

The Insolvency Act 1986

**Notice of move from  
administration to dissolution****2.35B**

Name of Company

Allten Windows Limited

Company number

01667700

In the  
Newcastle upon Tyne District Registry of the  
High Court

(full name of court)

Court case number  
0195 of 2013(a) Insert full  
name(s) and  
address(es) of  
administrator(s)I/We (a) John Twizell  
Geoffrey Martin & Co  
St Andrew House  
119-121 The Headrow  
Leeds  
LS1 5JWJames Sleight  
Geoffrey Martin & Co  
St Andrew House  
119-121 The Headrow  
Leeds  
LS1 5JW(b) Insert name and  
address of  
registered office of  
companyhaving been appointed administrator(s) of (b) Allten Windows Limited St Andrew House 119-121  
The Headrow Leeds LS1 5JW(c) Insert date of  
appointment  
(d) Insert name of  
applicant/appointor

on (c) 20 February 2013 by (d) the Company's directors

hereby give notice that the provisions of paragraph 84(1) of Schedule B1 to the Insolvency Act 1986  
apply

We attach a copy of the final progress report

Signed

Dated

Joint / Administrator(s)

12 February 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  
formThe contact information that you give  
will be visible to searchers of the  
public recordJohn Twizell  
Geoffrey Martin & Co  
St Andrew House  
119-121 The Headrow  
Leeds  
LS1 5JW

DX Number

0113 2445141  
DX Exchange

THURSDAY

A09 13/02/2014 #202  
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



**GEOFFREY  
MARTIN  
& CO**

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12 February 2014

**To All Creditors and Members**

*when telephoning please  
ask for –*

John Birkinshaw

Dear Sirs

**Allten Windows Limited ("the Company") (In Administration)**

I refer to my appointment as Joint Administrator to the Company on 20 February 2013. I am writing to provide you with my final progress report in the Administration in accordance with Rules 2.47, 2.110 and 2.118 of the Insolvency Rules 1986 ("the Rules"), as amended.

This report should be read in conjunction with my report dated 16 April 2013 prepared pursuant to Paragraph 49 of Schedule B1 of the Insolvency Act 1986 ("the Act") and my subsequent progress report dated 19 September 2013.

The information that is required to be disclosed in accordance with Rule 2.47(a) to (c) of the Rules is attached at appendix A.

**1 Executive summary**

The Final Outcome Statement ("FOS") updated to 12 February 2014 together with supporting notes is attached at appendix B.

The FOS indicates that there are no funds available to make a distribution to any class of creditor.

The limited realisations achieved in the Administration have been used to make a partial contribution to the professional costs of the Administration.

**2. Joint Administrators' proposals**

My proposals for achieving the purpose of the Administration, as detailed in my report to creditors dated 16 April 2013, were deemed approved without modification with effect from 26 April 2013 as no meeting was requisitioned by creditors to consider them. This is in accordance with Rule 2.33(5) of the Insolvency Rules 1986, as amended by the Insolvency (Amendment) Rules 2010. A further copy of those approved proposals is attached as appendix F. There have been no major amendments to or deviations from these proposals during the course of the Administration.

The object of the Administration was that of realising property in order to make a distribution to one or more secured or preferential creditors. This objective is not achievable and therefore the Administration has been concluded.



### **3. Sale of assets**

As previously reported, the Company's business and assets were marketed using the directors' local knowledge and connections in the industry. Potentially interested parties as identified by the directors were contacted directly by my staff.

My agents Sanderson Weatherall LLP ("SW") also marketed the business by circulating their industry database.

One party, EHL UK, attended the Company's premises but determined it was not interested in the business, rather they were primarily interested in the plant and machinery, together with the balance of stock held on site. I therefore referred the party to SW.

I received an offer from EHL UK on 5 March 2013 for the Company's unencumbered assets, motor vehicle, stock and work in progress on site, which after consultation with SW was rejected.

Following further negotiation a revised offer of £12,000 was received from EHL UK on 6 March 2013, which again was referred to SW. SW confirmed that the offer made was acceptable and that it would also assist to mitigate various anticipated realisation costs. The revised offer was duly accepted.

EHL UK is not a known connected party to the Company. The sale of the Company's unencumbered assets, motor vehicle, stock, work in progress on site (including the Company's order book) to EHL UK was completed by SW on 8 March 2013. The asset allocation of the sale proceeds is duly reflected in the receipts and payments account attached at appendix C.

### **4. Book debts and retentions**

At the date of my appointment the Company's records showed trade debtors totalling £31,350.

I wrote to all debtors requesting payment or their reasons for non-payment in writing. Several of the debtors dispute the amounts shown to be outstanding for various reasons such as poor installation, incomplete works, loss of guarantee and/or warranty. The directors confirmed to me that the customer claims were valid.

Book debt collections of £4,351 have been achieved. For the reasons set out above I do not anticipate any further realisations in relation to book debts. In addition, the Company's records showed retentions owed totalling £6,309. No realisations have been made in relation to these retentions to date.

Any further book debt and retention monies recovered would have been used to contribute to my firm's outstanding costs had the Administration remained open. My firm has therefore taken an assignment of the Company's outstanding book debt and retention ledgers should any further sums be realised to contribute to these outstanding costs.

### **5. Financed book debts and retentions**

The Company entered into an invoice financing agreement in respect of its commercial book debts with Lloyds TSB Commercial Finance Limited ("LTSBCF") to assist its cashflow. Further details are provided in section 13.1.2 below.

At the date of my appointment financed commercial book debts and retentions totalled £13,099. LTSBCF were shown to be owed £9,169, before interest and charges.

Following my appointment, LTSBCF continued to pursue the financed book debts directly from the Company's customers. I understand from LTSBCF that they have collected £354 to date.



In my previous report I advised that a debt was due from one customer totalling £10,952 (including a retention of £1,453). The customer had a counter claim for costs in relation to delays and other terms of the contract, as works were also carried out and invoiced in relation to this contract by the Company in Administration. I liaised extensively with the debtor and LTSBCF to agree the counter claim and the allocation between the respective debts. It was ultimately agreed that the debtor owed £3,851.38 (plus VAT) in respect of the LTSBCF financed book debts. On 17 December 2013 the debtor company was placed into Administration. The dividend prospects for unsecured creditors in the debtor company's Administration are presently unknown.

It is anticipated that LTSBCF will suffer a shortfall on their advances to the Company.

#### **6. Various financed motor vehicles**

At the date of my appointment the Company had a number of vehicles which were subject to various hire purchase, loan and rental agreements. SW liaised with the various finance companies and arranged to settle the finance, where there was equity for the benefit of the Company.

Equity proceeds totalling £1,284 were duly achieved by SW. The sale proceeds and the finance settlements are duly reflected in the receipts and payments account. Further details are also provided in the EOS attached as appendix B.

#### **7. Administration strategy and trading**

Upon appointment, my team and I attended the Company's premises and met with the directors John and Stephen Widdall.

We agreed the Administration strategy that the Company continue to trade whilst marketing the business and assets of the Company for sale as this would also allow for -

- maximising the realisations of the Company's financed and non-financed book debts, work in progress and mitigating possible counterclaims from customers,
- preparing and negotiating settlements of Final Accounts,
- minimising lease related liabilities that crystallise on the cessation of trade,
- updating the Company's financial records.

As reported previously, the initial feedback from those customers with partially complete contracts to whom new terms and conditions were circulated was encouraging, particularly from the local councils. However, despite the best efforts of my staff and the Company's employees it subsequently proved difficult to schedule the works which were due to be carried out at three different schools.

Problems were also encountered confirming the necessary resources to complete these contracts, setting up supplier accounts and the lead time for some material supplies was longer than originally anticipated. In addition, we were becoming increasingly concerned at the reliability of the information with which we were being provided. Accordingly, we concluded that the Company (in Administration) was unable to commit to completing any further works.

The Company (in Administration) raised invoices for the works completed during the Administration with one customer totalling £17,086 (plus VAT).



As detailed in section 5 above, the customer provided details of a counter claim for costs in relation to delays and other terms of the contract. The amount of the counter claim and the split between the book debt owed to LTSBCF and the Administration debt was agreed in October 2013. It was ultimately agreed that the debtor owed the Company (In Administration) £14,119.29 (plus VAT). On 17 December 2013 the debtor company was placed into Administration. The dividend prospects for unsecured creditors in the debtor company's Administration are presently unknown.

Administration sale receipts of £2,460 and scrap material sales of £1,919 were achieved. A summary Administration trading account is set out in note 6 of the FOS attached at appendix B and shows a trading loss of £5,318.

Any further Administration sales recovered would have been used to contribute to my firm's outstanding costs had the Administration remained open. My firm has therefore taken an assignment of the Company's outstanding Administration sales ledger should any further sums be realised to contribute to these outstanding costs.

The Company had 9 employees at the date of my appointment, 4 employees were made redundant immediately, this included the directors John Widdall and Stephen Widdall. The final employee was made redundant on 22 March 2013 when the Company ceased trading.

#### **9. Receipts and payments account**

I attach at appendix C the Joint Administrators' abstract of receipts and payments for the period 20 August 2013 to 10 February 2014 and for the period 20 February 2013 to 10 February 2014, in accordance with Rule 2.47(2) of the Rules.

Funds were held in a non-interest bearing bank account.

#### **10. Corporation Tax returns**

I was obliged to prepare and submit Corporation Tax returns covering the Administration. I engaged taxation advisors Clive Owen & Co who duly completed and submitted the Administration period returns. No corporation tax liability arose.

#### **11. Administrators' confidential report to the Department of Business Innovation and Skills ("DBIS")**

I have submitted a confidential report to DBIS on the conduct of the directors in accordance with the Insolvent Companies (Reports on Conduct of Directors) Rules 1996 and the Company Directors Disqualification Act 1986.

