

The Insolvency Act 1986

Statement of administrator's proposals

Name of Company Kitchen Consultants Limited	Company number 2860223
In the Cambridge County Court <div style="text-align: right; font-size: small;">[full name of court]</div>	Court case number 394 of 2010

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

I / ~~We~~ (a) Shay Lettice of Peters Elworthy and Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

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) 9 August 2010

Signed _____

~~Joint~~ Administrator(s)

Dated 10th August 2010

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.

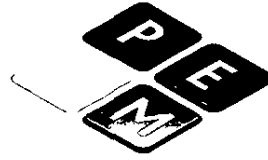
	Tel
DX Number	DX Exchange

THURSDAY

APZOXMHM

A15 141
12/08/2010
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



**Peters
Elworthy
& Moore**

TO ALL KNOWN CREDITORS

Email bdyer@pem.co.uk

Our Ref SL/KM/BD/KN001

Date 09 August 2010

Dear Sirs

Kitchen Consultants Limited – In Administration (the Company)

I wrote to all creditors on 28 June 2010 to explain that I was appointed Administrator to the Company on 25 June 2010

I am required to call an initial meeting of creditors at which my Statement of Proposals will be presented, setting out the way in which I propose to achieve the purpose of the Administration

This meeting has now been scheduled to take place on 27 August 2010 at 10.00 a.m. at Best Western Cambridge Quay Mill Hotel, Church Road, Stow-Cum-Quy, Cambridge, CB25 9AF

At this meeting creditors will be asked to consider

- The Administrator's Proposals
- Whether or not to establish a creditors' committee
- The approval of the basis of the Administrator's remuneration
- Approving the automatic discharge from liability of the Administrator following completion of the Administration

Enclosed with this letter are the following documents

- Formal notice of the meeting of creditors (Form 2 20B)
- Report and Statement of Proposals of the Administrator
- A Proxy form which must be completed and returned to me as soon as possible and in any event, no later than 12 noon on 26 August 2010, to enable you or your representative to vote at the meeting of creditors
- A statement of claim form. In order to vote at the meeting you must supply written details of your debt as at the date of my appointment

Peters Elworthy & Moore

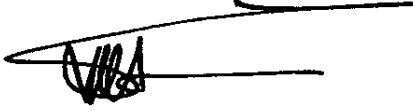
Salisbury House, Station Road, Cambridge CB1 2LA, UK

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John Parry FCA, Bill Wilsdon FCA, Roger Webster FCA, Roger Guthrie FCA CTA, Paul Chapman FCA, Shay Lettice FCA MIPA FABRP, Stephen Peak FCA, Derek Carr CTA, Sanchia Norris CTA TEP, Chris Walklett ACA, Warren Tilbury FCCA, Laragh Jeanroy ACA

If you have any queries in relation to the contents of this letter, what is being proposed or the completion of the enclosed forms, please contact Ben Dyer of this office on 01223 728222

Yours faithfully
For and on behalf of
Kitchen Consultants Limited



**Shay Lettice
Administrator**

Enc

Notice of a meeting of creditors

Name of Company Kitchen Consultants Limited	Company number 2860223
In the Cambridge County Court [full name of court]	Court case number 394 of 2010

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

Notice is hereby given by Shay Lettice of Peters Elworthy and Moore, Salisbury House, Station Road, Cambridge, CB1 2LA

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

that a meeting of the creditors of (b) Kitchen Consultants Limited, Salisbury House, Station Road, Cambridge, CB1 2LA

(c) Insert details of place of meeting

is to be held at (c) Best Western Cambridge Quy Mill Hotel, Church Road, Stow-Cum-Quy, Cambridge, CB25 9AF

(d) Insert date and time of meeting

on (d) 27 August at 10 00 hrs

The meeting is


(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule"),

*Delete as applicable

I invite you to attend the above meeting

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented

In order to be entitled to vote under Rule 2 38 at the meeting you must give to me, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim

Signed 
 Administrator(s)

Dated 27 August 2010
 A copy of the proposals is attached

* Delete as applicable

**Administrator's Report and
Statement of Proposals**

**Kitchen Consultants Limited -
In Administration**

9 August 2010

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

CONTENTS

- 1 Statutory Information
- 2 Background to the Administration
- 3 Administration Strategy and Objective
- 4 Administrator's Receipts and Payments
- 5 Financial Position
- 6 Proposals
- 7 Exit Route
- 8 Pre-administration Costs
- 9 Administrator's Remuneration
- 10 Estimated Outcome
- 11 Next Report
- 12 Meeting of Creditors

