

The Insolvency Act 1986

Notice of move from administration to dissolution

Name of Company H & J Forbes Limited	Company number 01985539
In the Newcastle upon Tyne District Registry [full name of Court]	Court case number 0744

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

We (a)

Andrew Little
8 High Street
Yarm

Peter W Gray
8 High Street
Yarm

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

Stockton on Tees TS15 9AE

Stockton on Tees TS15 9AE

(c) Insert date of
appointment

having been appointed Administrators of H & J Forbes Limited, 8 High Street, Yarm, Stockton
on Tees, TS15 9AE ("the company")


(d) Insert name of applicant /
appointor

on 19 July 2013 by the Directors of the Company Stephen Forbes & Ian Forbes

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


Andrew Little
Joint Administrator

Dated

11/7/2014

Contact Details

You do not have to give any contact
information in the box opposite but if you do,
it will help Companies House to contact you
if there is a query on the form. The contact
information that you give will be visible to
searchers of the public record

Iain Townsend	
Rowlands Restructuring & Insolvency	
8 High Street, Yarm, Stockton on Tees, TS15 9AE	Tel 01642 790790
DX Number	DX Exchange

Companies House receipt date barcode

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

MONDAY



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COMPANIES HOUSE

H. & J. FORBES LIMITED - IN ADMINISTRATION
IN THE NEWCASTLE UPON TYNE DISTRICT REGISTRY NO 0744 OF 2013

JOINT ADMINISTRATORS' FINAL PROGRESS REPORT
FOR THE PERIOD 19 JANUARY 2014 TO 11 JULY 2014

PETER W GRAY AND ANDREW LITTLE
JOINT ADMINISTRATORS

APPOINTED 19 JULY 2013

ROWLANDS RESTRUCTURING & INSOLVENCY
8 HIGH STREET
YARM
STOCKTON ON TEES, TS15 9AE

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1. PURPOSE OF REPORT

This report has been prepared in accordance with insolvency legislation to provide creditors with information relating to the progress of the administration in the period from 19 January 2014 to 11 July 2014

This report has been prepared solely to comply with the statutory requirements of Rule 2.47 and 2.110 of the Insolvency Rules 1986, as amended ("the Rules"). It has not been prepared for use in respect of any other purpose, or to inform any investment decision in relation to any debt or financial interest in the company. Any estimated outcomes for creditors are illustrative and may be subject to significant change. Neither the Administrators nor Rowlands Restructuring & Insolvency accept any liability whatsoever arising as a result of any decision or action taken or refrained from as a result of information contained in this report.

1.1 Statutory information

Peter W Gray and Andrew Little of Rowlands Restructuring & Insolvency, 8 High Street, Yarm, Stockton on Tees, TS15 9AE were appointed Joint Administrators of H. & J. Forbes Limited on 19 July 2013 by the directors of the company.

The notice of appointment was filed in the Newcastle upon Tyne District Registry under reference number 0744 of 2013.

We attach at Appendix A an extract of statutory information from the company's file held at Companies House.

2. PROGRESS OF THE ADMINISTRATION

2.1 Proposal summary

Following their appointment and having undertaken a review of the financial records the Joint Administrators found that there were insufficient on-going contracts to enable continued trading within the administration process. The decision was therefore made to make all employees redundant which effectively eliminated any chance of rescuing the business as a going concern.

The Joint Administrators were however able to carry out minor snagging work which meant that debtors' realisation would be increased, this would have been much more difficult to do should the Company have been in liquidation. The purpose of the administration was therefore to achieve a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration).

During the Administration process the Joint Administrators made no major amendments to, or deviation from the proposals that were put to creditors. The steps taken during the administration process are detailed below and the Joint Administrators believe that they have been successful in achieving the purpose of the Administration.

2.2. Realisation of Assets \ Sale of Business

Office Furniture & Equipment and Plant & Machinery

The Joint Administrators were informed by the directors that the office furniture & equipment and the plant and machinery were not assets of the Company. They were also informed that these assets had previously belonged to the Company but had been transferred into the ownership of the Landlord company (H. & J. Forbes (Middlesbrough) Ltd). Investigations were subsequently carried out and legal opinion obtained and it was

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established that the assets were transferred in the accounts to the year ended 30 September 2010 for their book value which was nil

Consideration was given to whether there may be possible action to take in relation to the transfer that may have produced recoveries for the benefit of the creditors. As part of this investigation the Joint Administrators has various meetings with their legal advisors, the Company's accountants, the agent and the Landlord. It was found that the assets would have had some value at the time of the transfer, however there would be considerable costs involved in taking action to recover the assets and further costs involved in uplifting the assets and returning the premises to their original state after removal.

