

*Ernst*

The Insolvency Act 1986  
**Administrators' progress report**

Name of Company  Desto Packaging Limited	Company number  06388902
In the High Court of Justice, Chancery Division, Manchester District Registry <div style="text-align: right; font-size: small;">(full name of court)</div>	Court case number  3409 of 2009

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

We (a)  
 Joseph Peter Francis McLean  
 Grant Thornton UK LLP  
 Earl Grey House  
 75-85 Grey Street  
 Newcastle Upon Tyne  
 NE1 6EF

Keith Hinds  
 Grant Thornton UK LLP  
 No 1 Whitehall Riverside  
 Whitehall Road  
 Leeds  
 LS1 4BN

joint administrators of the above company attach a progress report for the period

(b) Insert date

From	To
(b) 7 June 2010	(b) 3 December 2010

Signed

*[Signature]*  
 Joint Administrator

Dated

*3 December 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

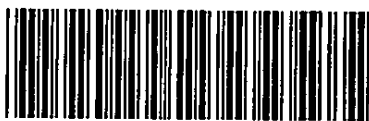
Grant Thornton UK LLP  
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 NE1 6EF

T 0191 261 2631

DX Number

DX Exchange

MONDAY



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06/12/2010

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COMPANIES HOUSE

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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**



# Grant Thornton

Our Ref JMcL/PWS/SB/D91057/PF7

To The Creditors

3 December 2010

**Recovery and Reorganisation**

Grant Thornton UK LLP  
75 - 85 Grey Street  
Newcastle upon Tyne  
NE1 6EF

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F +44 (0)191 261 4994  
[www.grant-thornton.co.uk](http://www.grant-thornton.co.uk)

Dear Sirs

**Desto Packaging Limited - In Administration (the Company)**  
**High Court of Justice, Chancery Division, Manchester District Registry**  
**No 3409 Of 2009**

**1 Introduction**

- 1.1 Following the appointment of my partner Keith Hinds, and I, as Joint Administrators of the Company by the directors on 7 December 2009, I now report on the progress of the Administration to date
- 1.2 I enclose Form 2.24B together with an account of my receipts and payments for the period ended 3 December 2010 in accordance with Rule 2.47 of the Insolvency Rules 1986
- 1.3 In accordance with paragraph 100 (2) of Schedule B1 to the Insolvency Act 1986 the functions of the Joint Administrators are to be exercised by either or both of them

**2 Statutory Information**

- 2.1 The Company's statutory details are as follows

Registered Number

06388902

Registered office

c/o Grant Thornton UK LLP  
Earl Grey House  
75 - 85 Grey Street  
Newcastle-Upon-Tyne  
NE1 6EF

Former trading address

Unit 45 Colbourne Avenue  
Nelson Park Industrial Estate  
Cramlington Northumberland  
NE23 1WD

**Chartered Accountants**

Member firm within Grant Thornton International Ltd  
Grant Thornton UK LLP is a limited liability partnership registered in England and Wales No OC307742 Registered office Grant Thornton House Melton Street Euston Square London NW1 2EP  
A list of members is available from our registered office

### **3 Summary of Administrators' proposals**

- 3 1 The objective of the Administration, as set out in the Administrators' proposals dated 29 January 2010, was to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up or realise the assets for the benefit of secured and preferential creditors
- 3 2 My strategy for achieving this objective was to manage the business of the Company for as long as I believed it appropriate in attempting a more advantageous realisation of assets

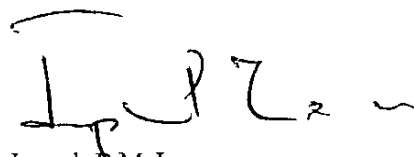
### **4 Report and outcome**

- 4 1 You will recall from my progress report dated 18 June 2010 that the only outstanding matter related to the agreement of my firm's fees and the closure of the Administration
- 4 2 The secured creditors gave their approval to the Administrators' remuneration and this has been taken as detailed below

### **5 Administrators' remuneration and disbursements**

- 5 1 In accordance with Statement of Insolvency Practice (SIP 9), I attach as Appendix II a summary of my firm's time costs to 3 December 2010 by grade of staff and type of work. This shows total time costs of £15,813.70 representing 64.73 hours at an average of £244.30 per hour, against which my firm has drawn fees of £8,296 on account. Details of any matters which have had a significant impact on the time costs are included in the appendix, together with details of any disbursements charged during the period under review.
- 5 2 I trust the content of this report is self-explanatory but if you do require any further information please revert to my colleague Philip Stephenson.