APPENDICES

Receipts and Payments Account for the Period from 25 June 2010 to 9 August 2010	Appendix A
Summary of the Directors' Statement of Affairs of the Company as at 25 June 2010	Appendix B
Time Analysis for the Period from 25 June 2010 to 9 August 2010	Appendix C
Additional information in relation to Administrator's fees pursuant to Statement of Insolvency Practice 9	Appendix D
Estimated Outcome Statement as at 9 August 2010	Appendix E

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

1 Statutory Information

- 1.1 The registered number of Kitchen Consultants Limited (the **Company**) is 2860223
- 1.2 The former trading addresses of the Company were 120 East Road, Cambridge, CB1 1DB and The Old Laundry, Green Street, Green Road, Longfield, Dartford, Kent, DA2 8EB
- 1.3 The registered office of the Company has been changed from 120 East Road, Cambridge, CB1 1DB to Salisbury House, Station Road, Cambridge, CB1 2LA
- 1.4 Details of the Company's directors and secretary are as follows:

	Date appointed	Date resigned	Shares held
Director(s)			
David Stewart	1 July 2001	N/A	Nil
David Roberts	31 March 1999	N/A	Nil
James Paddington	1 January 2009	17 August 2009	Nil
Secretary			
David Stewart	8 June 2008	N/A	Nil

2 Background to the Administration

- 2.1 The company was incorporated on 7 October 1993 and was subject to a management buy-out in June 2003. The Company traded successfully carrying out both contract and retail kitchen design, supply and installation work, with a showroom and office in Cambridge, offices in Dartford, together with other leased warehouse facilities.
- 2.2 The Company first encountered financial difficulties in the fourth quarter of 2008 when Sterling depreciated sharply against the Euro. This resulted in exchange rate losses of over £250,000. The position worsened throughout 2009 as credit insurance limits were reduced leading to a requirement for the Company to make "up front" payments for supplies thus causing considerable cash flow difficulties.
- 2.3 In light of these difficulties throughout 2009 and early 2010 the Company looked to secure further funding from its bank and through an EFG loan. After exploring in detail an application for an EFG loan the bank advised in May 2010 that they considered that further funding would be difficult to obtain. At this stage the directors sought advice from their solicitor. After assessing the position they were advised that the company was insolvent and that they should seek the services of an Insolvency Practitioner.

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

- 2.4 Following this the Directors held meetings with Shay Lettice of Peters, Elworthy & Moore. Having reviewed all of the possible options it was concluded that Administration was the best option and that a pre-packaged sale should be explored to enable the best possible realisations.
- 2.5 As a result, Shay Lettice of Peters Elworthy & Moore Salisbury House, Station Road, Cambridge CB1 2LA, a licensed insolvency practitioner, was appointed Administrator of the Company by the directors on 25 June 2010.
- 2.6 The Administration is registered in the Cambridge County Court, under reference number 393 of 2010.
- 2.7 The EC Regulation on Insolvency Proceedings 2000 applies to the Administration. The proceedings are main proceedings as defined by Article 3 of the Regulation. The Company is based in the United Kingdom.

3 Administration Strategy and Objective

- 3.1 The Administrator must perform his functions with the purpose of achieving one of the following objectives:
- rescuing the Company as a going concern,
 - 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
 - realising property in order to make a distribution to one or more secured or preferential creditors.

Further information on the pursuance of the above objectives is detailed below.