An agreement was settled upon with the Landlord that the Joint Administrators would not pursue the recovery of these assets and in return the landlord would retake control and responsibility for the premises thus releasing the Joint Administrators from any further liability in relation to the premises. In the interest of the creditors it was concluded that this was the most beneficial course of action.

Book Debts

Book debts on appointment totalled £97,717.33. Following a review of the debtors it was found that £426.39 was owed by a Company in liquidation and that a further £2,359.60 was in dispute, the balance of £94,931.34 initially was considered to be collectable. The disputed debt required considerable electrical and decorating work that needed to be done in order to collect the remaining funds. Following a quote of £2,980.00 plus VAT to undertake the remedial work it was decided that this was uneconomic and therefore no further efforts or costs would be incurred in attempting to recover the debt.

With the assistance of Mr Ian Forbes the Joint Administrators have realised £76,348.84. A payment of £1,750.00 was made to ABA Architecture in order to secure payment of £29,295.60 from Weir Inns Ltd. Of the remaining debtors it was found that £17,040.10 that appeared in the Company records as outstanding had in fact been paid but this had not been updated, this was reflected in the cash at bank figure. A further £1,000.00 was retained by one of the debtors to pay for any defect that would no longer be able to be fixed by the Company, whilst this may not have been appropriate, the costs likely to be incurred to realise this £1,000.00 was considered uneconomic. Another £542.40 was not collectable due to the supplier having not received the items which they had been invoiced for.

Goodwill

The business had a very good reputation and we looked to see if any opportunity existed to market the business for sale which may have increased realisations as a payment for goodwill may have been made. However, as a result of the decline in trade and the current difficulties in the marketplace the number of potential buyers was limited.

Whilst a number of potential interested parties were approached, the TUPE regulations and the long serving workforce were off putting to any potential purchaser.

As the assets other than the vehicles were not owned by the company and the premises were rented there was also no appetite from any potential purchaser to pay anything for goodwill as there was no real possibility to continue to trade from the premises without the consent of the landlord which we understood to be unlikely at an economic rent given the current business levels.

We were therefore unable to secure any sale or obtain any payment for goodwill.

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2.3 Connected Party Transactions

The following transaction with connected parties took place.

On the 31 July 2013 the Joint Administrators sold the following vehicle to Mr Steven Forbes a director of H. & J. Forbes Ltd, the vehicle was previously Mr Forbes company car

- MERCEDES-BENZ E250 BLUEF-CY SPORT CDI A (NY59 VVV)

The sale was for £9,000.00 with no deferred consideration. Payment was made at the time of the sale

On the 07 August 2013 the Joint Administrators sold the following vehicles to Haydock Assets Finance Ltd. Haydock Assets Finance Ltd subsequently provided I Forbes Joinery Ltd with the finance to purchase the vehicles. Mr Ian Forbes a director of H. & J. Forbes Ltd is sole director of I Forbes Joinery Ltd

- IVECO DAILY 35C18 LWB (NX08 EYZ)
- FORD TRANSIT 110 T280S FWD (DE08 OAS)

The sale was for £6,000 00 plus VAT with no deferred consideration. Payment was made at the time of the sale.

Also on the 07 August 2013 the Joint Administrators sold the following vehicles to Mr Ian Forbes

- MERCEDES-BENZ E250 BLUEF-CY SPORT CDI A (BL10 GZN)
- FORD TRANSIT 260 SWB (NY55 JFA)
- FORD TRANSIT 260 SWB TD (NY04 PWU)

The sale was for £10,600 plus VAT with no deferred consideration. Payment was made at the time of the sale.

The Joint Administrators instructed independent agents to value all of the above vehicles. The sales were made in accordance with the valuations obtained and reflected the appropriate value achievable with minimal costs of sale.

2.4. Cash at bank at appointment

Company records had shown that cash at bank at appointment was £32,977.44 following a request to the bank to transfer the available funds the figure of £28,259 84 was received. We have reviewed the bank statement as part of the Administration and this difference has been recognised as the records not being entirely up to date at the date of our appointment. There has been no loss to creditors.

