviva between 2007 and 2008, a full listing of which can be found in the Proposals.
- 7.2 At the date of the appointment the secured creditor was owed £42.45 million (excluding interest and charges) under its security. Since the appointment Aviva have received approximately £2.2 million in distributions from the Companies relating to the assigned rental income and completed property sales. Aviva is likely to suffer a shortfall on its lending.

### Preferential creditors

- 7.3 The Companies had no employees therefore there will be no preferential claims.

### Unsecured Creditors' Funds

- 7.4 Pursuant to section 176A of the Insolvency Act 1986, where there is a floating charge which post-dates 15 September 2003, the Joint Administrators are required to create a fund from the Company's net property available for the benefit of unsecured creditors (Unsecured Creditors' Fund), commonly known as the 'prescribed part'.

- 7.5 As the Companies granted floating charges to the secured creditor after 15 September 2003, the Joint Administrators are required to create an Unsecured Creditors' Funds. The only floating charge realisations for the Companies is the cash at bank, which has been received from the pre-appointment bank accounts, and the potential recovery of pre-appointment inter-company debtor balances. However, the Joint Administrators do not believe these amounts will be recovered given the financial positions of the Companies.
- 7.6 As a result, the net property of each company will be nil and no funds will be available for the creation of Unsecured Creditors' Funds, therefore no distribution will be made to the unsecured creditors.

## **8 Ending the Administrations**

- 8.1 The Administrations are due to end automatically on 21 June 2014. However it is expected that the Joint Administrators will vacate office prior to the conclusion of the Administrations upon sale of the properties.

### **Dissolution of the Companies**

- 8.2 The Companies have no property to permit a distribution to their unsecured creditors. Therefore, once the Administrations have been concluded, the Joint Administrators will file notices, together with their final progress reports, at court and with the Registrar of Companies for dissolution of the Companies. The Joint Administrators will send copies of these documents to the Companies and their creditors. The appointments will end following the registration of the notices by the Registrar of Companies.

### **Discharge from liability**

- 8.3 The Joint Administrators will be discharged from liability under paragraph 98 of schedule B1 of the Insolvency Act 1986 directly after their appointments as Joint Administrators cease to have effect.

## **9 Creditors' rights**

- 9.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the agreement of at least 5% of the value of the unsecured creditors) may request in writing that the Joint Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 9.2 Any secured creditor, or an unsecured creditor (with the agreement of at least 10% of the value of unsecured creditors) may, within eight weeks of receipt of this report, make an application to court on the grounds that the basis fixed for the Joint Administrators' remuneration is inappropriate, or that the remuneration charged or the expenses incurred by the Joint Administrators as set out in this report are excessive.

## 10 Next report

- 10.1 The Joint Administrators are required to provide a progress report within one month of the end of the next six months of the Administrations, or earlier if the Administrations have been finalised.

For and on behalf of  
The Companies



Charles Peter Holder  
Joint Administrator  
Encs

## A list of the Companies' properties

## Appendix A

Address	Title number	Owning entity
Land and building at the junction of Chichester Road and Warrior Square, Southend-on-Sea	EX571371	Astimwood
Land and buildings at Warrior Square and Chichester Road, Southend-on-Sea (Leasehold)	EX561430	Astimwood
Land and building on the north side of Warrior Square, Southend-on-Sea (Leasehold)	EX403405	Astimwood
Unit 2, 136 to 146 (even), High Street, Southend-on-Sea SS1 1JX	EX624377	Astimwood
2/8 Albert Street and 1 Castle Street, Rugby	WK317126	Princetown
London House, Primrose Hill, Preston PR1 4BX (Leasehold)	LA344796	Princetown
Land on the east side of Sopers Road, Northaw	HD41685	Princetown
77-83 High Street, Southend-on-Sea	EX565920	Princetown
Land and buildings on the north east side of Birchwood Boulevard, Birchwood, Warrington	CH322723	Princetown
510 Birchwood Boulevard, Birchwood, Warrington WA3 7QX	CH302794	Princetown
109, 110 and 111 Covent Street, Kidderminster, WY10 2BH	HW141385	Princetown
8 and 8A Pembroke Road, Sevenoaks TN13 1LR	K418911	Tidalgate
Land at the rear of 8 Pembroke Road, Sevenoaks, TN13 1XR	K658520	Tidalgate
154 High Street, Sutton SM1 1LX	SY275224	Tidalgate
90 and 91 George Street, Hove	ESX149237	Tidalgate
Land and buildings on the west side of Allerton Road, Allerton	MS389326	Tidalgate
Land and buildings on the south west side of Allerton Road, 178 to 194 (even) Allerton Road, Liverpool	MS112755	Tidalgate
111 High Street, Bromley, BR1 1EY	SGL537162	Tidalgate
9 Castle Quay, Castle Boulevard, Nottingham	NT265939	Tidalgate
Friary House, 46/50 Southgate, and land lying to the west of Friary House, Southgate Street, Gloucester, GL1 2DR	GR305270	Tidalgate
Burger King, Earl Haig Road, Hillington Industrial Estate, Glasgow, G52 4SL	REN75589	Tidalgate