#### **12. Investigations**

I have a duty to investigate the extent of the Company's assets, including potential claims against third parties including the directors and to report my findings to creditors, subject to considerations of privilege and confidentiality and whether those investigations and/or any potential litigation might be compromised.

In my report dated 16 April 2013 I set out the steps I had taken to perform an initial assessment of the Company's circumstances and my preliminary findings.

The only area of investigation in which I identified any potential for further realisations was the directors' loan accounts ("DLA").

As detailed in my previous report, the Company's records show Stephen Widdall had an overdrawn DLA of £25,338.67 owed to the Company. John Widdall's DLA shows that £110,761.99 is owed to him by the Company.



The directors have advised (and as affirmed by the directors' Statement of Affairs) that the DLAs were always off-set against each other at the year end. The directors have also advised that this is an accounts presentation issue and the actual position is that Stephen Widdall's loan account should be nil and that John Widdall is owed £85,423.32 by the Company.

My investigations revealed the Company's computerised accounting records do not show the loan accounts as having been off-set at any of the financial year ends.

In addition, my staff identified from the Company's computerised accounting records that Winifred Widdall (a shareholder and mother of the directors) had an overdrawn "drawings account" of £5,171.66 owed to the Company at the date of my appointment.

A review of the Company's filed accounts and the Company's draft accounts as at 30 June 2012 show the three "Widdall" accounts as a net creditor. Therefore, based on the directors' comments and the Company's accounts, I do not believe there is any prospect of any realisation being made with regard to the overdrawn account. I therefore took no further action in respect of the overdrawn accounts.

### **13. Outcome for creditors**

The Final Outcome Statement updated to 12 February 2014 is attached as appendix B.

The outcome for creditors may be summarised as follows:

#### **13.1 Secured creditors**

##### **13.1.1 Lloyds TSB Bank Plc ("the Bank")**

The Company was financed via an overdraft facility provided by the Bank, who hold a debenture providing fixed and floating charges over the undertaking, property and all present and future assets of the Company. The Bank's debenture was registered on 16 December 1986.

According to Companies House filing, the Bank also holds security in the form of a mortgage deed which grants a fixed charge over the freehold property known as land and buildings on the east and west sides of Stephenson Street, Darlington, title number DU74982, together with fixed and floating charges over the Company's undertaking and all property and assets. The deed was registered on 10 October 2000.

I was advised by the directors that the debt associated with this charge was settled following the sale of the freehold land and buildings at Stephenson Street and that the removal of the charge at Companies House was overlooked.

At the date of my appointment, the Bank was owed £180,996. This figure does not take into account on-going interest and charges.

I understand that John Widdall and Stephen Widdall have personally guaranteed the monies owed to the Bank.

##### **13.1.2 Lloyds TSB Commercial Finance Limited ("LTSBCF")**

As detailed in section 5 above, the Company held an invoice financing agreement with LTSBCF in respect of its commercial debtor book. LTSBCF holds two debentures providing fixed and floating charges over the undertaking, property and all present and future assets of the Company. LTSBCF's two debentures were registered on 2 August 2008 and 18 August 2010.



At the date of my appointment LTSBCF were owed £9,169. This figure does not take into account early termination costs, on-going interest and any management charges. It is anticipated that LTSBCF will suffer a shortfall on their advances to the Company. Further details are provided in section 5 above.

I understand that John Widdall and Stephen Widdall have personally guaranteed the monies owed to LTSBCF.

### **13.1.3 Geoffrey David Rider**

Geoffrey David Rider holds a lease debenture which creates a charge over a rent deposit of £4,500. The debenture was registered on 25 September 2004. Geoffrey David Rider was the original landlord to the Company's leasehold premises. I was advised by the directors that the lease and the deposit were transferred to an associated party of Mr Rider.

### **13.1.4 Secured creditor distributions**

No payments have been made to any secured creditor on account of their security. I have not formally confirmed the validity of any security, given that no funds have become available to any secured creditor, although I have no reason to believe that any security is invalid.

### **13.2 Preferential creditors**

The Company employed nine staff, including the two directors, John Widdall and Stephen Widdall. All staff, including the directors, were made redundant on or before 22 March 2013.

Employees' claims in respect of arrears of salaries/wages and holiday pay total £14,219.

### **13.3 Secured creditors ranking for recovery under floating charges**

Details of the secured creditors are noted above and are also set out in the notes to appendix B.

In summary, the Bank and LTSBCF hold security which creates floating charges. However, no funds became available to any class of creditor after taking account of the realisation and professional costs of the Administration.

### **13.4 Prescribed Part and unsecured creditors**

I was obliged to consider setting aside a proportion of the Company's net property which would otherwise be available to the holder of floating charge security for the benefit of unsecured creditors (the "Prescribed Part").

The Prescribed Part provisions of the Insolvency Act 1986 did not apply to this Company as the Bank's security as the priority secured creditor pre-dates the introduction of these provisions on 15 September 2003 and there were insufficient funds available to repay the Bank in full.

LTSBCF have the second ranking floating charge which post-dates the Prescribed Part provisions, however, given that no funds became available to distribute to any floating charge holder, the Prescribed Part was not applicable in this matter.

### **13.5 Unsecured creditors**

Unsecured creditors are estimated to total £1,248,844. I did not review any unsecured claims as no funds became available to any class of creditor.



#### **14. Joint Administrators' final costs**

##### **14.1 Basis of the Joint Administrators' remuneration and disbursements**

In my report prepared pursuant to Paragraph 49 of Schedule B1 of the Act setting out my proposals I sought agreement that the underlying basis of my remuneration and disbursements be fixed by reference to time costs properly incurred at Geoffrey Martin & Co's standard charging rates and that my disbursements be drawn in line with my firm's charging and disbursements policy

As previously reported and noted in section 2 above, my proposals were deemed to be approved as no meeting of creditors was requisitioned to consider them

##### **14.2 Remuneration charged and disbursements incurred during the period of this report**

My firm's time costs for the reporting period 20 August 2013 to 7 February 2014 totalled £15,551 and for the Administration as a whole totalled £77,005 Details of my firm's time costs charged and disbursements incurred since my appointment are shown on the attached appendix D I have provided this information in this format as required by the provisions of the Statement of Insolvency Practice 9

Appendix D also contains details of my firms' current charging and disbursements policy

In common with other professional firms, our standard charging rates are reviewed periodically to take account of inflation and other matters affecting costs Since the original approval of the basis of my remuneration on 26 April 2013, there have been no increases to our charge out rates Minor adjustments have been made to some disbursement charges to accommodate increased costs, details are provided at appendix D

##### **14.3 Remuneration and disbursements drawn during the period of this report**

Due to the limited funds available in the Administration I have only recently drawn my firm's outstanding disbursements totalling £1,541 70 (plus VAT) I invoiced and drew remuneration of £1,731 83 (plus VAT) which equated to the balance of funds available after settling all other Administration expenses Accordingly, my firm will be obliged to write off a significant amount of time costs incurred in dealing with the Administration

##### **14.4 Expenses incurred and paid during the period of this report**

In aggregate I have incurred expenses of £3,343 40, and paid expenses of £1,928 40 during the period of this report A detailed breakdown and explanatory note are provided at appendix D

##### **14.5 Creditors' guide to fees and statement of creditors' rights**

If you require further information relating to Administrators' remuneration, expenses and disbursements please see appendix E. This also gives details of your rights as a creditor

##### **14.6 Pre-Administration costs**

In my report prepared pursuant to Paragraph 49 of Schedule B1 of the Act I also sought agreement that I might draw my pre-Administration costs of £6,236 50 (plus VAT) (including third party costs of £2,153 50 (plus VAT)) out of the assets of the Company as an expense of the Administration

These were deemed to have been approved by all creditors I drew my firm's fee of £4,000 (plus VAT), together with disbursements totalling £83 (plus VAT) in respect of the pre-Administration fees on 14 January 2014 I have paid pre-Administration legal fees and disbursements of £1,573 (plus VAT)





## **15. Exit from Administration**

The purpose of the Administration was that of realising the Company's property in order to achieve a distribution to one or more secured or preferential creditors. This objective has not been achieved due to insufficient realisations in the Administration.

In such circumstances the proposals provided for the exit from Administration to be by way of a dissolution of the Company.

I confirm that following the filing of my Notice of Ceasing to Act by the Registrar of Companies, Form 2 35B, the Company will be automatically dissolved three months later.

I obtained agreement from creditors that upon the Company exiting Administration by way of dissolution that I will be discharged from liability immediately following my appointment ceasing to have effect. In practical terms this will mean once Form 2 35B is filed by the Registrar of Companies.

If creditors have any queries about the contents of this report or any other matter relating to this case, please contact my colleague John Birkinshaw at the above office.

Yours faithfully  
For and on behalf of  
Allten Windows Limited

**John Twizell**

Joint Administrator  
Acting as agent of the Company  
and contracting without personal liability

Encs

The affairs, business and property of the Company are managed by the Joint Administrators who act as the Company's agents and without personal liability.