2.5. Trading

As referred to in the Joint Administrators Proposals, upon appointment a review of the Company's financial information and on-going and potential contracts was undertaken and it was decided that the employees would be made redundant and that no trading would take place.

2.6. Investigations

In accordance with our statutory obligations, the Joint Administrators have filed the appropriate documentation with the Department for Business, Innovation and Skills in relation to the conduct of the directors.

The contents of the report are confidential.

2.7 Administration and Planning

Notification of appointment

Following their appointment the Joint Administrators sent notification to all creditors, as well as the Court and Companies House, notification was also advertised in the London Gazette. The appropriate notification was sent to HM Revenue & Customs regarding VAT and deregistration requested. A final VAT return was then submitted.

Maintenance of Records

The Joint Administrators opened a separate bank account for the administration and financial records set up in accordance with Statement of Insolvency Practice 7 to record receipts and payments. The Joint Administrators undertook frequent file reviews together with discussions with the case administrator to ensure that the progress of the administration was maintained. Company records have been collected and reviewed for any potential realisations in accordance with Statement of Insolvency Practice 2 before being placed into storage.

Statutory Reporting

Administration proposals were drafted and sent to creditors and a meeting of creditors called to agree said proposals, which were duly agreed on 26 September 2013. The Joint Administrators produced a progress report for the period of six months following their appointment, this was circulated to all creditors, filed and Companies House and with Court. As part of the closure procedure the Joint Administrators produced a final progress report to distribute to all creditors, they also produced a corporation tax return for the period and the appropriate forms were completed to end the Administration and request the dissolution of the Company.

3. ASSETS REMAINING TO BE REALISED

There are no assets remaining to be realised.

4. EXTENSION OF THE ADMINISTRATION

There has been no extension of the administration.

5. CREDITORS' CLAIMS AND DIVIDEND PROSPECTS

5.1 Secured Creditors

Barclays Bank plc have a fixed and floating charged dated 6 November 1987 registered at Companies House. The Company bank account was in credit when the Administrators were appointed and no claim has been received by the Joint Administrators.

5.2 Preferential Creditors

15 preferential claims totalling £62,851.16 were received. The Joint Administrators were concerned by the high value of the claims and the fact that a large number of holidays being claimed were days carried forward from the previous years holiday entitlement. Work was undertaken reviewing Company records, such as historical contracts and payroll information, together with obtaining statements from the directors. It was also thought prudent to seek legal advice. The conclusion was that the employee claims were indeed valid and on that basis distributions have been paid to preferential creditors as follows:

Date	Rate (p in the £)
08 July 2014	93.358

5.3 Unsecured Creditors

30 unsecured claims totalling £287,984.81 were received. Distributions have been paid to unsecured creditors as follows:

No distribution has been made, or will be made, to ordinary unsecured creditors as the funds realised have already been either distributed to the preferential creditors or allocated for defraying the expenses of the estate.

5.4 Prescribed Part

The "Prescribed Part" is a statutory amount, calculated as a percentage of net floating charge realisations, which entitles unsecured creditors to a share of realisations. This is calculated on a sliding scale up to maximum of £600,000 before costs.

There are no creditors secured by charges over the assets and undertakings of the Company created on or after 15 September 2003. There is therefore no requirement to estimate the amount of the Prescribed Part of the assets under Section 176A of the Act.

6 RECEIPTS AND PAYMENTS SUMMARY

We attach as Appendix B a summary of our receipts and payments for the period from 29 July 2013 to 11 July 2014

6.1 VAT Basis

Receipts and payments are shown net of VAT, with any amount due to or from HM Revenue and Customs shown separately.

7. COSTS AND JOINT ADMINISTRATORS' REMUNERATION

7.1 Pre-administration costs

The Joint Administrators' proposals dated 10 September 2013 detailed un-paid pre-administration costs totalling £6,690.40 as set out in Appendix G. The payment of these costs was approved by creditors on 26 September 2013 and Appendix G details the amounts approved.

7.2 Joint Administrators' Remuneration and Disbursements

The Joint Administrators' remuneration was approved on a time cost basis by the creditors on 26 September 2013. We have incurred time costs of 46,463.80 plus VAT since the date of our appointment at an average hourly rate of £153.40. Of this, a total of £46,403.31 has been paid and £60.49 remains outstanding, consequently this time will be written off.