**Receipts and Payments Accounts for the Companies  
for the period 21 June 2013 to 20 December 2013**
**Appendix B****Astimwood Properties Limited**

Statement of Affairs £	£
<b>Fixed charge assets</b>	
Receipts	
25,860,000 Property	-
Contribution from fixed charge holder	39,404
Bank interest	16
	<u>39,420</u>
<b>Payments</b>	
Category 1 disbursements:	
Statutory advertising	85
Stationery, postage and photocopying	122
Service charge	23,263
Repairs and maintenance	809
Electricity	98
Insurance of assets	12,293
Agent's managing fees	2,750
	<u>(39,420)</u>
<b>Balance of fixed charge assets</b>	<u>-</u>
<b>Floating charge assets</b>	
Receipts	
Cash at bank	1,074
Bank interest	61
	<u>1,135</u>
<b>Balance of floating charge assets</b>	<u>1,135</u>
<b>Total balance</b>	<u>1,135</u>
<b>Represented by</b>	
Interest bearing account	1,135
	<u>1,135</u>

**Receipts and Payments Accounts for the Companies  
for the period 21 June 2013 to 20 December 2013  
(cont'd)**

**Appendix B**

**Princedown Developments Limited**

Statement of Affairs	£	£
	<b>Fixed charge assets</b>	
	Receipts	
8,300,000	Property	-
	Contribution from fixed charge holder	60,371
	Bank interest	2
		60,373
	<b>Payments</b>	
	Category 1 disbursements	
	Statutory advertising	85
	Stationery, postage and photocopying	66
	Employment maintenance costs - JD Wood	3,258
	Funds retained by Storeys Edward Symmons for costs	9,400
	Irrecoverable VAT	1,187
	Electricity	134
	Rent payable	5,750
	Insurance of assets	2,482
	Security of assets	1,200
	Rates	36,810
	Bank charges	1
		(60,373)
	<b>Balance of fixed charge assets</b>	-
	<b>Floating charge assets</b>	
	Receipts	
	Cash at bank	8,394
	Bank interest	44
		8,438
	<b>Balance of floating charge assets</b>	8,438
	<b>Total balance</b>	8,438
	<b>Represented by</b>	
	Interest bearing account	8,438
		8,438

Please note that Princedown is not registered for VAT.

**Receipts and Payments Accounts for the Companies  
for the period 21 June 2013 to 20 December 2013  
(cont'd)**

**Appendix B**

**Tidalgate Investments Limited**

Statement of Affairs	£	£
	<b>Fixed charge assets</b>	
	<b>Receipts</b>	
25,860,000	<b>Property</b>	
	Burger King, Hillington Road, Glasgow, G52 4BL	755,000
	90-91 George Street, Hove, BN3 3YE	500,000
	Bank interest	67
		<u>1,255,067</u>
	<b>Payments</b>	
	<b>Joint Administrators' remuneration</b>	
	Fixed property fee	6,500
	<b>Category 1 disbursements</b>	
	Statutory advertising	85
	Stationery, postage and photocopying	103
	Legal fees	10,559
	Legal disbursements	57
	Agent's/valuer's fees	37,650
	Agent's/valuer's disbursements	1,500
	Funds retained by Storeys Edward Symmons for costs	1,555
	Energy performance certificates	1,565
	Electricity	61
	Insurance of assets	14,964
	Agent's managing fees	6,750
	Bank charges	2
		<u>(81,351)</u>
	<b>Distributions</b>	
	Fixed chargeholder	(1,173,716)
	<b>Balance of fixed charge assets</b>	<u>-</u>
	<b>Total balance</b>	<u>-</u>

Time Analyses for the Companies for the period  
21 June 2013 to 20 December 2013