- 3.2 As detailed in the SIP 16 report dated 28 June 2010 a sale of the Company's business and assets was concluded on 25 June 2010 to Nicholas Anthony Limited following the Company being placed into administration. A pre-packaged sale was considered necessary because it was believed that this would achieve 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) and the following points were considered to be significant -
- a) Value will attach to the "goodwill" of the company resulting in better realisation from the "pre-pack" sale,

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

- b) The value of stock will be larger in the event of a sale in administration than in a liquidation,
- c) Due to the continuity of the business the collection of book debts and retentions will be further improved,
- d) The completion of contracts and general snagging will reduce the amounts of any counterclaims against the company,
- e) Employee claims against the company may be reduced, and
- f) Even though the company cannot be saved it is likely that the business can and this may allow jobs to be saved

In this case 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) is the objective being pursued

- 3 3 Consideration includes £20,000 for the stock and chattel assets and an initial payment of £50,000 for the company's goodwill both of which were payable on completion. Goodwill will also attract an "earnout" based on deferred income of 4% of turnover for the period from the date of sale to 31 December 2010 and 2.5% of turnover from the 1 January 2011 for a period of 12 months. This is expected to realise a further £44,000 and £27,500 respectively. The first payment from deferred income will be due on 30 January 2011 and will cover the six months to 31 December 2010. The remainder will be paid quarterly in arrears.
- 3 4 Following the completion of the pre-packaged sale of the Company's business and assets on 25 June 2010 to Nicholas Anthony Limited, the Administrator sent a letter to creditors on 28 June 2010 to provide further information on the sale pursuant to the requirements of Statement of Insolvency Practice No 16. If you wish to receive a further copy of this letter please contact Ben Dyer on 01223 728222.

4 Administrator's Receipts and Payments

- 4 1 A summary of receipts and payments for the Administration period from the date of my appointment to 9 August 2010 is attached as Appendix A.
- 4 2 You will note that I have received the "up front" elements of the consideration detailed above, namely £50,000 in respect of goodwill and a further £20,000 in respect of chattel assets and stock. You will note that a further £5,740 has been received in respect of licence fees, these monies will be paid over to the landlords shortly.
- 4 3 I have also received a further £1,189.17 in respect of book debts.

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

4.4 To date I have expended £7,524.24 relating to legal fees incurred in negotiating and drafting the sale and purchase agreement, together with advice received relating to procedural issues

5 Financial Position

5.1 Attached at Appendix B is a summary of the Directors' Estimated Statement of Affairs of the Company as at the date of the appointment of the Administrator

5.2 Further observations in relation to the Directors' Estimated Statement of Affairs are included in section 10 relating to the estimated outcome statement

6 Proposals

It is proposed that the Administrator will continue to manage the affairs of the Company in order to achieve the objective of the Administration. In the circumstances it is proposed that

6.1 If having realised the assets of the Company, the Administrator thinks that a distribution will be made to the unsecured creditors, he proposes filing a notice with the Registrar of Companies which will have the effect of bringing the appointment of the Administrator to an end and will move the Company automatically into Creditors' Voluntary Liquidation (CVL) in order that the distribution can be made. In these circumstances, it is proposed that the Administrator will become the Liquidator of the CVL. See Section 7 below on **Exit Routes** for further information on this process.

6.2 If the Administrator thinks that the Company has no property which might permit a distribution to its creditors, he will file a notice with the Court and the Registrar of Companies for the dissolution of the Company. See Section 7 below on **Exit Routes** for further information on this process.

6.3 The Administrator shall do all such other things and generally exercise all of his powers as contained in Schedule 1 of the Insolvency Act 1986, as he considers desirable or expedient to achieve the statutory purpose of the Administration.

6.4 The creditors consider establishing a Creditors' Committee and that if any such Committee is formed they be authorised to sanction the basis of the Administrator's remuneration and any proposed act on the part of the Administrator without the need to report back to a further meeting of creditors generally, to include any decision regarding the most appropriate exit route from the Administration.

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

- 6 5 The basis of the Administrator's remuneration may be fixed as one or more of the following bases and different bases may be fixed in respect of different things done by him
- as a percentage of the value of the assets he has to deal with, or
 - by reference to time properly spent by the Administrator and his staff managing the Administration, or
 - as a set amount
- 6 6 Where no Creditors' Committee is appointed, the remuneration of the Administrator shall be fixed by resolution of a meeting of creditors or where the Administrator thinks that the company has insufficient property to enable a distribution to be made to the unsecured creditors (other than via the prescribed part), approval will be sought from the secured and (if necessary) the preferential creditors in accordance with R2 106 of the Insolvency Rules 1986
- 6 7 In this case, the Administrator is seeking to approve the basis of his remuneration as follows
- By reference to the time properly spent by the Administrator and his staff in attending to matters arising in the Administration
- 6 8 The Administrator be authorised to draw remuneration as and when funds are available
- 6 9 The Administrator will be discharged from liability under Paragraph 98 of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect

7 Exit Routes

Creditors Voluntary Liquidation

- 7 1 Based on present information, the Administrator thinks a dividend may be paid to the unsecured creditors. In this situation, the Administrator will file a notice with the Registrar of Companies in order that the Administration will cease and the Company will move automatically into Creditors' Voluntary Liquidation (CVL). It is proposed that the Administrator will also become the Liquidator of the CVL.
- 7 2 Creditors have the right to nominate an alternative liquidator of their choice. To do this, creditors must make their nomination in writing to the Administrator prior to these proposals being approved. Where this occurs, the Administrator will advise creditors and provide the

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

opportunity to vote. In the absence of a nomination, the Administrator will automatically become the Liquidator of the subsequent CVL.

8 Pre-administration Costs

Pre-administration costs are defined as

(i) Fees charged, and

(ii) Expenses incurred

by the Administrator, or another person qualified to act as an insolvency practitioner before the company entered Administration (but with a view to its doing so), and "unpaid pre-administration costs" are pre-administration costs which had not been paid when the company entered Administration.

8.1 The Administrator's pre-administration fees were agreed by the directors of the Company prior to my appointment of £10,000 plus VAT. An element of this fee totalling £3,500 was settled by the Company and the remainder is outstanding. A further £500 plus VAT was incurred in respect of work carried out by Cheffins who provided a valuation of the chattel assets.

8.2 These fees relate to advice and assistance given in relation to the Administration process, assisting with the exploration of a possible sale of the business and assets and carrying out the formalities required in completing the necessary paperwork to place the company into Administration. This work was carried out pre-administration as it facilitated the achievement of Para 3 of Schedule B1 as the sale carried out in this manner is likely to achieve greater realisations for the reasons already set out in this report. It is therefore likely to enable 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).

8.3 Pre-appointment fees charged and expenses incurred by the administrator are as follows:

Charged by	Brief description of services provided	Total amount charged £	Amount paid £	Who payments made by	Amount unpaid £
<i>Peters Elworthy & Moore</i>	<i>Marketing of the company & negotiation of the sale to Nicholas Anthony Ltd</i>	<i>£10,000 plus Vat</i>	<i>£3,500</i>	<i>Kitchen Consultants Ltd</i>	<i>£8,250</i>
<i>Cheffins</i>	<i>Valuation of stock and office equipment</i>	<i>£500 Plus Vat</i>	<i>Nil</i>	<i>n/a</i>	<i>£587.50</i>

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

8.4 The payment of the unpaid pre-administration costs set out above as an expense of the Administration is subject to the approval of creditors, separately to the approval of the Administrator's proposals. This approval will be the responsibility of the Creditors' Committee if one is appointed or alternatively by resolution of a meeting of creditors where there is no Committee.

9 Administrator's Remuneration

9.1 The Administrator's time costs from the date of Administration to 9 August 2010 are £12,765.80. This represents 105.10 hours at an average rate of £121.46 per hour. As noted in the Proposals section above, the Administrator is seeking to fix the basis of his remuneration on a time cost basis. Appropriate approval will be sought as outlined in section 6 of this report.

9.2 A copy of "A Creditors' Guide to Administrator's fees" is available on request or can be downloaded from www.pem.co.uk/recovery/insolv_guides.html. If you would prefer this to be sent to you in hard copy please contact Ben Dyer of this office on 01223 728 222.

Attached as Appendix C is a Time Analysis which provides details of the activity costs incurred by staff grade to the above date.

9.3 Attached as Appendix D is additional information in relation to my firm's policy on staffing, the use of sub-contractors, disbursements and details of our current charge-out rates by staff grade.

9.4 You will note from the analysis that the vast majority of time has been attributed to administration and planning, asset realisations and creditors. This included the finalising of the sale agreement and negotiating a mechanism to allow a successful debtor collection strategy, recording creditors' claims, liaising with secured, unsecured and preferential creditors, together with undertaking the various statutory duties which are to be carried out.

10 Estimated Outcome

10.1 An estimate of the outcome of the Administration as at 9 August 2010 is attached as Appendix E. This indicates that both the secured and preferential creditors will be paid in full. There is also likely to be a small distribution available to unsecured creditors.