Approval was also given to the drawing of disbursements, including category 2 disbursements. Details of the current rates are attached at Appendix C.

7.3 Remuneration and Disbursements Incurred in the period from 19 January 2014 to 11 July 2014

We have incurred time costs of £17,150.50 plus VAT since the date of our last progress report at an average hourly rate of £161.95. An analysis of time incurred in the period is attached at Appendix F.

Category 2 disbursements incurred in the period are detailed in Appendix D.

A copy of "A Creditors' Guide to Administrator's Fees", issued by the Association of Business Recovery Professionals, which sets out the basis of fixing the Administrators' Remuneration, is available at

http://www.r3.org.uk/media/documents/publications/professional/Guide_to_Administrators_Fees_Nov2011.pdf

Please let me know if you do not have access to the internet and would prefer a hard-copy of this guide

8 JOINT ADMINISTRATORS STATEMENT OF EXPENSES

A statement of the expenses incurred during the period, is attached at Appendix E. This includes all expenses incurred by the Joint Administrators in the period of the report irrespective of whether they have been paid or not and may include estimated amounts where actual invoices have not been received. The receipts and payments abstract at Appendix B sets out the expenses actually paid in the period together with cumulative figures.

8.1 Detailed cost breakdown

Attached to this report are Appendices relating to my costs on this assignment:

- Appendix C: A copy of Rowlands Restructuring & Insolvency's charging, expenses and disbursements policy statement,
- Appendix F: Joint Administrators' time cost analysis

The work that we do as Joint Administrators is derived from the responsibilities placed upon us by the underlying legal and regulatory framework for work of this nature in general. The actual matters with which we are dealing are set out briefly in both this report and in our earlier reports to creditors.

We believe this case generally to be of average complexity, and accordingly no extraordinary responsibility has to date fallen upon us as Joint Administrators. The underlying basis of charging proposed to and approved by the creditors has been Rowlands Restructuring & Insolvency standard charge out rates. Rowlands Restructuring & Insolvency charge out rates have been reviewed periodically.

8.2 Other professional costs

Ward Hadaway, solicitors, have been retained as legal advisors in view of their general experience and expertise in these matters. They have advised us on matter. We have agreed their remuneration on the basis of their standard hourly charge-out rates, plus VAT and disbursements, and their agreed fees of £10,210.50 and disbursements of £69.75 plus VAT have been paid.

Chipchase Manners accountants assisted with the preparation of the Statement of affairs and their remuneration agreed on their standard charge out rates, plus VAT and disbursements. Their agreed fee of £2,000.00 plus VAT have been paid.

Lithgow Sons & Partners were retained as agents to value and dispose of the company's tangible assets. I have agreed that they be remunerated on the basis of their standard commission rates, plus disbursements and VAT. They have submitted invoices totalling £855.00 which have been paid.

9 CREDITORS' RIGHT TO INFORMATION AND ABILITY TO CHALLENGE REMUNERATION AND EXPENSES

In accordance with the provisions of Rules 2.48A and 2.109 of the Rules, creditors have a right to request further information about remuneration or expenses (other than pre-administration costs) and to challenge such remuneration or expenses.

A request for further information must be made in writing within 21 days of receipt of this report.

Any secured creditor, or any unsecured creditor with either the concurrence of at least 10% in value of the unsecured creditors, including that creditor, or the permission of the

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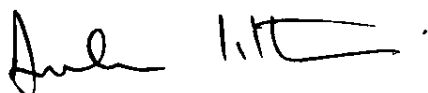
Court, may apply to Court that the remuneration charged, the basis fixed or expenses incurred by the administrator are in all the circumstances excessive.

Any such challenge must be made no later than eight weeks after receipt of the report which first discloses the charging of remuneration or incurring of the expenses in question.

10. CLOSURE OF THE ADMINISTRATION

The Joint Administrators will bring the administration to a close by dissolution. The appropriate forms will be filed to request the Company be dissolved and the Joint Administrators be released from their position.

Should you have any further queries please do not hesitate to contact me.



ANDREW LITTLE
ROWLANDS RESTRUCTURING & INSOLVENCY
JOINT ADMINISTRATOR

Andrew Little and Peter W Gray are licensed to act as Insolvency Practitioners in the UK by the Insolvency Practitioners Association.