John Twizell is licensed in the United Kingdom by the Institute of Chartered Accountants of England & Wales  
James Sleight is licensed in the United Kingdom by the Insolvency Practitioners Association

**Allten Windows Limited ("the Company") (In Administration)**

The statutory information of the Company is as follows

Details relating to the appointment of Joint Administrators of the Company are provided below

**Court details:** Newcastle upon Tyne District Registry of the High Court

**Court number:** 0195 of 2013

**Date of appointment:** 20 February 2013

**Administrators' details:**

John Twizell	James Sleight
St Andrew House	St Andrew House
119-121 The Headrow	119-121 The Headrow
Leeds	Leeds
LS1 5JW	LS1 5JW

**Appointment by:** The directors of the Company in accordance with Paragraph 22 of Schedule B1 of the Insolvency Act 1986

In accordance with Paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 the Joint Administrators confirm that any act required or authorised under any enactment to be done by an Administrator may be done by either of them individually or jointly

The EC Regulation on Insolvency Proceedings 2000 will apply as the Company's main centre of interest is in the United Kingdom In accordance with Article 3 of these Regulations, the Administration represents main proceedings

The statutory information of the Company as extracted from the Company's file at Companies House is as follows

**Company number:** 01667700

**Date of incorporation:** 28 September 1982

**Registered office:**

c/o Geoffrey Martin & Co	Formerly at
St Andrew House	Unit 19, Faverdale Industrial Estate
119-121 The Headrow	Darlington
Leeds	County Durham
LS1 5JW	DL3 0QA

**Trading address:** Unit 19, Faverdale Industrial Estate  
Darlington  
County Durham  
DL3 0QA

**Principal activity:** Manufacture and installation of windows and doors

**Directors: (within last 3 years)**

	Appointed	Resigned
Mr John Francis Widdall	1 December 1991	-
Mr Stephen Henry Widdall	1 December 1991	-

<b>Company secretary: (within last 3 years)</b>	<b>Appointed</b>	<b>Resigned</b>
Mrs Winifred Widdall	1 December 1991	-
<b>Authorised share capital:</b>	130,100	
<b>Issued and called up share capital:</b>	130,100	
<b>Shareholders:</b>		
Mr John Francis Widdall	65,038	
Mr Stephen Henry Widdall	65,038	
Mrs Winifred Widdall	24	
<b>Charges registered:</b>		
Lloyds Bank Plc	Single debenture which grants fixed and floating charges over the Company's undertaking and all property and assets The debenture was created on 1 December 1986 and registered on 16 December 1986	
Lloyds TSB Bank Plc	Mortgage deed which grants fixed charge over the freehold property known as land and buildings on the east and west sides of Stephenson Street, Darlington, title number DU74982 together with fixed and floating charges over the Company's undertaking and all property and assets The deed was created on 3 October 2000 and registered on 10 October 2000	
	The directors advise that the debt associated with this charge was settled following the sale of the freehold land and buildings at Stephenson Street, however the removal of the charge at Companies House was overlooked	
Geoffrey David Rider	Geoffrey David Rider was the landlord of the Company's trading premises and has a lease debenture which created a charge over the rent deposit of £4,500 The debenture was created on 6 September 2004 and registered on 25 September 2004	
Lloyds TSB Commercial Finance Limited	All assets debenture which grants fixed and floating charges over the Company's undertaking and all property and assets The debenture was created on 30 July 2008 and registered on 2 August 2008	
Lloyds TSB Commercial Finance Limited	All assets debenture which grants fixed and floating charges over the Company's undertaking and all property and assets The debenture was created on 16 August 2010 and registered on 18 August 2010	

## Allten Windows Limited ("the Company") (In Administration)

## Final Outcome Statement and comparison forecast as at 12 February 2014

	Notes	Book value as at 20/02/13 £	Directors statement of affairs £	Estimated outcome reported as at 19/09/13 £	Receipts and payments to end £	Final outcome £
<b>Assets specifically pledged</b>						
Financed motor vehicle - LDV Maxus CDI	1	502	1,500	1,500	1,500	1,500
Less ING Lease (UK) Limited ("ING")	1	(772)	(772)	(772)	(772)	(772)
Surplus/(shortfall) to ING c/d		<u>(270)</u>	<u>728</u>	<u>728</u>	<u>728</u>	<u>728</u>
Financed motor vehicle - Peugeot 107	1	638	3,758	3,758	3,758	3,758
Less Peugeot Finance ("PF")	1	(3,758)	(3,758)	(3,758)	(3,758)	(3,758)
Surplus/(shortfall) to Peugeot c/d		<u>(3,120)</u>	<u>0</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financed motor vehicle - Peugeot 407	1	553	3,500	3,400	3,400	3,400
Less Santander Limited ("Santander")	1	(2,844)	(2,844)	(2,844)	(2,844)	(2,844)
Surplus/(shortfall) to Santander c/d		<u>(2,291)</u>	<u>656</u>	<u>556</u>	<u>556</u>	<u>556</u>
Financed book debts	2	13,099	-	-	-	354
Less Lloyds TSB Commercial Financial Limited ("LTSCF")	2	(9,169)	(9,169)	(9,169)	-	(9,169)
Surplus/(shortfall) to LTSCF (excluding costs of termination) c/d		<u>3,930</u>	<u>(9,169)</u>	<u>(9,169)</u>	<u>-</u>	<u>(8,815)</u>
Lease deposit	3	4,500	4,500	4,500	-	4,500
Less Landlord (excluding costs and dilapidations)	3	(4,950)	(4,950)	(4,950)	-	(4,950)
(Shortfall) to Landlord c/d		<u>(450)</u>	<u>(450)</u>	<u>(450)</u>	<u>-</u>	<u>(450)</u>
<b>Assets subject to floating charge</b>						
Surplus after ING b/d	1	-	728	728	728	728
Surplus after Santander b/d	1	-	656	556	556	556
Surplus after LTSCF b/d	3	3,930	-	-	-	-
Trade debtors and retentions - non-financed	4	31,350	5,500	7,501	4,351	4,351
Plant and machinery unencumbered	5	15,268	5,000	5,000	5,000	5,000
Motor vehicle unencumbered	5	306	1,000	1,000	1,000	1,000
Stock and WIP	5	438,910	6,000	6,000	6,000	6,000
Administration trading (including scrap sales)	6	-	-	5,089	(5,318)	(5,318)
Directors loan account - Stephen Widdall	7	Nil	Nil	Nil	Nil	Nil
<b>Funds available to discharge professional costs</b>		<b>487,764</b>	<b>18,884</b>	<b>25,874</b>	<b>12,317</b>	<b>12,317</b>
<b>Less Realisation and professional costs of the Administration</b> (Including Pre-Administration costs)	8	-	-	(25,874) *	(12,317)	(12,317) *
				*Restricted to funds available	*Restricted to funds available	
<b>Surplus/(shortfall) available to preferential creditors</b>		<b>487,764</b>	<b>18,884</b>	<b>Nil</b>	<b>0</b>	<b>Nil</b>
<b>Preferential creditors</b>						
Employees arrears of pay and holiday pay	9	(14,219)	(14,219)	(14,219)	-	(14,219)
<b>Assets available to floating chargeholder</b> (Prescribed Part not applicable)		<b>473,545</b>	<b>4,665</b>	<b>(14,219)</b>		<b>(14,219)</b>
Less Lloyds TSB Bank Plc	10	(180,996)	(180,996)	(180,996)	-	(180,996)
		292,549	(176,331)	(195,215)	-	(195,215)
<b>Less Net property available to unsecured creditors by virtue of</b> <b>the Prescribed Part c/d</b>	11	(61,510)	-	-	-	-
<b>Surplus/(shortfall) available to 2nd floating chargeholder</b>		<b>231,039</b>	<b>(176,331)</b>	<b>(195,215)</b>		<b>(195,215)</b>
Less LTSCF (excluding costs of termination) b/d	3	-	(9,169)	(4,123)	-	(8,815)
<b>Funds available to unsecured creditors</b>		<b>231,039</b>	<b>(176,331)</b>	<b>(199,338)</b>		<b>(204,030)</b>
Surplus to 2nd floating chargeholder b/d	11	61,510	-	-	-	-
<b>Surplus/(shortfall) available to unsecured creditors</b>		<b>292,549</b>	<b>(176,331)</b>	<b>(199,338)</b>		<b>(204,030)</b>
Shortfall to ING b/d	1	(270)	(270)	-	-	-
Shortfall to Peugeot b/d	1	(3,120)	(3,120)	-	-	-
Shortfall to Santander b/d	1	(2,291)	(2,291)	-	-	-
Shortfall to Landlord (excluding costs and dilapidation) b/d	3	(450)	(450)	(450)	-	(450)
Trade creditors and accruals (inc deposit creditors)	12	(80,118)	(80,118)	(80,118)	-	(80,118)
The Epwin Group (PG'ed by J Widdall and S Widdall)	12	(199,661)	(199,661)	(199,661)	-	(199,661)
Smarts Systems Limited (PG'ed by J Widdall and S Widdall)	12	(195,230)	(195,230)	(195,230)	-	(195,230)
HM Revenue & Customs - PAYE/NI	13	(103,849)	(103,849)	(452,627)	-	(452,627)
HM Revenue & Customs - VAT	14	(107,429)	(107,429)	(82,357)	-	(82,357)
Directors loan account - John Widdall	7	(85,423)	(85,423)	(85,423)	-	(85,423)
Employee termination costs - PIL/redundancy (subject to mitigation)	9	(152,978)	(152,978)	(152,978)	-	(152,978)
		<u>(930,819)</u>	<u>(930,819)</u>	<u>(1,248,844)</u>		<u>(1,248,844)</u>
<b>Shortfall to unsecured creditors</b>		<b>(638,270)</b>	<b>(1,107,150)</b>	<b>(1,448,182)</b>		<b>(1,452,874)</b>

The above statement should be read in conjunction with the attached notes

**Allten Windows Limited ("the Company") (In Administration)****Notes to Final Outcome Statement and comparison forecast as at 12 February 2014****1 Various financed motor vehicles**

As at the date of my appointment the Company had a number of vehicles which were subject to various hire purchase, loan and rental agreements. My chattel agents Sanderson Weatherall LLP ("SW") liaised with the various finance companies and arranged to settle the finance, where there was equity for the benefit of the Company.