10.2 Based on the directors' Estimated Statement of Affairs attached to this report the estimated value of the preferential creditors is £32,579 and the unsecured creditors total £1,363,069. As detailed above preferential creditors are likely to be paid in full with unsecured creditors.

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

receiving a small distribution. The Redundancy Payments Office have stated that they believe the employees fall within the Transfer of Undertakings (Protection of Employment) Regulations and as a result, the preferential claims may be reduced. Further legal advice may have to be sought in order to clarify this matter.

10.3 The Company granted a floating charge to RBS Bank Plc on 4 July 2003. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors, which only applies to charges created after 15 September 2003.

10.4 The administrator has agreed that the former director, David Stewart, will assist with book debt collections and will be paid a commission on sums collected. After carefully reviewing the debtor/retention position he has estimated that realisations should total in the region of £175,000.

11 Next Report


11.1 The Administrator is required to provide a progress report within one month of the end of the first six months of the Administration.

12 Meeting of Creditors

12.1 An initial meeting of the Company's creditors is being convened to approve the Administrator's proposals. The meeting will be held on 27 August at 10.00 a.m. at Best Western Cambridge Quay Mill Hotel, Church Road, Stow-Cum-Quay, Cambridge, CB25 9AF.

12.2 Further information on the meeting is contained in the letter accompanying this report.

For and on behalf of
Kitchen Consultants Limited



Shay Lettice
Administrator

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KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

Receipts and Payments Account for the Period from 25 June 2010 to 9 August 2010

Appendix A

**Kitchen Consultants Ltd
(In Administration)
Administrator's Abstract of Receipts & Payments**

To 09/08/2010

	£	£
SECURED ASSETS		
Goodwill	<u>50,000 00</u>	50,000 00
COSTS OF REALISATION		
Legal Fees	<u>3,762 12</u>	(3,762 12)
ASSET REALISATIONS		
Furniture & Equipment	10,000 00	
Stock	10,000 00	
Book Debts	1,189 17	
Licence Fee	<u>5,750 00</u>	26,939 17
COST OF REALISATIONS		
Legal Fees (1)	<u>3,762 12</u>	(3,762 12)
		<u>69,414.93</u>
REPRESENTED BY		
Vat Receivable		1,316 75
Fixed Current A/c		45,579 50
Floating Current A/c		35,774 93
Vat Payable		(13,256 25)
		<u>69,414.93</u>

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

Summary of the Directors' Statement of Affairs of the Company as at
25 June 2010

Appendix B

	Book Value £	Estimated to Realise by Director £
Goodwill	Nil	160,000
Available under fixed charge	Nil	160,000
Royal Bank of Scotland Plc	(248,250)	(248,250)
Surplus/(deficit) c/d	(248,250)	(88,250)
Property	2,967	} 20,000
Office equipment	6,878	
Stock	124,294	
Other debtors	92,031	9,203
Debtors	437,134	109,000
Inter Company Account	953,619	Nil
Available for preferential creditors	1,616,923	138,203
Preferential creditors	-	(32,579)
Available for floating charge	1,616,923	105,624
Surplus/(deficit) b/d	(248,250)	(88,250)
Available for unsecured creditors	1,368,673	17,374
Unsecured creditors	(1,436,664)	(1,436,663)
Surplus/(Deficiency) as regards unsecured creditors	(67,991)	(1,419,289)

**Kitchen Consultants Ltd
(in Administration)**

**Summary of time costs for the period
25 June 2010 to 9 August 2010**

Staff grade	Administration & planning	Investigation	Asset realisation	Pension	Creditors	Total hours	Time Cost
Partner (£260 per hour)	5 20	0 40	5 40	-	3 30	14 30	3,718 00
Director/Senior Manager (£ per hour)	-	-	-	-	-	-	-
Manager/Ass't Manager (£175 per hour)	0 70	-	-	-	0 70	1 40	245 00
Administrator/ Trainee (£98 per hour)	28 90	-	12 70	-	47 80	89 40	8,802 80
Total	34 80	0 40	18 10	-	51 80	105 10	12,765 80

*The charge out rates shown are the average rates for each grade of staff. The total average time cost is £121 46

Historical charge-out rates

As my firm's fees are based on time costs, Statement of Insolvency Practice 9 requires me to provide you with details of "any material changes in the rates charged for the various grades since the resolution was first passed". I therefore set out below a summary of charge-out rates. You will note that charge-out rates are increased annually. Hourly rates vary depending on market rates, qualifications and experience of various grades of staff.