The Joint Administrators manage the affairs, business and property of the company as agents and act without personal liability.

STATUTORY INFORMATION

Company Name	H & J. Forbes Limited
Functions	<p>The Joint Administrators' appointment specified that they would have power to act jointly and severally.</p> <p>The Joint Administrators' have exercised, and will continue to exercise, all of their functions jointly and severally as stated in the notice of appointment</p>
Previous Company Names	N/A
Company Number	01985539
Date of Incorporation	04/02/1986
Trading Name:	H & J. Forbes
Trading Address	147 Stockton Street Middlesbrough TS2 1BU
Principal Activity	Manufacture of other office and shop furniture
Registered Office:	Rowlands, 8 High Street Yarm Stockton on Tees TS15 9AE
Previous Registered Office	147 Stockton Street Middlesbrough TS2 1BU

Appendix B

SUMMARY OF RECEIPTS AND PAYMENTS

SOA Value		19/01/2014 to 11/07/2014		Total to 11/07/2014	
£		£	£	£	£
	FINANCE AND HIRE PURCHASE AGREEMENTS				
9,600 00	Leased Assets	0 00		9,600 00	
(1,994 09)	Leased Assets (Amounts Owing)	0 00		(1,994 09)	
0 00	Leased Assets Control	0 00		0 00	
			0 00		7,605 91
	ASSET REALISATIONS				
0 00	Bank Interest Gross	150 57		292 92	
32,977 44	Cash at Bank at appointment	0 00		28,259 84	
90,873 94	Debtors (Pre-Appointment)	2,802 30		76,348 84	
16,000 00	Motor Vehicles	0 00		16,000 00	
0 00	Petty Cash	0 00		8 95	
			2,952 87		120,910 55
	COST OF REALISATIONS				
0 00	Administrator Fees	(23,079 31)		(46,403 31)	
0 00	Administrators Pre-appointment fees	0 00		(6,676 00)	
0 00	Agents / Valuers Fees	0 00		(855 00)	
0 00	Architect costs re debtors	0 00		(1,750 00)	
0 00	Casual Wages	0 00		(550 00)	
0 00	Company search	0 00		(10 00)	
0 00	Corporation Tax	(58 60)		(58 60)	
0 00	Insurance	0 00		(360 40)	
0 00	Legal Fees & disbursements	(3,800 50)		(10,280 25)	
0 00	Mileage	0 00		(141 30)	
0 00	Third party statement of affairs fees	0 00		(2,000 00)	
0 00	Site clearance costs	0 00		(150 00)	
0 00	Specific Bond	0 00		(240 00)	
0 00	Statutory Advertising	0 00		(140 00)	
0 00	Storage Costs	(225 00)		(225 00)	
			(27,163 41)		(69,839 86)
	PREFERENTIAL CREDITORS				
(51,671 16)	Holiday Pay	(48,239 19)		(48,239 19)	
(11,180 00)	Wages	(10,437 41)		(10,437 41)	
			(58,676 60)		(58,676 60)
	UNSECURED CREDITORS				
(235,545 11)	Employees	0 00		0 00	
(40,806 40)	HM Revenue and Customs	0 00		0 00	
(15,348 84)	Trade and Expense Creditors	0 00		0 00	
			0 00		0 00
	EQUITY				
(700 00)	Ordinary A	0 00		0 00	
(500 00)	Ordinary B	0 00		0 00	
			0 00		0 00
(200,688 22)			(82,887 14)		0 00

STATEMENT ON REMUNERATION AND EXPENSES IN INSOLVENCY PROCEEDINGS

INTRODUCTION

The insolvency legislation was changed in April 2010 for insolvency appointments commenced from that time in order to allow more flexibility on how an office holder's fees are charged to a case. This sheet explains how we may apply the alternative fee bases. The new legislation allows different fee bases to be used for different tasks within the same appointment. The basis or combination of bases set for a particular appointment are subject to approval, generally by a committee if one is appointed by the creditors, failing which the creditors in general meeting, or the court.

Further detail about how an office holder's fees are approved for each case type are available in a series of guides issued with Statement of Insolvency Practice 9 (SIP 9). A copy of these guides can be accessed and downloaded from www.rowlandsaccountants.co.uk. Alternatively a hard copy may be requested from Rowlands, 8 High Street, Yarm, Stockton on Tees, TS15 9AE or insolvency@rowlandsaccountants.co.uk.