**ING Lease (UK) Limited ("ING")**

The Company had a LDV Maxus van subject to a Hire Purchase agreement with ING. SW determined there was equity in the vehicle for the benefit of the Company. SW sold the vehicle for £1,500 (plus VAT) and have settled the balance of £772 owed to ING. SW accounted to me for the equity realised.

**Peugeot Finance ("PF")**

The Company had a Peugeot 107 vehicle subject to a Hire Purchase agreement with PF. SW determined there was no equity in the vehicle for the benefit of the Company. SW arranged for the vehicle to be sold back to Simon Bailes Peugeot, the garage where it was originally purchased, on the basis that the garage settled the outstanding finance of £2,758 owed to PF. I understand from SW that they received confirmation from PF that the outstanding finance has been settled and thus no liability is outstanding.

**Santander Limited ("Santander")**

The Company had a Peugeot 407 vehicle subject to a Hire Purchase agreement with Santander. SW determined there was equity in the vehicle for the benefit of the Company. SW sold the vehicle to Simon Bailes Peugeot, the garage where it was originally purchased, for £3,400 (plus VAT) and have settled the outstanding balance of £2,844 owed to Santander. SW accounted to me for the equity realised.

**2 Financed book debts and Lloyds TSB Commercial Finance Limited ("LTSBCF")**

The Company entered into an invoice financing agreement in respect of its commercial book debts with Lloyds TSB Commercial Finance Limited ("LTSBCF") to assist its cashflow.

At the date of my appointment financed commercial book debts and retentions totalled £13,099. LTSBCF were shown to be owed £9,169, before interest and charges. Following my appointment, LTSBCF continued to pursue the financed debts directly from the Company's customers.

In my previous report I advised that a debt was due from one customer totalling £10,952 (including a retention of £1,453). The customer had a counter claim for costs in relation to delays and other terms of the contract, works were also carried out and invoiced in relation to this contract by the Company in Administration. I liaised extensively with the debtor and LTSBCF to agree the counter claim and the allocation between the respective debts. It was ultimately agreed that the debtor owed and would pay £4,621.66 in respect of the LTSBCF financed book debts. On 17 December 2013 the debtor company was placed into Administration. The dividend prospects for unsecured creditors in the debtor company's Administration are presently unknown.

For the purpose of the FOS I have reflected the LTSBCF collections to date of £354 and have assumed no further realisations. LTSBCF will suffer a shortfall on their advances to the Company.

I understand that John Widdall and Stephen Widdall have personally guaranteed the monies owed to LTSBCF.

**3 Lease deposit and landlord**

Geoffrey David Rider was the original landlord of the Company's leasehold property at Unit 19, Faverdale Industrial Estate, Darlington, Co Durham DL3 0QA. I am advised that the lease was transferred to an associated party of Mr Rider.

At Companies House, Mr Rider is shown to hold a lease debenture which creates a charge over a rent deposit of £4,500. The debenture was registered on 25 September 2004.

I understand that at the time of my appointment the Company was 3 months in arrears for the rent, which was £1,650 per calendar month, therefore I do not anticipate any return from the rent deposit and in fact expect to receive a claim from the landlord in due course.

The Company's property keys were passed back to the Landlord via his agent, Minerva SIPP, on 22 March 2013, effectively surrendering the lease.

**4 Trade debtors and retentions - non-financed**

At the date of my appointment the Company's records showed trade debtors totalling £31,350.

I wrote to all debtors requesting payment or their reasons for non-payment in writing. Several of the debtors disputed the amounts shown to be outstanding for various reasons such as poor installation, incomplete works, loss of guarantee and/or warranty. The directors confirmed to me that the customer claims were valid.

Book debt collections of £4,351 have been achieved. For the reasons set out above I do not anticipate any further realisations in relation to book debts. In addition, the Company's records showed retentions owed but not yet due totalling £6,309 with retention periods extending to December 2013.

Any further book debt and retention monies recovered would have been used to contribute to my firm's outstanding costs had the Administration remained open. My firm has therefore taken an assignment of the Company's outstanding book debt and retention ledgers should any further sums be realised to contribute to these outstanding costs.

For the purpose of the FOS I have assumed that no further book debt or retention realisations will be achieved.

**6 Unencumbered plant and machinery, motor vehicle, stock and WIP**

Following my appointment as Joint Administrator I instructed SW to value the Company's plant and machinery, motor vehicle, stock and WIP

SW placed a minimal value on the stock held at site and that I am advised the book value for stock of £436,910 relates to an accounting year end balance that would have been adjusted by the Company's accountants prior to the year end period accounts being prepared, had the Company continued trading

Together with the directors, SW marketed the Company's plant and machinery, motor vehicle, stock and WIP

One offer was received from EHL UK that I rejected on the advice of SW. Following negotiations EHL UK submitted a revised offer of £12,000 (plus VAT) for the Company's plant and machinery, motor vehicle, stock and WIP (including the Company's order book). SW advised that the revised offer should be accepted and would save some costs. A sale to EHL UK was completed on 8 March 2013.

The sale to EHL UK may be summarised as follows -

- plant and machinery, including office furniture and equipment £5,000,
- motor vehicle £1,000, and
- stock and work in progress £6,000

EHL UK transferred funds directly to SW on 8 March 2013. SW have accounted to me for the same and the process and associated costs are duly reflected in the receipts and payments account.

**6 Administration trading (including scrap sales)**

The Administration strategy following my appointment was to maximise the realisations of the work-in-progress and outstanding book debts, together with mitigating counter claims.

I, together with the directors, reviewed the Company's current work in progress and identified those projects where there was the potential for the Company to complete the works under Administration to maximise realisations.

Four main projects, where the Company had either started works or was due to start works very shortly were identified. I contacted each customer to determine if the customers were willing to trade with the Company in Administration and to sign up to new terms and conditions of trade.

The Company in Administration invoiced for the works completed during the period of Administration trade and some work in progress relating to a number of commercial contracts with one customer totalling £17,086 (plus VAT).

As detailed above in note 2 the customer provided details of a counter claim for costs in relation to delays and other terms of the contract, the amount of the counter claim and the split between the book debt owed to LTSBCF and the Administration sale was agreed in October 2013. It was ultimately agreed that the debtor owed and would pay the Company (in Administration) £14,119.29 (plus VAT). On 17 December 2013 the debtor company was placed into Administration. The dividend prospects for unsecured creditors in the debtor company's Administration are presently unknown.

For the purpose of the FOS I have reflected the receipts to date of £2,460 and have assumed that no further monies will be realised.

Any further Administration debtor monies recovered would have been used to contribute to my firm's outstanding costs had the Administration remained open. I have therefore taken an assignment of the Company's entitlement under the outstanding Administration debtors should any further sums be realised to contribute to these outstanding costs.

A summary Administration trading account is set out below (details of time spent in trading the Administration are provided at Appendix G) -

	Receipts & payments to and £	Final outcome £
<b>Income</b>		
Administration sales/work-in-progress	2,460	2,460
Scrap sales	1,919	1,919
	<u>4,379</u>	<u>4,379</u>
<b>Less costs</b>		
Employee costs (inc PAYE/NIC)	(5,692)	(5,692)
Consumable stores and materials	(147)	(147)
Fuel	(248)	(248)
Computer hardware	(12)	(12)
Utilities	(44)	(44)
Rent	(1,650)	(1,650)
Insurance	(1,872)	(1,872)
Postage	(11)	(11)
Staff welfare	(1)	(1)
Bank charges	(20)	(20)
	<u>(9,697)</u>	<u>(9,697)</u>
<b>Trading loss</b>	<u><u>(5,318)</u></u>	<u><u>(5,318)</u></u>

**12 Trade creditors and accruals (including deposit creditors)**

The Company's records show a balance of £475,009 owed to trade creditors as at the date of my appointment. I would emphasise that I have not undertaken any work to validate creditors' claims.

Included in the claims above is an amount of £14,350 which relates to customers who had paid deposits for orders that had not been fulfilled at the date of my appointment.

I understand that the directors, John Widdall and Stephen Widdall provided joint and several personal guarantees to two of the Company's suppliers, The Epwin Group and Smarts Systems Limited who are shown to be owed by the Company £199,661 and £195,230 respectively.

**13 HM Revenue & Customs - PAYE/NIC**

The Company's records show a liability for PAYE/NIC of £103,849 owed to HM Revenue & Customs as at the date of my appointment. HM Revenue & Customs have submitted an initial estimated claim in the sum of £452,627. Given that no funds have become available to any class of creditors I have not investigated the difference between the claim submitted and the debt shown in the Company's records.

**14 HM Revenue & Customs - VAT**

The Company's records show a liability for VAT of £107,429 owed to HM Revenue & Customs as at the date of my appointment. HM Revenue & Customs have submitted an initial estimated claim in the sum of £82,357. Given that no funds have become available to any class of creditors I have not investigated the difference between the claim submitted and the debt shown in the Company's records.

**15 Corporation tax**

Following the completion and submission of Corporation Tax returns by my taxation advisors, Clive Owen & Co, no liability arose in respect of the Administration period.

**7 Directors loan account(s) - Stephen Widdall and John Widdall**

The directors' loan accounts at the date of my appointment showed that John Francis Widdall is owed £110,762 by the Company and that Stephen Widdall owes £25,339 to the Company. The directors advise that these accounts have historically been offset against one another at the financial year end. The directors therefore consider that there is a net amount owed to John Widdall by the Company of £85,423.

The directors have jointly advised (and as affirmed by the directors' SoA) that the DLAs were always off-set against each other at the year end. The directors have also jointly advised that this is an accounts presentation issue and the actual position is that S H Widdall's loan account should be nil and that J F Widdall is owed £85,423.32 by the Company.