Yours faithfully  
for and on behalf of Desto Packaging Limited



Joseph P McLean  
Joint Administrator

The affairs, business and property of Desto Packaging Limited are being managed by Joseph P McLean and Keith Hinds, appointed as Joint Administrators on 7 December 2009

The Insolvency Act 1986

**Administrators' progress report**

Name of Company
Desto Packaging Limited

Company number
06388902

In the
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Manchester District Registry
(full name of court)

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(a) Insert full  
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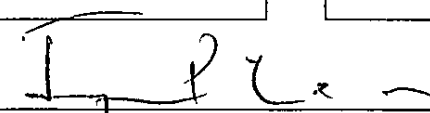
joint administrators of the above company attach a progress report for the period

(b) Insert date

From
(b) 7 June 2010

To
(b) 3 December 2010

Signed

  
Joint Administrator

Dated

3 December 2010

**Desto Packaging Limited - in Administration****Appendix I****Joint Administrators' Abstract of Receipts and Payments  
7 December 2009 to 3 December 2010**

	<b>Estimated to realise £</b>	<b>Realised £</b>
<b>Receipts</b>		
Goodwill		3
Plant & machinery		3
Stock	10 000	10 690
	<u>10,000</u>	<u>10,696</u>
<b>Payments</b>		
Statutory advertising		(76)
Legal fees		(1 319)
Preparation of Statement of Affairs		(500)
Insurance of assets		(327)
Bank charges		(100)
Administrators' remuneration		(8 296)
Administrators' expenses		(36)
Storage costs		(42)
		<u>(10 696)</u>
<b>Balance in hand</b>		<u><u>-</u></u>

**Note** The figures used in the Estimated Outcome Statement were rounded to the nearest thousand pound. The amounts realised for Goodwill and Plant & machinery are significantly less than £1,000 and, therefore, do not feature on the Estimated to Realise appended to my proposals dated 29 January 2010.

## Appendix II

### INTRODUCTION

The following information is provided in connection with the Joint Administrators' remuneration and disbursements in accordance with SIP 9

### AN OVERVIEW OF THE CASE

Please see the attached progress report to creditors

### EXPLANATION OF GRANT THORNTON UK LLP CHARGING AND DISBURSEMENT RECOVERY POLICIES

#### Time costs

All partners and staff are charged out at hourly rates appropriate to their grade, as shown below. Details of the hourly charge-out rates are made available to creditors or committees at the time of fixing the basis of our fees. Support staff (ie secretaries, cashiers and filing clerks) are charged to the case for the time they work on it.

#### Disbursements

Out of pocket expenses are charged at cost. Mileage is charged at standard rates which comply with HM Revenue and Customs limits or AA recommended rates.

### NARRATIVE DESCRIPTION OF WORK CARRIED OUT

The principal work conducted to date relates to the sale of the business and assets, correspondence with creditors and compliance with statutory matters.

### CATEGORY 2 DISBURSEMENTS

No Category 2 disbursements have been paid during the period covered by this report.

### SUPPORTING DOCUMENTATION

The following documentation is included as required by SIP 9:

- a receipts and payments account for the period to 3 December 2010
- a schedule of charge-out rates which have applied during the reporting period

### GRANT THORNTON UK LLP CHARGE OUT RATES

The following hourly charge out rates apply to Grant Thornton UK LLP assignments with effect from 1 July 2009.

	Hourly rate from 1 July 2010 £	Hourly rate from 1 July 2009 £
Partner	425	410
Senior Manager	365	355
Manager	285	275
Executive 2	210	205
Executive 1	200	195
Administrator 2	170	165
Administrator 1	140	135
Treasury	150	145
Secretary / Filing clerk	130	125

APPENDIX I

**Desto Packaging Limited - D30291057 - SIP 9 TIME COST ANALYSIS**

Job(s) Administration

Transaction period 7 December 2009 to 3 December 2010

Standard	Partner			Manager			Executive			Administrator			Total		
	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate	Hrs	£	Avg Hrly Rate
Administration and Planning	6 00	2,460 00	410 00	13 12	4,594 10	350 16	6 15	1,230 00	200 00	26 27	4,121 65	156 90	51 54	12,405 75	240 70
Creditors				2 74	1,096 20	400 07				4 14	613 30	148 14	6 88	1,709 50	248 47
Hiatus period													00	00	
Investigations	1 00	410 00	410 00	1 50	532 50	355 00				2 47	407 55	165 00	4 97	1,350 05	271 64
Realisation of Assets				67	237 85	355 00				67	110 55	165 00	1 34	348 40	260 00
Trading													00	00	
<b>Total</b>	<b>7 00</b>	<b>2,870 00</b>	<b>410 00</b>	<b>18 03</b>	<b>6,460 65</b>	<b>358 33</b>	<b>6 15</b>	<b>1,230 00</b>	<b>200 00</b>	<b>33 55</b>	<b>5,253 05</b>	<b>156 57</b>	<b>64 73</b>	<b>15,813 70</b>	<b>244 30</b>