Once the basis of the office holder's remuneration has been approved, a periodic report will be provided to any committee and also to each creditor. The report will provide a breakdown of the remuneration drawn and time costs incurred and will also enable the recipients to see the average rates of such costs. Under the new legislation, any such report must disclose how creditors can seek further information and challenge the basis on which the fees are calculated and the level of fees drawn in the period of the report. Once the time to challenge the office holder's remuneration for the period reported on has elapsed, then that remuneration cannot subsequently be challenged.

Under the old legislation, which still applies for insolvency appointments commenced before 6 April 2010, there is no equivalent mechanism for fees to be challenged.

POLICY

In order to maximise the cost effectiveness of the work performed it is Rowlands normal policy to delegate certain tasks within the case to members of their staff subject to their experience and specialist skills with the provision of supervision as appropriate. Matters deemed to be complex or of significance will be dealt with by senior members of staff or the license holder.

Time Cost Basis

This is the basis that we use in the majority of cases and we use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform. This is combined with the amount of time that they work on each case, recorded in 6 minute units with supporting narrative to explain the work undertaken. All staff who work on this assignment, including case support (such as cashiers and secretarial staff etc) charge time directly to the assignment and are included within any analysis of time. The costs of any central Rowlands administration or general Rowlands overhead costs are not charged directly to the assignment but are reflected in the general level of charge out rates.

The rates vary between individuals of each grade reflecting experience and qualification. Charge out rates may be revised periodically to cover and are adjusted to take account of inflation and the firm's overheads. In cases deemed to be particularly complex revised rates will be presented to creditors. The maximum current charge out rates per grade are currently

Grade	Rate (£) per hour (effective from 1 April 2014)	Rates (£) per hour (previous rates)
Partner	250	240
Associate / Director	180	180
Manager	150	130
Case Handler / Administrator	90	85
Case support staff	21	20

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Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Each unit of time is 6 minutes. The work is recorded under the following categories including Administration and Planning, Investigations, Realisation of assets, Debtors, Creditors, Employee matters, and Trading.

Percentage Basis

The new legislation allows fees to be charged on a percentage of the value of the property with which the office holder has to deal. Different percentages can be used for different assets or types of assets. Where we would like to realise any asset or type of assets on a percentage basis we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

Fixed Fee Basis

The new legislation allows fees to be charged at a set amount. Different set amounts can be used for different tasks. Where we would like to charge a set amount for a task or different set amounts for different tasks we will provide further information explaining why we think that this basis is appropriate and ask creditors to approve the basis.

All Bases

The officeholder's remuneration invoiced to the insolvent estate will be subject to VAT at the prevailing rate.

AGENT'S COSTS

Charged at cost based upon the charge made by the Agent instructed, the term Agent includes

- Solicitors / Legal Advisors
- Auctioneers / Valuers
- Accountants
- Quantity Surveyors
- Estate Agents
- Other Specialist Advisors

DISBURSEMENTS

As part of our disclosure requirements the basis of disbursement allocation in respect of disbursements incurred by the Office Holder in connection with the administration of the estate must be fully disclosed to creditors. Disbursements are categorised as either Category 1 or Category 2.

Category 1 expenses - are directly referable to an invoice from a third party, which is either in the name of the estate or Rowlands (or a partner / employee of the same), in the case of the latter, the invoice makes reference to, and therefore can be directly attributed to, the estate. These disbursements are recoverable in full from the estate without the prior approval of creditors either by a direct payment from the estate or, where the firm has made payment on behalf of the estate, by a recharge of the amount invoiced by the third party. These expenses may include, but are not limited to case advertising, money laundering fees, company search fees, specific penalty bond, identifiable telephone calls, postage at cost, external document storage, external room hire, external printing, invoiced travel, and properly reimbursed expenses incurred by Rowlands and its employees in connection with the case. Obtaining a specific penalty bond and advertising are disbursements that are required in each case as a result of statutory obligations imposed on the Insolvency Practitioner.