In addition my staff identified from the Company's computerised accounting records that Winifred Widdall (a shareholder and mother of the directors) had an overdrawn "drawings account" of £5,171.66 owed to the Company at the date of my appointment.

As detailed in my report I do not believe there is any prospect of any realisation been made with regard to the overdrawn accounts.

**8 Realisation and professional costs of the Administration (Including Pre-Administration costs)**

The estimated realisation and professional costs of the Administration may be summarised as follows:

	Fee basis	Incurred to end £	Receipts & payments account to end £	Final outcome £
GM&Co pre-administration advice and disbursements*	Time costs	4,083	4,083	4,083 *
Legal fees and disbursements - pre-administration*	Time costs	2,154	1,573	1,573 *
Joint Administrators' fees	Time costs	77,005	1,732	1,732 **
Disbursements and statutory costs	Incurred	2,370	2,370	2,370
Legal fees and disbursements	Time costs	1,415	-	- **
Chattel agent - valuation fee and commission	Fee and 10%	2,000	1,928	1,928
Bank charges	Incurred	100	100	100
Taxation advice	Time costs	350	350	350
		<u>89,477</u>	<u>12,136</u>	<u>12,136</u>

\*Pre-administration fees apply to Geoffrey Martin & Co and Dickinson Dees and were incurred prior to 20 February 2013.

\*\*The Joint Administrators' fees and legal fees were restricted to the limited funds becoming available in the Administration.

**9 Employee claims**

The Company employed 9 staff at the date of my appointment, including the two directors John Widdall and Stephen Widdall. Immediately following my appointment 4 staff were made redundant, including the two directors. 4 further staff were made redundant on 6 March 2013 with the final member of staff being made redundant on 22 March 2013.

An analysis of the estimated employee termination costs is set out below:

<b>Preferential</b>	£
Employee arrears of wages (up to £800 per employee) and accrued holiday pay	14,219
<b>Unsecured</b>	
Employee termination costs (redundancy/PIL) arrears of wages in excess of £800	152,978
	<u>167,197</u>

**10 Lloyds TSB Bank Plc ("the Bank")**

The Company was financed via an overdraft facility provided by the Bank, who hold a debenture providing fixed and floating charges over the undertaking, property and all present and future assets of the Company. The Bank's debenture was registered on 16 December 1986.

At the date of my appointment the Bank were owed £180,996. This figure does not take into account on-going interest and charges.

I understand that the directors have personally guaranteed monies owed to the Bank.

**11 Prescribed Part**

I am obliged to consider setting aside a proportion of the Company's net property which would otherwise be available to the holder of floating charge security for the benefit of unsecured creditors (the "Prescribed Part").

The Prescribed Part provisions of the Insolvency Act 1986 do not apply to this Company as the priority secured creditors security pre-dates the introduction of these provisions on 15 September 2003 and there are insufficient funds available to repay this secured creditor in full.

LTSBCF have the second ranking floating charge which post-dates the Prescribed Part provisions, however, given that I currently anticipate that there will be no funds available to distribute to any floating charge holder, the Prescribed Part will not be applicable in this matter.



**Allten Windows Limited  
(In Administration)**

**Joint Administrators' Abstract Of Receipts And Payments  
To 12 February 2014**

<b>RECEIPTS</b>	<b>Fixed Charge £</b>	<b>Floating Charge £</b>	<b>Total £</b>
Sales & Retentions		2,459 67	2,459 67
Scrap Sales		1,919 17	1,919 17
Peugeot 107	3,758 03		3,758 03
Peugeot 407	3,400 00		3,400 00
LDV Maxus 3 5 Cdi 95 LBWB Van	1,500 00		1,500 00
Plant & Machinery		5,000 00	5,000 00
Motor Vehicles		1,000 00	1,000 00
Stock		4,000 00	4,000 00
Order Book		2,000 00	2,000 00
Book Debts		4,350 82	4,350 82
VAT Payable		3,575 76	3,575 76
	<b>8,658.03</b>	<b>24,305.42</b>	<b>32,963.45</b>
<b>PAYMENTS</b>			
Wages		5,494 22	5,494 22
Consumable Stores		34 15	34 15
Materials		112 68	112 68
Rents		1,650 00	1,650 00
Utilities		44 26	44 26
CIS Deduction		198 01	198 01
Fuel		248 20	248 20
Insurance		1,871 79	1,871 79
Bank Charges		20 00	20 00
Postages		10 80	10 80
Staff Welfare		0 94	0 94
Computer Hardware		12 49	12 49
Peugeot Financial Service	3,758 03		3,758 03
Santander Finance	2,844 11		2,844 11
ING Lease (UK) Limited	771 88		771 88
Specific Bond		180 00	180 00
Pre-Administration Fees		4,000 00	4,000 00
Disbursements - Pre-Appointment		20 00	20 00
Category 2 Disbursements - Pre-Appt		63 00	63 00
Joint Administrators' Fees		1,731 83	1,731 83
Disbursements		123 80	123 80
Category 2 Disbursements		1,541 70	1,541 70
Agents Fees & Disbursements		1,928 40	1,928 40
Legal Fees - Pre Administration		1,573 00	1,573 00
Taxation Assistance		350 00	350 00
Storage Costs		569 03	569 03
Re-Direction of Mail		60 00	60 00
Statutory Advertising		75 37	75 37
Bank Charges		100 00	100 00
VAT Receivable		2,468 68	2,468 68
Vat Control Account		1,107 08	1,107 08
Funds were held in a non-interest bearing account			
	<b>7,374.02</b>	<b>25,589.43</b>	<b>32,963.45</b>
<b>Balances in Hand</b>	<b>1,284.01</b>	<b>(1,284.01)</b>	<b>0.00</b>
	<b>8,658.03</b>	<b>24,305.42</b>	<b>32,963.45</b>

**Allten Windows Limited**  
**(In Administration)**  
**Joint Administrators' Trading Account**

Statement of Affairs	From 20/08/2013 To 12/02/2014	From 20/02/2013 To 12/02/2014
<b>POST APPOINTMENT SALES</b>		
Sales & Retentions	2,459 67	2,459 67
Scrap Sales	NIL	1,919 17
	<u>2,459 67</u>	<u>4,378 84</u>
<b>OTHER DIRECT COSTS</b>		
Wages	NIL	5,494 22
Consumable Stores	NIL	34 15
	<u>NIL</u>	<u>(5,528 37)</u>
<b>TRADING EXPENDITURE</b>		
Materials	NIL	112 68
Rents	NIL	1,650 00
Utilities	NIL	44 26
CIS Deduction	198 01	198 01
Fuel	NIL	248 20
Insurance	NIL	1,871 79
Bank Charges	NIL	20 00
Postages	NIL	10 80
Staff Welfare	NIL	0 94
Computer Hardware	NIL	12 49
	<u>(198 01)</u>	<u>(4,169 17)</u>
<b>TRADING SURPLUS/(DEFICIT)</b>	<u><u>2,261.66</u></u>	<u><u>(5,318.70)</u></u>

**Allten Windows Limited**  
**(In Administration)**  
**Joint Administrators' Abstract of Receipts & Payments**

Statement of Affairs	From 20/08/2013 To 12/02/2014	From 20/02/2013 To 12/02/2014
<b>HIRE PURCHASE</b>		
Peugeot 107	NIL	3,758 03
Peugeot Financial Service	NIL	(3,758 03)
Peugeot 407	NIL	3,400 00
Santander Finance	NIL	(2,844 11)
LDV Maxus 3 5 Cdi 95 LBWB Van	NIL	1,500 00
ING Lease (UK) Limited	NIL	(771 88)
	<u>NIL</u>	<u>1,284 01</u>
<b>ASSET REALISATIONS</b>		
Plant & Machinery	NIL	5,000 00
Motor Vehicles	NIL	1,000 00
Stock	NIL	4,000 00
Order Book	NIL	2,000 00
Book Debts	NIL	4,350 82
Trading Surplus/(Deficit)	<u>2,261 66</u>	<u>(5,318 70)</u>
	2,261 66	11,032 12
<b>COST OF REALISATIONS</b>		
Specific Bond	NIL	180 00
Pre-Administration Fees	4,000 00	4,000 00
Disbursements - Pre-Appointment	20 00	20 00
Category 2 Disbursements - Pre-Appt	63 00	63 00
Joint Administrators' Fees	1,731 83	1,731 83
Disbursements	123 80	123 80
Category 2 Disbursements	1,541 70	1,541 70
Agents Fees & Disbursements	NIL	1,928 40
Legal Fees - Pre Administration	NIL	1,573 00
Taxation Assistance	350 00	350 00
Storage Costs	365 88	569 03
Re-Direction of Mail	NIL	60 00
Statutory Advertising	NIL	75 37
Bank Charges	NIL	100 00
	<u>(8,196 21)</u>	<u>(12,316 13)</u>
	<u><u>(5,934.55)</u></u>	<u><u>0.00</u></u>
<b>REPRESENTED BY</b>		
		<u><u>NIL</u></u>

John Twizeil  
Joint Administrator

Funds were held in a non-interest bearing account

<b>Case Name</b>	Allten Windows Limited
<b>Court and Number</b>	Newcastle upon Tyne District Registry of the High Court No 0195 of 2013
<b>Office Holder</b>	John Twizell and James Sleight
<b>Firm</b>	Geoffrey Martin & Co
<b>Address</b>	St Andrew House, 119-121 The Headrow, Leeds, LS1 5JW
<b>Telephone</b>	0113 2445141
<b>Reference</b>	ALLT001/JT/JS/JB/RL
<b>Type of Appointment</b>	Administration
<b>Date of Appointment</b>	20 February 2013

#### **CHARGING AND DISBURSEMENTS POLICY (Leeds Office)**

##### **Time Costs**

The firm's hourly charge out rates are revised annually from 1 May. The rates currently in use are within the following bands

	£
Partner and Associates	325
Senior Manager	300
Manager	220 – 285
Senior Administrator	140 – 185
Junior Administrator and Support Staff	65 – 110

Secretarial and cashiers time is charged to the case and their rates are included within the above hourly rates identified above as appropriate. Time is charged in units of 6 minutes.