Period commencing	Partner Hourly rate £	Director/ Senior Manager Hourly rate £	Manager Hourly rate £	Assistant Manager Hourly rate £	Senior Administrator Hourly rate £	Administrator Hourly rate £	Trainee Administrator Hourly rate £	Insolvency Assistant Hourly rate £
April 2010	260 00	N/a	175 00	N/a	122 00	112 00	60 00	44 00

Additional Information in Relation to Administrator's Fees Pursuant to Statement of Insolvency Practice 9

Appendix D

1 Policy

Detailed below is this firm'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 general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case

The constitution of the case team will usually consist of a Partner, a Manager, and an Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment. Our charge out rate schedule below provides details of all grades of staff and their experience level.

We will be using the services of David Stewart to assist with the recovery of debtor and retention monies. Mr Stewart will be paid on a commission basis.

1.2 Professional Advisors

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis our fee arrangement with them, which is subject to review on a regular basis.

Name of Professional Advisor	Basis of Fee Arrangement
Taylor Vinters (legal advice)	Hourly rate and disbursements
AUA Insolvency Risk Services (insurance)	Risk based premium
Cheffins (valuation and disposal advice)	Fixed Fee

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

13 ***Disbursements***

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case.

Category 2 disbursements do require prior approval by creditors before they are paid and whilst it is unlikely that any Category 2 disbursements will be incurred on the case, appropriate approval will be sought before any such expenses are paid.

2 **Charge-out Rates**

A schedule of our charge-out rates for this assignment effective from 25 June 2010 is detailed below.



DISBURSEMENTS RECOVERY POLICY

Category 1 Disbursements

Bordereau/insurance	Charged at cost
Case advertising	As per advertisers/agents invoice
Courier	Charged at cost
DTI IVA registration fee (in relevant cases)	Charged at cost
Fax	No charge
Land Registry/Searches	As per Land Registry, agents or Companies House invoice
Postage	Based on current postal charges All outgoing circulars to be logged and recorded by case
Post re-direction	Charged at cost
Subsistence	No charge
Telephone	No charge
Travel	Charged at cost for public transport and taxis Car travel charged at 40p per mile for staff and no charge for Partners' travel

Category 2 Disbursements

Photocopying	3p per copy – irrespective of size
Room hire	No charge for rooms made available in-house Where appropriate, external room hire at cost
Stationery	No charge
Storage	Charges are currently £5 00 per box per annum

CHARGE-OUT RATES

In the event that the Officeholder is authorised to charge fees on a time costs basis, the current hourly rates, subject to periodic review, are as follows

a)	Partner	£260 00
b)	Director	£188 00/£94 00
c)	Manager	£175 00
d)	Assistant Manager	£138 00
e)	Senior Administrator	£122 00
f)	Administrator	£112 00
g)	Trainee Administrator	£60 00
h)	Insolvency assistant	£44 00

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

Estimated Outcome Statement as at 9 August 2010

Appendix E

Notes	Administration £
1	Goodwill
	121,500
	Available under fixed charge
2	Administrators fixed realisation fee
	(12,150)
	Available for fixed charge holder
	109,350
	Royal Bank of Scotland Plc
	(248,250)
	Surplus/(deficit) c/d
	(138,900)
	Property)
	Office equipment) 20,000
	Stock)
3	Debtors/retentions
	175,000
	Inter Company Account
	Nil
	Surplus
	195,000
	Costs of Administration
	(22,500)
	Available for preferential creditors
	172,500
4	Preferential creditors
	(32,579)
	Available for floating charge
	139,921
	Surplus/(deficit) b/d
	(138,900)
	Available for unsecured creditors
	1,021
	Unsecured creditors
	Trade creditors
	(876,354)
	HMRC
	(285,351)
	Other creditors
	(201,364)
	Employees – redundancy
	N/K
	Surplus/(Deficiency) as regards unsecured creditors
	(1,362,048)

Notes on estimated outcome statement

1 An initial payment of £50,000 for the company's goodwill both payable on completion. Goodwill will also attract an "earnout" based on deferred income of 4% of turnover for the period from the date of sale to 31 December 2010 and 2 5% of turnover from the 1 January 2011 for a period of 12 months. This is expected to realise a further £44,000 and £27,500 respectively. This is lower than estimated in my SIP 16 report distributed to creditors, however it is based on the estimated turnover figures provided by the purchaser now that they have had the opportunity to assess the likely turnover position.