Category 2 expenses - are incurred by Rowlands and recharged to the estate, they are not attributed to the estate by a third party invoice and/or they may include a profit element. These disbursements are recoverable in full from the estate, subject to the basis of the disbursement charge being approved by creditors in advance. Examples of category 2 disbursements are photocopying, internal room hire, mileage at approved inland

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Revenue scale rates, and internal storage With the exception of photocopying, Rowlands do not typically recharge expenses and disbursements which include an element of shared or allocated costs of internal facilities such as stationery, room hire, communication facilities, printing, internal document storage etc

Category 2 expenses that may be charged by Rowlands

Mileage	£0 45 per mile
Storage Costs	£5 00 per box per year (no adjustment for part years)
Non Specific Company Searches	£10 00
Attestation	£10 00
Photocopying	up to 5p per sheet

TYPICAL TASKS UNDERTAKEN

Matters typically dealt with in the respective time breakdown categories during an insolvency procedure may include, but are not limited to, the following It should be noted that every insolvency case is different, and certain items may not be applicable to this case

Administration & Planning

Cash strategy and planning, cashiering, banking, bank reconciliations, obtaining specific bond and ongoing bond maintenance, any general insurance, uplift and ongoing maintenance of company books and records, filing, internal case progression reviews, case updates, and internal case meetings

Correspondence

All general correspondence excluding specific correspondence relating to other categories

Investigations

Collation and review of directors questionnaires, review of any matters raised by the creditors concerning the conduct of the directors, review of all recent bank transactions undertaken by the company, review of any transactions between the company and associated parties, review of the assets listed in the statement of affairs with the last available statutory accounts, collation of information and submission of a report on all directors in the 3 years prior to liquidation under the Company Directors Disqualification Act 1986

Additional investigations may also be undertaken in specific items at the request of the creditors committee (if any), and antecedent transactions including preferences, transaction at undervalue, misfeasance, breach of fiduciary duties etc

Debtors

Transfer of debtors ledger onto our software, reconciliation of debtors ledger and identification of any refunds, claims, collection of supporting evidence including invoices, proof of delivery, orders etc, corresponding with debtors to collect debts, review and assessment of any responses and/or counterclaims / disputes, general contact with debtors, instruction, liaison and correspondence with solicitors or debt collection agents, liaison with any invoice discounter or factor, and negotiation of any settlement

Realisation of Assets

All other assets excluding debtors including property (freehold and leasehold), intangible assets (intellectual property, patents, goodwill, copyrights etc) and chattel assets (e.g. furniture & equipment, stock, cash at bank, plant & machinery, work in progress, vehicles, computer equipment etc) Our work includes the preservation of such assets (arranging insurance, security etc), site visits, complying with fire brigade and insurer requirements (e.g. draining of heating system), arranging collection, preparation of sales particulars, liaising with valuers and agents, assessing and negotiating potential offers, and instructing and liaising with solicitors and reviewing any sale contract,

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Reservation of Title

Dealing with all third party assets (including reservation of title, hire purchase, consignment stock, leased assets etc) Our work includes identification of third party assets, reviewing any agreement associated with the assets, corresponding with the claimant, stock taking, arranging and managing uplift of the assets, surrender or disclaiming onerous leases / assets, submission of returns to Registrar of Companies and third parties following disclaimer, and, instructing and liaising with solicitors re challenged claims

Statutory Matters

Undertaking and dealing with statutory matters required to comply with the various legislation concerning an insolvency including preparation and holding of creditors meeting, preparation of report/letters to creditors following appointment, submission of returns to Registrar of Companies and/or Court, preparation of adverts for insert in Gazette / newspaper, preparation of proposals, preparation of progress reports for creditors including receipts and payments, preparation of final reports including receipts and payments, together with the holding of final meetings, preparation of reports and updates for the Creditors Committee, together with any meetings required therein

Creditors

Dealing with all classes of creditors

Secured confirming validity of security, reporting to secured creditor, ongoing communication with secured creditor, review of any claim and distribution thereunder, and instructing and dealing with solicitors

Preferential identifying and notifying potential preferential creditors of ability to claim, review of calculation of preferential claim, ongoing communication with preferential creditors, review and adjudication of preferential claims, and, calculation and payment of dividend (if applicable)

Unsecured identifying and notifying unsecured creditors of ability to claim, submission of pre appointment VAT returns, ongoing communication with unsecured and potential unsecured creditors, dealing with potential pension creditor, recording of unsecured claims, review and adjudication of unsecured claims, and, calculation and payment of unsecured dividend (if applicable)