##### **Disbursements**

A disbursement charge relating to the recovery of overhead costs is levied at the rate of £9.00 per creditor. This sum is drawn at the outset of the case and on each anniversary thereafter and covers printing, postage, stationery, photocopying, telephone and fax usage.

Company Searches and Electronic Verification of Identity (charges between 1 March 2012 and 28 February 2013) -

Where these were undertaken on a case, the cost was recharged to the case as follows

Company Searches - £1 plus VAT per document searched  
Electronic Verification of Identity - £2 plus VAT for each search

From 1 March 2013 Company Searches and Identity Verifications are charged at cost

Outsourced printing and/or photocopying will be charged at cost in addition to the above

Travelling expenses are charged at the rate of 45p per mile

ALLT001 Allten Windows Limited

12 February 2014

**SIP 9 - Time & Cost Summary**

Period 20/02/13 07/02/14

Time Summary

Hours						Time Cost (£)	Average hourly rate (£)
Classification of work function	Partner And Associates	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	0 00	6 60	49 40	3 00	59 00	9,489 00	160 83
Appointment, Notification / Filing	0 20	0 10	0 00	0 00	0 30	91 50	305 00
Maintenance of Records	0 00	0 00	1 30	0 00	1 30	195 00	150 00
Post Appointment VAT & Tax Re	0 00	2 10	0 00	0 00	2 10	556 50	265 00
Case Monitorng	0 00	0 00	1 70	0 00	1 70	269 00	158 24
Secretarial / Filing	0 00	0 00	0 00	27 40	27 40	2,292 00	83 65
Cashier for Non Trading	0 00	0 00	0 00	12 60	12 60	1,386 00	110 00
Travelling	0 00	2 40	22 50	0 00	24 90	4,011 00	161 08
Other Statutory matters	0 60	0 90	0 00	0 00	1 50	433 50	289 00
Administration & planning	0 80	12 10	74 90	43 00	130 80	18,723 50	143 15
Investigations	0 60	0 70	4 30	0 00	5 60	1,025 50	183 13
CDDA Reports	0 50	2 10	11 70	0 00	14 30	2,474 00	173 01
Investigations	1 10	2 80	16 00	0 00	19 90	3,499 50	175 85
Ident / Securing & Insuring	0 00	0 40	5 40	0 00	5 80	916 00	157 93
Property	0 00	2 10	5 40	0 00	7 50	1,366 50	182 20
Book Debts	1 40	10 80	31 60	0 30	44 10	8,090 00	183 45
Plant & Machinery / Motor Vehicle	0 20	0 30	7 30	0 00	7 80	1,239 50	158 91
Stock	0 00	0 30	0 00	0 00	0 30	79 50	265 00
Other Assets	0 10	7 00	3 30	0 00	10 40	2,382 50	229 09
Going Concern Sale Assets/Busine	1 90	0 20	0 80	0 00	2 90	790 50	272 59
Insurance Claims	0 00	0 00	0 50	0 00	0 50	75 00	150 00
Strategy	0 40	0 00	0 00	0 00	0 40	130 00	325 00
Realisations of assets	4 00	21 10	54 30	0 30	79 70	15,069 50	189 08
Trading	5 20	12 20	16 40	0 00	33 80	7,385 00	218 49
Management of Operations	0 40	0 00	0 00	0 00	0 40	130 00	325 00
Cashiering for Trading	0 00	0 00	0 00	1 00	1 00	110 00	110 00
Ongoing Employee Issues (Trading	0 00	0 50	8 70	0 00	9 20	1,524 50	165 71
Trading Strategy	0 00	0 40	13 30	0 00	13 70	2,101 00	153 36
Trading	5 60	13 10	38 40	1 00	58 10	11,250 50	193 64
Preferential Creditors	0 00	0 10	0 00	0 00	0 10	26 50	265 00
Unsecured Creditors	0 00	2 60	11 70	0 40	14 70	2,470 00	168 03
Employee Matters (Claims)	2 30	1 30	49 60	0 00	53 20	8,974 00	168 68
Statutory Reporting to Creditors	3 00	31 40	42 60	1 30	78 30	15,868 50	202 66
Report / Secured Creditor	0 00	0 40	0 20	0 00	0 60	136 00	226 67
Pension Issues	0 10	0 10	5 80	0 00	6 00	987 00	164 50
Creditors	5 40	35 90	109 90	1 70	152 90	28,462 00	186 15
Total Hours	16 90	85 00	293 50	46 00	441 40	77 005 00	174 46
Total Fees Claimed							

ALLT001

Allten Windows Limited

12 February 2014

**SIP 9 - Time & Cost Summary**

Period 20/08/13 07/02/14

Time Summary

Classification of work function	Hours					Time Cost (£)	Average hourly rate (£)
	Partner And Associates	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours		
Administration & Planning	0 00	4 00	3 90	0 30	8 20	1,678 00	204 63
Post Appointment VAT & Tax Re	0 00	1 90	0 00	0 00	1 90	503 50	265 00
Case Monitoring	0 00	0 00	1 70	0 00	1 70	269 00	158 24
Secretarial / Filing	0 00	0 00	0 00	7 80	7 80	696 00	89 23
Cashier for Non Trading	0 00	0 00	0 00	3 10	3 10	341 00	110 00
Administration & planning	0 00	5 90	5 60	11 20	22 70	3,487 50	153 63
Investigations	0 00	0 20	0 00	0 00	0 20	53 00	265 00
CDDA Reports	0 30	0 10	0 50	0 00	0 90	199 00	221 11
Investigations	0 30	0 30	0 50	0 00	1 10	252 00	229 09
Ident / Securing & Insuring	0 00	0 10	0 00	0 00	0 10	26 50	265 00
Book Debts	0 30	5 80	16 40	0 00	22 50	4,094 50	181 98
Realisations of assets	0 30	5 90	16 40	0 00	22 60	4,121 00	182 35
Trading	0 00	0 20	0 20	0 00	0 40	85 00	212 50
Trading	0 00	0 20	0 20	0 00	0 40	85 00	212 50
Unsecured Creditors	0 00	0 20	0 00	0 00	0 20	53 00	265 00
Employee Matters (Claims)	0 00	0 20	2 60	0 00	2 80	469 00	167 50
Statutory Reporting to Creditors	0 80	16 80	14 90	0 30	32 80	6,977 00	212 71
Report / Secured Creditor	0 00	0 40	0 00	0 00	0 40	106 00	265 00
Creditors	0 80	17 60	17 50	0 30	36 20	7,605 00	210 08
Total Hours	1 40	29 90	40 20	11 50	83 00	15,550 50	187 36
Total Fees Claimed							

**Allten Windows Limited ("the Company") (In Administration)**

**Overview of Joint Administrators' time spent**

I detail below the key areas of work undertaken by the Joint Administrators and their staff in respect of this matter,

Administration and planning

- securing the Company's books and records, including back-ups of the computer system and electronic accounting records,
- maintaining the operation of the Company's e-mail system during the trading period,
- liaising with the Company's accounts clerk to bring up to date the Company's accounting records, and
- statutory requirements imposed by the Insolvency Act and Rules 1986 and insolvency bodies

Investigations

- statutory requirements under the Company Directors' Disqualification Act 1986,
- inviting creditors to notify me in writing of any matters of concern to them in my initial letter advising of my appointment, and
- enquires into the nature, extent, working practices and historical reporting of the directors' loan accounts

Realisation of assets

- review of all outstanding book debts and retentions,
- monitoring and collecting pre-appointment debts,
- reviewing debtors' counter claims,
- identifying the Company's assets and instructing chattel agents, Sanderson Weatherall LLP to provide a valuation and realise the Company's tangible assets,
- liaising with potentially interested parties in the business and assets,
- negotiating and agreeing the sale of the Company's unencumbered assets, motor vehicle, stock and work in progress to EHL UK, and
- dealing with asset insurance related matters

Trading

- formalising and implementing the Administration strategy for the continuation of trade and orderly wind down of the Company's business,
- onsite management of the business and retained employees,
- negotiating new terms and conditions with customers to support future sales and a continued relationship,
- extensive liaising and discussions with debtors and counter claims,
- liaising with the duly appointed Joint Administrators of a pre- and post-appointment debtor,
- negotiations with suppliers for the continuation of the supply of services and raw materials,
- processing trading transactions by the firm's in-house cashiering function,
- managing trading related health and safety issues,
- managing data protection issues,
- liaising with the landlord with regards to on-going occupation of the leasehold trading premises and the subsequent return of keys, effectively surrendering the lease,
- dealing with trading insurance related matters, and
- circulating all creditors and suppliers, notifying them of my appointment. Dealing with the many issues and enquires raised by creditors and suppliers in respect of their debt with the Company

Creditors

- dealing with enquires relating to Retention of Title claims,
- dealing with third party equipment held at the Companies premises,
- instructing SW to deal with assets subject to finance,
- managing the formal redundancies and processing of the Company's employee claims as and when their roles were no longer required,
- liaising with the Redundancy Payments Office,
- liaising with the landlord regarding the lease and its surrender,
- dealing with customers who had paid deposits but not received the goods they had ordered,
- liaising with LTSBCF with regards to the financed commercial book debts and specifically the counter claims raised by one of the Company's customers, and
- dealing with all classes of creditors, both oral and written