## Appendix C

## Astimwood Properties Limited

	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
Administration and planning							
Planning		5.0	-	-	5.0	2,150.00	430
Strategy and control	27.2	12.7	2.8	3.7	46.4	22,972.00	495
Statutory duties	3.3	1.2	0.6	3.5	8.6	3,180.50	370
Case administration	0.2		2.0	4.1	6.3	1,413.50	224
Accounting and treasury	0.5	0.5	0.8	10.4	12.2	2,244.00	184
Travel and waiting time	2.5	1.0	-	-	3.5	1,917.50	548
Internal documentation		1.3	3.8	7.3	12.4	2,891.00	233
Investigations							
Director conduct reports	0.3	1.0	0.7	2.0	4.0	1,112.50	278
Internal documentation		0.3	-	-	0.3	129.00	430
Realisation of assets - fixed charge							
Asset realisation strategy		34.3	0.6	0.2	35.1	14,929.00	425
Asset identification and valuation	-	0.4	12.1	3.1	15.6	4,484.00	287
Sale of assets	-	0.1	-	-	0.1	43.00	430
Dealing with third party assets	-	-	0.2	-	0.2	64.00	320
Asset accounting and administration	0.1	2.8	3.9	8.0	14.8	3,697.50	250
Trading							
Trading activities	-	-	0.8	0.3	1.1	304.00	276
Accounting and administration			0.7	-	0.7	224.00	320
Creditors							
Internal documentation	-	-	0.2	-	0.2	64.00	320
Reporting to creditors	0.4	3.4	6.6	6.8	17.2	4,832.00	282
Secured creditors		1.9	0.8		2.7	1,073.00	397
Unsecured creditors		0.7	0.7	1.0	2.4	657.00	274
Employees			0.2		0.2	64.00	320
<b>Totals</b>	<b>34.5</b>	<b>66.6</b>	<b>37.5</b>	<b>50.4</b>	<b>189.0</b>	<b>68,465.50</b>	<b>362</b>



**Time Analyses for the Companies for the period  
21 June 2013 to 20 December 2013 (cont'd)**
**Appendix C**
**Princedown Developments Limited**

	Employee grade (hours)				£		
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support	Total hours	Total cost	Average rate per hour
<b>Administration and planning</b>							
Planning	-	2.0	-	-	2.0	860.00	430
Strategy and control	19.8	16.3	2.6	3.8	42.5	20,069.00	472
Statutory duties	0.3	1.9	0.6	3.1	5.9	1,632.50	277
Case administration	0.2	-	1.7	3.9	5.8	1,285.50	222
Accounting and treasury	0.6	0.5	1.0	9.2	11.3	2,175.50	193
Travel and walking time	1.0	1.0	-	-	2.0	1,025.00	513
Internal documentation	-	0.9	3.5	8.3	12.7	2,799.00	220
<b>Investigations</b>							
Director conduct reports	0.3	0.9	1.2	2.1	4.5	1,249.50	278
Internal documentation	-	0.3	-	-	0.3	129.00	430
<b>Realisation of assets - fixed charge</b>							
Asset realisation strategy	-	38.4	0.6	0.2	39.2	16,696.00	426
Asset identification and valuation	-	0.4	12.5	3.4	16.3	4,640.00	285
Sale of assets	-	0.1	-	-	0.1	43.00	430
Dealing with third party assets	-	-	0.2	-	0.2	64.00	320
Asset accounting and administration	0.1	1.6	4.1	12.3	18.1	4,014.00	222
<b>Trading</b>							
Trading activities	-	0.1	1.2	0.7	2.0	519.00	260
Accounting and administration	-	-	0.7	1.9	2.6	479.00	184
<b>Creditors</b>							
Creditor litigation	-	0.4	-	-	0.4	156.00	390
Internal documentation	-	-	0.2	-	0.2	64.00	320
Reporting to creditors	0.4	3.4	6.6	7.0	17.4	4,884.00	281
Secured creditors	-	3.2	0.8	0.4	4.4	1,696.00	385
Unsecured creditors	-	0.7	0.9	1.0	2.6	713.00	274
Employees	-	-	0.6	0.4	1.0	256.00	256
<b>Totals</b>	<b>22.7</b>	<b>72.1</b>	<b>39.0</b>	<b>57.8</b>	<b>191.6</b>	<b>65,463.00</b>	<b>342</b>

Time Analyses for the Companies for the period  
21 June 2013 to 20 December 2013 (cont'd)