Employees

Notifying of appointment, issuing redundancy notices, and making employees redundant, assistance in completion of relevant forms to make claim from National Insurance Fund, calculation of outstanding entitlement, collation of claim forms and submission to National Insurance Fund, and ongoing employee correspondence

Trading

Assessment of suitability to trade including preparation of profit and cash flow forecasts, company resources, risk analysis etc, assessing ongoing terms of trade with customers and suppliers, ongoing site presence to monitor and supervise trading, dealing with employees, customers and suppliers, internal reviews to assess ongoing trading, dealing with duress creditors, dealing with health & safety and legislative issues, liaising with insurers, instructing and liaising with solicitors, preparation of trading reports, reporting to funders / secured creditors, and dealing with trading compliance such as VAT, PAYE etc

Other Matters

Items which would not normally fall into any of the above categories including travel, taxation (including processing of any post appointment returns to HMRC in respect of VAT, Corporation Tax etc), director correspondence (to the extent it is not within the other categories), general government returns, and miscellaneous items

Appendix D

JOINT ADMINISTRATORS' DISBURSEMENTS FOR THE PERIOD 19 JULY 2013 TO 11 JULY 2014

Recipient, Type and Purpose	Category	Paid	Unpaid
		£	£
Company Search	2	10 00	
Mileage	2	141 30	
Specific Bond	1	240.00	
Storage Costs	2	225 00	
Total		616 30	

JOINT ADMINISTRATORS' DISBURSEMENTS FOR THE PERIOD 19 JANUARY 2014 TO 11 JULY 2014

Recipient, Type and Purpose	Category	Paid	Unpaid
		£	£
Storage Costs	2	225 00	
Total		225.00	

Appendix E

STATEMENT OF EXPENSES INCURRED BY THE JOINT ADMINISTRATORS' IN THE PERIOD FROM 19 JULY 2013 TO 11 JULY 2014

Type and Purpose	Incurred in Period
	£
Agents / Valuers Fees	855 00
Architect costs re debtor	1,750.00
Casual wages	550.00
Corporation tax	58.60
Insurance	360 40
Legal fees & disbursements	10,280 25
Third party statement of affairs fees	2,000 00
Site clearance costs	150.00
Statutory advertising	140.00
Total	16,144 25

STATEMENT OF EXPENSES INCURRED BY THE JOINT ADMINISTRATORS' IN THE PERIOD FROM 19 JANUARY 2014 TO 11 JULY 2014

Type and Purpose	Incurred in Period
	£
Corporation tax	58 60
Legal fees & disbursements	3,800 50
Total	3,859 10

Appendix F

JOINT ADMINISTRATORS' TIME COST ANALYSIS

FOR THE PERIOD FROM 19 JULY 2013 TO 11 JULY 2014

	Hours Spent					Time Costs £
	Partner	Manager	Admini- strator	Assistants & Support Staff	Total	
Administration and planning	30.80	92.70	2.20	2 00	127 70	19,789.60
Investigations	7 60	3 10	0.00	0.00	10.70	1,923 00
Realisation of assets	15.00	32.80	0 90	0 00	48 70	7,344 70
Creditors	22.20	90.10	0 00	3 50	115 80	17,406 50
Total hours	75 60	218.70	3.10	5.50	302 90	
Total time costs	16,255 50	29,870.50	207.80	130.00		46,463.80

FOR THE PERIOD FROM 19 JANUARY 2014 TO 11 JULY 2014

	Hours Spent					Time Costs £
	Partner	Manager	Admini- strator	Assistants & Support Staff	Total	
Administration and planning	9 80	37 10	0 00	0 00	46.90	7,644 00
Investigations	4 90	1 50	0 00	0.00	6 40	1,175 00
Realisation of assets	1 00	8 00	0.00	0 00	9 00	1,270.00
Creditors	8 50	34 10	0 00	1.00	43 60	7,061 50
Total hours	24 20	80 70	0 00	1.00	105 90	
Total time costs	5,480 00	11,650.50	0 00	20 00		17,150.50

APPENDIX G

ANALYSIS OF PRE-ADMINISTRATION COSTS

Pre-Administration Costs Charged / Incurred			
Name	£		
	Charged / Incurred	Unpaid	Approved & Paid
Administrators' Fees & Disbursements			
Fees	6,676.00		6,676.00
Mileage	14.40		14 40
Total	6,690.40		6,690.40