**Other professional costs of the Administration**

The Joint Administrators have incurred administration expenses in connection with the instruction of the following parties -

Expense/Activity	Service Provider	Basis of selection	Basis of charging
Legal advice	Dickinson Dees LLP	Due to their experience and knowledge in dealing with insolvent companies	Time costs
Valuation advice and asset disposal	Sanderson Weatherall LLP	Due to their experience in dealing with asset realisations for insolvent companies	£600 valuation fee and 10% of realisations

Details of expenses incurred and paid during the period of this report are as follows -

Expense	Incurred	Paid
	£	£
Legal fees and disbursements	1,415 00	Nil
Valuation advice / asset disposal, fees and disbursements	1,928 40	1,928 40
Total	3,343 40	1,928 40

Due to the limited funds available in the Administration, Dickinson Dees LLP agreed to write off their post appointment time costs in full

**Category 1 disbursements**

Category 1 disbursements comprise specific expenditure which relates to the Administration and which are paid to an independent third party



**Appendix D (continued)**

Details of Category 1 disbursements incurred and paid during the period of this report are as follows -

<b>Category 1 disbursement</b>	<b>Incurred</b>	<b>Paid</b>
	<b>£</b>	<b>£</b>
Parking	110 80	Nil
Search fees	13 00	Nil
Specific bond	180 00	180 00
Statutory advertising	75 37	75 37
Storage costs	569 03	569 03
Re-direction of mail	60 00	60 00
Total	1,008 20	1,008 20

**Category 2 disbursements**

Category 2 disbursements include elements of shared or allocated costs. Details of how these costs are calculated are noted at appendix D.

Details of Category 2 disbursements incurred and paid during the period of this report are as follows -

<b>Category 2 disbursement</b>	<b>Incurred</b>	<b>Paid</b>
	<b>£</b>	<b>£</b>
Postage & Stationary	801 00	801 00
Mileage	740 70	740 70
Total	1,541 70	1,541 70

## A CREDITORS' GUIDE TO ADMINISTRATORS' FEES

### ENGLAND AND WALES

#### 1 Introduction

- 1 1 When a company goes into administration the costs of the proceedings are paid out of its assets. The creditors, who hope eventually to recover some of their debts out of the assets, therefore have a direct interest in the level of costs, and in particular the remuneration of the insolvency practitioner appointed to act as administrator. The insolvency legislation recognises this interest by providing mechanisms for creditors to determine the basis of the administrator's fees. This guide is intended to help creditors be aware of their rights under the legislation to approve and monitor fees, explains the basis on which fees are fixed and how creditors can seek information about expenses incurred by the administrator and challenge those they consider to be excessive.

#### 2 The nature of administration

- 2 1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:
- rescuing the company as a going concern, or
  - achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration,
- or, if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors

#### 3 The creditors' committee

- 3 1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

#### 4 Fixing the administrator's remuneration

- 4 1 The basis for fixing the administrator's remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed
- as a percentage of the value of the property which the administrator has to deal with,
  - by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
  - as a set amount

Any combination of these bases may be used to fix the remuneration, and different bases may be used for different things done by the administrator. Where the remuneration is fixed as a percentage, different percentages may be used for different things done by the administrator.

It is for the creditors' committee (if there is one) to determine on which of these bases, or combination of bases, the remuneration is to be fixed. Where it is fixed as a percentage, it is for the committee to determine the percentage or percentages to be applied, and where it is a set amount, to determine that amount. Rule 2.106 says that in arriving at its decision the committee shall have regard to the following matters:

- the complexity (or otherwise) of the case,
- any responsibility of an exceptional kind or degree which falls on the administrator,
- the effectiveness with which the administrator appears to be carrying out, or to have carried out, his duties,
- the value and nature of the property which the administrator has to deal with

**Guide to Administrators' Fees (E & W)**

- 4.2 If there is no creditors' committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator's remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.
- 4.3 There are special rules about creditors' resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets.
- In this case, if there is no creditors' committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of-
- each secured creditor of the company, or
  - if the administrator has made or intends to make a distribution to preferential creditors -
    - each secured creditor of the company, and
    - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval,
- having regard to the same matters as the committee would.
- Note that there is no requirement to hold a creditors' meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.
- 4.4 A resolution of creditors may be obtained by correspondence.
- 5 Review of remuneration**
- 5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator's remuneration was fixed, the administrator may request
- that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.
- 6 Approval of pre-administration costs**
- 6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Disclosure of such costs must be included in the administrator's proposals and should follow the principles and standards set out in section 7.
- 6.2 Where there is a creditors' committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator's remuneration.
- 6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.
- 7 What information should be provided by the administrator?**
- 7.1 When fixing bases of remuneration**



- 7 1 1** When seeking agreement for the basis or bases of remuneration, the administrator should provide sufficient supporting information to enable the committee or the creditors to make an informed judgement as to whether the basis sought is appropriate having regard to all the circumstances of the case. The nature and extent of the information provided will depend on the stage during the conduct of the case at which approval is being sought. The appendix to this guide sets out a suggested format for the provision of information.
- 7 1 2** If any part of the remuneration is sought on a time costs basis, the administrator should provide details of the minimum time units used and current charge-out rates, split by grades of staff, of those people who have been or who are likely to be involved in the time costs aspects of the case.
- 7 1 3** The administrator should also provide details and the cost of any work that has been or is intended to be sub-contracted out that could otherwise be carried out by the administrator or his or her staff.
- 7 1 4** If work has already been carried out, the administrator should state the proposed charge for the period to date and provide an explanation of what has been achieved in the period and how it was achieved, sufficient to enable the progress of the case to be assessed and whether the proposed charge is reasonable in the circumstances of the case. Where the proposed charge is calculated on a time costs basis, the administrator should disclose the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

## **7 2 After the bases of remuneration have been fixed**

The administrator is required to send progress reports to creditors at specified intervals (see paragraph 8 1 below). When reporting periodically to creditors, in addition to the matters specified in paragraph 8 1, the administrator should provide an explanation of what has been achieved in the period under review and how it was achieved, sufficient to enable the progress of the case to be assessed. Creditors should be able to understand whether the remuneration charged is reasonable in the circumstances of the case (whilst recognising that the administrator must fulfil certain statutory obligations and regulatory requirements that might be perceived as bringing no added value for the estate). Where any remuneration is on a time costs basis, the administrator should disclose the charge in respect of the period, the time spent and the average charge-out rates, in larger cases split by grades of staff and analysed by appropriate activity. If there have been any changes to the charge-out rates during the period under review, rates should be disclosed by grades of staff, split by the periods applicable. The administrator should also provide details and the cost of any work that has been sub-contracted out that could otherwise be carried out by the administrator or his or her staff.

## **7 3 Disbursements and other expenses**

- 7 3 1** Costs met by and reimbursed to the administrator in connection with the administration should be appropriate and reasonable. Such costs will fall into two categories:

- **Category 1 disbursements** These are costs where there is specific expenditure directly referable both to the administration and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the administrator or his or her staff.
- **Category 2 disbursements** These are costs that are directly referable to the administration but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the administration on a proper and reasonable basis, for example, business mileage.

Category 1 disbursements can be drawn without prior approval, although the administrator should be prepared to disclose information about them in the same way as any other expenses. Category 2 disbursements may be drawn if they have been approved in the same manner as the administrator's remuneration. When seeking approval, the administrator should explain, for each category of expense, the basis on which the charge is being made.

- 7 3 2** The following are not permissible:

- a charge calculated as a percentage of remuneration,
- an administration fee or charge additional to the administrator's remuneration,
- recovery of basic overhead costs such as office and equipment rental, depreciation and finance charges.

## 8 Progress reports and requests for further information

8.1 The administrator is required to send a progress report to creditors at 6-monthly intervals. The report must include

- details of the basis fixed for the remuneration of the administrator (or if not fixed at the date of the report, the steps taken during the period of the report to fix it),
- if the basis has been fixed, the remuneration charged during the period of the report, irrespective of whether it was actually paid during that period (except where it is fixed as a set amount, in which case it may be shown as that amount without any apportionment for the period of the report),
- if the report is the first to be made after the basis has been fixed, the remuneration charged during the periods covered by the previous reports, together with a description of the work done during those periods, irrespective of whether payment was actually made during the period of the report,
- a statement of the expenses incurred by the administrator during the period of the report, irrespective of whether payment was actually made during that period,
- the date of approval of any pre-administration costs and the amount approved,
- a statement of the creditors' rights to request further information, as explained in paragraph 8.2, and their right to challenge the administrator's remuneration and expenses

8.2 Within 21 days of receipt of a progress report a creditor may request the administrator to provide further information about the remuneration and expenses (other than pre-administration costs) set out in the report. A request must be in writing, and may be made either by a secured creditor, or by an unsecured creditor with the concurrence of at least 5 in value of unsecured creditors (including himself) or the permission of the court

8.3 The administrator must provide the requested information within 14 days, unless he considers that

- the time and cost involved in preparing the information would be excessive, or disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested,

in which case he must give the reasons for not providing the information

Any creditor may apply to the court within 21 days of the administrator's refusal to provide the requested information, or the expiry of the 14 days time limit for the provision of the information

## 9 Provision of information - additional requirements

The administrator must provide certain information about time spent on a case, free of charge, upon request by any creditor, director or shareholder of the company

The information which must be provided is -

- the total number of hours spent on the case by the administrator or staff assigned to the case,
- for each grade of staff, the average hourly rate at which they are charged out,
- the number of hours spent by each grade of staff in the relevant period

The period for which the information must be provided is the period from appointment to the end of the most recent period of six months reckoned from the date of the administrator's appointment, or where he has vacated office, the date that he vacated office

The information must be provided within 28 days of receipt of the request by the administrator, and requests must be made within two years from vacation of office

## 10 What if a creditor is dissatisfied?

10.1 If a creditor believes that the administrator's remuneration is too high, the basis is inappropriate, or the expenses incurred by the administrator are in all the circumstances excessive he may, provided certain conditions are met, apply to the court

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- 10 2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator's progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8 1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.
- 10 3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.
- 11 What if the administrator is dissatisfied?**
- 11 1 If the administrator considers that the remuneration fixed by the creditors' committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days' notice to the members of the creditors' committee and the committee may nominate one or more of its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.
- 12 Other matters relating to remuneration**
- 12 1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.
- 12 2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.
- 12 3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.
- 12 4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.
- 13 Effective date**

This guide applies where a company enters administration on or after 1 November 2011

## Appendix

### Suggested format for the provision of information

Professional guidance issued to insolvency practitioners sets out the following suggested format for the provision of information when seeking approval of remuneration. However, the level of disclosure suggested below may not be appropriate in all cases, and will be subject to considerations of proportionality. In larger or more complex cases the circumstances of each case may dictate the information provided and its format.