## Appendix C

## Tidalgate Investments Limited

	Employee grade (hours)				Total hours	£	
	Partner/ director	Senior associate	Associate/ analyst	Junior analyst/ support		Total cost	Average rate per hour
<b>Administration and planning</b>							
Planning		3.0	-		3.0	1,290.00	430
Strategy and control	26.2	16.4	2.8	3.9	49.3	23,835.50	484
Statutory duties	0.3	1.6	1.1	3.7	6.7	1,739.50	260
Case administration	0.2	-	1.8	4.5	6.5	1,413.50	217
Accounting and treasury	0.4	0.6	1.0	12.9	14.9	2,693.00	181
Travel and waiting time		1.0			1.0	430.00	430
Internal documentation	-	0.9	4.7	8.7	14.3	3,247.00	227
<b>Investigations</b>							
Director conduct reports	0.3	1.0	0.2	2.5	4.0	1,032.50	258
Internal documentation		0.3	-		0.3	129.00	430
<b>Realisation of assets fixed charge</b>							
Asset realisation strategy	-	36.5	0.6	0.2	37.3	15,879.00	426
Asset identification and valuation	-	0.4	12.8	3.6	16.8	4,788.00	285
Sale of assets	-	0.2		0.2	0.4	114.00	285
Dealing with third party assets	-		0.2	0.1	0.3	80.00	267
Asset accounting and administration	0.1	1.9	5.2	10.0	17.2	4,113.00	239
<b>Trading</b>							
Trading activities	-		0.8	0.9	1.7	400.00	235
Accounting and administration	-		0.7		0.7	224.00	320
<b>Creditors</b>							
Internal documentation	-	-	0.2	-	0.2	64.00	320
Reporting to creditors	0.4	3.2	6.6	7.0	17.2	4,798.00	279
Secured creditors	-	1.6	0.8	0.3	2.7	992.00	367
Unsecured creditors	-	0.7	0.8	4.0	5.5	1,169.00	213
Employees		0.2	0.2	0.3	0.7	190.00	271
<b>Totals</b>	<b>27.9</b>	<b>69.3</b>	<b>40.5</b>	<b>62.9</b>	<b>200.8</b>	<b>68,657.00</b>	<b>342</b>

## Additional information in relation to the Joint Administrators' remuneration pursuant to Statement of Insolvency Practice 9

## Appendix D

### 1 Policy

Detailed below is Zolfo Cooper's policy in relation to:

- staff allocation and the use of sub-contractors;
- professional advisors; and
- disbursements.

#### 1.1 Staff allocation and the use of sub-contractors

The Joint Administrators' general approach to resourcing their assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The case team will usually consist of a partner, an associate director or a senior associate, an associate and an analyst. The exact case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. On larger, more complex cases, several staff at all grades may be allocated to meet the demands of the case. The Joint Administrators' charge-out rate schedule below provides details of all grades of staff and their experience level.

With regard to support staff, time spent by treasury in relation to specific tasks on an assignment is charged but secretarial time is only recovered if a large block of time is incurred, eg report compilation and distribution.

The Joint Administrators have not utilised the services of any sub-contractors in this case.

#### 1.2 Professional advisors

On this assignment the Joint Administrators have used the professional advisors listed below. The Joint Administrators have also indicated the basis of their fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
DLA Piper UK LLP (legal advice)	Hourly rate and disbursements
Storeys Edward Symmons Limited (valuation and disposal advice)	Percentage of realisations and fixed valuation fee
John D Wood (property management)	Fixed rate on rental income received (June quarter only) and percentage basis on other services provided
Cradick Retail (legal advice)	Hourly rate and disbursements

The Joint Administrators' choice was based on their perception of the professional advisors' experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of their fee arrangement with them.

### 1.3 Disbursements

Category 1 disbursements do not require approval by creditors. Category 1 disbursements may include external supplies of incidental services specifically identifiable to the case eg postage, case advertising, invoiced travel and external printing, room hire and document storage. Any properly reimbursed expenses incurred by the Joint Administrators and their staff will also be chargeable

Category 2 disbursements do require prior approval by creditors before they are paid. If they are incurred, they will be drawn in accordance with the resolution approved by creditors. Category 2 disbursements that may be incurred are as follows:

- Photocopying - charged at the rate of 10 pence per sheet for notifications and reports to creditors and other copying.
- Printing - charged at the rate of 10 pence per sheet for black and white printing and 15 pence per sheet for colour.
- Business mileage for staff travel - charged at the rate of 45 pence per mile.

## 2 Charge-out rates

A schedule of Zolfo Cooper charge-out rates for this assignment effective from 1 April 2013 is detailed below. Time is charged by partners and case staff in units of six minutes.

Description	Rates from
	1 April 2013
	£
Partner 1*	595
Partner 2*	540
Director	470
Associate director*	430
Senior associate	390
Associate	320
Analyst	280
Junior analyst	160
Senior treasury associate	230
Treasury associate	155
Treasury analyst	100
Support	84

\*Key

*Partner 1 - partners with three or more years' experience at partner level*

*Partner 2 - partners with fewer than three years' experience at partner level*

*Promotion from senior associate to associate director from 1 April 2013 is on the basis of performance and experience. Prior to that, the distinction from senior associate 2 to senior associate 1 was made for staff with two or more years' experience at senior associate level*