2 A fixed fee of 10% of realisations has been applied to the estimated outcome statement. This is subject to the agreement of the secured creditor, Royal Bank Scotland Plc and may change.

3 The administrator has agreed that the former director David Stewart will assist with book debt collections. After carefully reviewing the debtor/retention position he has estimated that realisations should total in the region of £175,000. David Stewart will be paid on a commission basis.

4 Preferential claims are estimated to total £32,579, although the Redundancy Payments Office have stated that they believe the employees fall within the Transfer of Undertakings (Protection of Employment) Regulations as a result the preferential claims may be reduced. Further legal advice may have to be sought in order to clarify matter.

Insolvency Act 1986

Proxy (Administration)

Kitchen Consultants Limited – In Administration

Name of Creditor

Address

Name of Proxy Holder

1 _____
2 _____
3 _____

Please insert name of person (who must be 18 or over) or the Chairman of the Meeting If you wish to provide for alternative proxy holders in the circumstances that your first choice is unable to attend please state the name(s) of the alternatives as well

Please delete words in brackets if the proxy holder is only to vote as directed i.e. he has no discretion

I appoint the above person to be my/the creditor's proxy holder at the meeting of creditors to be held on 1 September 2010 or at any adjournment of that meeting The proxy holder is to propose or vote as instructed below (and in respect of any resolution for which no specific instruction is given, may vote or abstain at his/her discretion)

Voting Instructions for resolutions

*Please delete as appropriate

- 1 That the Administrator's proposals be approved **For/Against***
- 2 Under Rule 2 67A of the Insolvency Rules 1986 and in the absence of a Creditors' Committee, the pre-administration costs as detailed in the Administrator's proposals be approved **For/Against***
- 3 Under Rule 2 106 of the Insolvency Rules 1986 and in the absence of a Creditors' Committee, the remuneration of the Administrator be fixed by reference to time spent by him and his staff in attending to matters arising from the Administration as detailed in the Administrator's proposals **For/Against***
- 4 In accordance with Statement of Insolvency Practice No 9, issued by the Association of Business Recovery Professionals, the Administrator be authorised to draw remuneration as and when funds are available **For/Against***
- 5 The Administrator will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon his appointment as Administrator ceasing to have effect **For/Against***
- 6 For the appointment of _____
of _____
representing _____
as a member of the creditors' committee

This form must be signed

Signature _____ Date ____/____/____

Name in CAPITAL LETTERS _____

Only to be completed if the creditor has not signed in person

Position with creditor or relationship to creditor or other authority for signature

KITCHEN CONSULTANTS LIMITED - IN ADMINISTRATION

CREDITOR'S STATEMENT OF CLAIM

Name and address of creditor _____

Amount claimed in the Administration
(Including VAT) £ _____

Signature of creditor _____

Name of creditor _____

Telephone _____

Fax _____

E-mail _____

Date _____ / _____ / _____

Please provide appropriate documentation in support of your claim

If you are registered for VAT the amount claimed should include VAT even if VAT bad debt relief has been claimed under the Value Added Tax Act 1994

Please return this form when you have completed it to Ben Dyer at Peters Elworthy & Moore, Salisbury House, Station Road, Cambridge CB1 2LA

Creditors registered for VAT may be able to claim VAT bad debt relief in accordance with Section 36 Value Added Tax Act 1994. In broad terms relief is available when the debt is six months old and "written off" by the creditor entering it on his VAT refunds-for-bad-debts-account

Claims lodged in the liquidation should be gross, including any VAT element. If/when dividends are paid, creditors who have claimed VAT bad debt relief must apportion the dividend between VAT and the net element of their claim and account to HM Revenue & Customs for the VAT element through their VAT return

Insolvency Practitioners have no role in administering VAT bad debt relief under the Value Added Tax Act 1994. Creditors who are uncertain how to claim should contact their VAT office or take professional advice