#### Narrative overview of the case

In all cases, reports on remuneration should provide a narrative overview of the case. Matters relevant to an overview are:

- the complexity of the case,
- any exceptional responsibility falling on the administrator,
- the administrator's effectiveness,
- the value and nature of the property in question.

The information provided will depend upon the basis or bases being sought or reported upon, and the stage at which it is being provided. An overview might include:

- an explanation of the nature, and the administrator's own initial assessment, of the assignment (including the anticipated return to creditors) and the outcome (if known),
- initial views on how the assignment was to be handled, including decisions on staffing or subcontracting and the appointment of advisers,
- any significant aspects of the case, particularly those that affect the remuneration and cost expended,
- the reasons for subsequent changes in strategy,
- the steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, and fee drawing,
- any existing agreement about remuneration,
- details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees,
- in a larger case, particularly if it involved trading, considerations about staffing and managing the assignment and how strategy was set and reviewed,
- details of work undertaken during the period,
- any additional value brought to the estate during the period, for which the administrator wishes to claim increased remuneration.

#### Time cost basis

Where any part of the remuneration is or is proposed to be calculated on a time costs basis, requests for and reports on remuneration should provide:

- An explanation of the administrator's time charging policy, clearly stating the units of time that have been used, the grades of staff and rates that have been charged to the assignment, and the policy for recovering the cost of support staff. There is an expectation that time will be recorded in units of not greater than 6 minutes.
- A description of work carried out, which might include:
  - details of work undertaken during the period, related to the table of time spent for the period,
  - an explanation of the grades of staff used to undertake the different tasks carried out and the reasons why it was appropriate for those grades to be used,
  - any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- Time spent and charge-out summaries, in an appropriate format.

It is useful to provide time spent and charge-out value information in a tabular form for each of the time periods reported upon, with work classified (and sub-divided) in a way relevant to the circumstances of the case.

The following areas of activity are suggested as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors

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- Any other case-specific matters

The following categories are suggested as a basis for analysis by grade of staff

- Partner
- Manager
- Other senior professionals
- Assistants and support staff

The level of disclosure suggested above will not be appropriate in all cases, and considerations of proportionality will apply

- where cumulative time costs are, and are expected to be, less than £10,000 the administrator should, as a minimum, state the number of hours and average rate per hour and explain any unusual features of the case,
- where cumulative time costs are, or are expected to be, between £10,000 and £50,000, a time and charge-out summary similar to that shown above will usually provide the appropriate level of detail (subject to the explanation of any unusual features),
- where cumulative time costs exceed, or are expected to exceed, £50,000, further and more detailed analysis or explanation will be warranted



**Allten Windows Limited ("the Company") (In Administration)**

**Joint Administrators' proposals – DEEMED ACCEPTED in accordance with Rule 2.33(5) of the Insolvency (Amendment) Rules 1986**

**Statement of the Joint Administrators' proposals under Paragraph 49 of Schedule B1 to the Insolvency Act 1986**

In accordance with Paragraph 49 of Schedule B1 to the Insolvency Act 1986 ("the Act") and Rule 2.33(1) of the Insolvency (Amendment) Rules 1986 ("the Rules"), John Twizell and James Sleight, the Joint Administrators of the Company ("the Joint Administrators"), make the following proposals for achieving the purposes of the Administration, following their appointment on 20 February 2013, to the creditors of the Company for consideration and, if thought fit, approval

The Joint Administrator's do not intend to convene an initial meeting of creditors as they think that the Company has insufficient property to enable a distribution to be made to unsecured creditors other than by virtue of Section 176A(2)(a) of the Rules ("the Prescribed Part"), in accordance with Paragraph 52(1)(b) of Schedule B1 of the Act

The Joint Administrators shall, however, summon an initial meeting of creditors in accordance with Paragraph 52(2) of Schedule B1 of the Act if requested by creditors whose debts amount to at least 10% of the total debts of the Company. Any such request should be made in accordance with Rule 2.37 of the Rules and made within eight business days of the date on which these proposals were sent out

The following proposals will be deemed to have been approved by creditors if no meeting has been requisitioned by creditors within the above timescale, in accordance with Rule 2.33(5) of the Rules

**Proposals**

The Joint Administrators propose that

- (1) They continue to manage the business, affairs and property of the Company in order to achieve the following purposes of Administration, namely realising property in order to make a distribution to secured or preferential creditors
- (2) They continue to take any action they consider expedient with a view to achieving the purposes of administration detailed at (1) and in particular that
  - (i) they continue to wind down the Company's remaining affairs following the sale of the Company's tangible assets to EHL UK and the cessation of trade,
  - (ii) they continue to collect the outstanding Company debts and Administration debts,
  - (iii) that they do all such things they may consider expedient with a view to enhancing or preserving the value of the Company assets prior to realisation, and
  - (iv) at their sole discretion, but taking account of any secured creditors position, they be authorised to dispose of the Company's ownership of its remaining assets on such terms and to such parties as they consider expedient

- (3) They be at liberty to investigate, and if appropriate pursue, any claims that the Company may have against any person under the provisions of the Companies Act 2006, the Insolvency Act 1986 and such other relevant legislation as may apply to the Company

Specific consideration is to be given, but not limited, to the following

- (i) the directors' loan accounts in relation to Mr Stephen Henry Widdall and Mr John Francis Widdall
- (4) They be authorised to make a distribution to preferential creditors and floating charge holders, if and as appropriate
- (5) They seek an extension of the Administration period if deemed necessary by the Joint Administrators
- (6) That for so long as it appears that the Company may be in a position to make a distribution to unsecured creditors (whether under the provisions of the "Prescribed Part" or otherwise), they may take such steps as appropriate to establish the claims of the unsecured creditors against the Company for formal adjudication by any liquidator appointed in due course and that the costs of doing so may be defrayed out of the assets of the Company as an expenses of the Administration
- (7) They be authorised to apply to Court under Paragraph 65(3) of Schedule B1 of the Act to request permission to make distributions to unsecured creditors of the Company during the Administration, if, at the Joint Administrators' sole discretion, they consider it expedient to do so
- (8) Alternatively, in the event that the Joint Administrators think a distribution will be made to unsecured creditors, the Joint Administrators propose that either one or both of them (at their discretion) be appointed as liquidator(s) in accordance with Paragraph 83(7) of the Act and Rule 2.117(3) of the Rules. If both of them are appointed Joint Liquidators, then the Joint Liquidators will act jointly and severally. Alternatively, creditors may nominate a different person as proposed liquidator, provided that the nomination is made after the receipt of these proposals and before these proposals have been approved by creditors
- (9) Alternatively, if the Joint Administrators conclude that the Company has no property to permit any or a further distribution to unsecured creditors they shall send a notice in accordance with Paragraph 84 of the Act whereupon the Joint Administrators' appointment shall cease to have effect, and the Joint Administrators will be discharged from liability at that time. The effect of this is that the Company would eventually be dissolved without any formal liquidation
- (10) The Joint Administrators' remuneration be fixed by reference to the time properly incurred by them and their staff based on their firm's charging policy in attending to matters arising in the Administration (see Appendix G). The Joint Administrators be authorised to draw their remuneration from time to time during the period of the Administration without further recourse to creditors, as and when funds allow. The Joint Administrators will incur, and be authorised to pay as an expense of the Administration, professional fees they consider to be incidental to the achievement of the proposals outlined above or their statutory duties as and when funds allow
- (11) The Joint Administrators be authorised to draw a disbursements charge relating to the recovery of overhead costs in accordance with their firm's current disbursements policy (Appendix G)

- (12) With the acceptance of these proposals creditors confirm that upon discharge of the Administration by way of whichever route applicable, as set out between Paragraph 76 to 84 of Schedule B1 to the Act, that the Joint Administrators are discharged from all liability incurred in respect of the Administration pursuant to Paragraph 86 of Schedule B1 of the Act. Please note this is also subject to approval by Lloyds TSB Bank Plc, the secured creditor.
- (13) In addition, they do all such other things and generally exercise all their powers as Joint Administrators as they in their discretion consider desirable or expedient in order to achieve a purpose of the Administration or protect and preserve the assets of the Company or maximise realisations of those assets, or for any other purpose incidental to these proposals. Without limitation to the general powers of the Joint Administrators, they shall have the power and discretion to compromise claims if, in their opinion, it is beneficial to the achievement of the proposals outlined above to do so.

**John Twizell and James Sleight**  
Joint Administrators of Allten Windows Limited

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