

## The Insolvency Act 1986

**Administrator's progress report****2.24B**

Fraser Eagle Limited

Company number  
00407620In the High Court of Justice, Chancery Division, Manchester District  
RegistryCourt case number  
779/2009(a) Insert full name(s) and  
address(es) of  
administrator(s)

We (a)

Lindsey Cooper and Donald Bailey  
Baker Tilly Restructuring & Recovery LLP  
3 Hardman Street  
Manchester  
M3 3HF

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

(b) Insert dates

from

(b) 10 September 2009

to

(b) 5 March 2010

Signed

Joint Administrator

Dated

5/3/10

**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.

Baker Tilly Restructuring &amp; Recovery LLP

3 Hardman Street, Manchester

M3 3HF

Tel 0161 830 4000

DX Number – 14371

DX Exchange - 1

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COMPANIES HOUSE

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Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff

**IN THE MANCHESTER HIGH COURT OF JUSTICE  
CHANCERY DIVISION  
COMPANIES COURT**

**No's 779/ 780 of 2009**

**IN THE MATTER OF**

**FRASER EAGLE LIMITED  
Case No 779 of 2009**

**FRASER EAGLE PROPERTY HOLDING COMPANY LIMITED  
Case No 780 of 2009**

**JOINT ADMINISTRATORS' PROGRESS REPORT TO COURT ON  
THE PROGRESS OF THE ADMINISTRATION FOR THE PERIOD  
11 SEPTEMBER 2009 TO 5 MARCH 2010**

**PURSUANT TO PARAGRAPH 76(2)(A) OF SCHEDULE B1 OF THE  
INSOLVENCY ACT 1986 TO SUPPORT AN APPLICATION TO  
EXTEND THE ADMINISTRATION FOR A PERIOD OF 12 MONTHS  
TO 9 MARCH 2011**

**LINDSEY COOPER AND DONALD BAILEY**

**JOINT ADMINISTRATORS**

**Appointed: 10 March 2009**

**Baker Tilly Restructuring & Recovery LLP  
3 Hardman Street  
Manchester  
M3 3HF**

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**1. PURPOSE OF REPORT**

This report to Court is prepared pursuant to paragraph 76(2)(a) of Schedule B1 of the Insolvency Act 1986 to support an application to extend the administration for a further 12 months to 9 March 2011. The purpose of the report is to provide the Court on the progress of the Administrations of Fraser Eagle Limited ("FEL") and Fraser Eagle Property Holding Company Limited ("FEPHC") ("the Companies") from 10 September 2009 to 5 March 2010.

**2. JOINT ADMINISTRATORS' APPOINTMENT**

Lindsey Cooper and Donald Bailey of Baker Tilly Restructuring and Recovery LLP, 3 Hardman Street, Manchester, M3 3HF were appointed Joint Administrators of Fraser Eagle Limited and Fraser Eagle Property Holding Company Limited on 10 March 2009 by Barclays Bank Plc in its capacity as qualifying floating charge holder.

The notices of appointment were filed in the High Court of Justice, Chancery Division, Manchester District Registry under reference numbers 779 & 780 of 2009 respectively.

The Administrators' appointment specified that they would have power to act jointly and severally. The Administrators have exercised and will continue to exercise all of their functions jointly and severally as stated in the notices of appointment.

**3. COMPANY DETAILS**

The registered numbers of FEL and FEPHC are 00407620 and 00350702 respectively.

The registered office of the Companies has been changed to c/o Baker Tilly Restructuring and Recovery LLP, 3 Hardman Street, Manchester, M3 3HF.

**4. RECEIPTS AND PAYMENTS SUMMARY**

We attach as Appendix A receipts and payments summary for the period from 10 September 2009 to 5 March 2010 for the Companies.

## **Realisation of Assets**

### **Fraser Eagle Limited**

#### ***Book Debt Ledger***

FEL operated an invoice discounting facility with the Bank of Scotland Cashflow Finance ("BoS")

At the date of our appointment the book debt ledger totalled £3.63million and BoS had advanced £1.6million before interest and charges. The Quartz Partnership ("Quartz") was instructed by the Administrators to collect the book debts.

To date an amount of c£1.3million has been collected from the ledger. Since the date of my previous report Quartz have completed their collection exercise and the remaining ledger has been reassigned to BoS who continue to pursue the outstanding debts.

All book debt receipts have been paid directly to BoS pursuant to their invoice finance agreement and security.

It is anticipated that BoS will suffer a shortfall under their security.

#### ***Inter-Company Debtors***

There are amounts due to FEL from inter-company debtors. Following a financial review of these companies by the Administrators it is considered there will not be any realisations from this source.

#### ***Goodwill of Taxi Business***

As previously reported an offer of £50,000 was received by the Administrators for the goodwill of the FEL taxi business. This offer was received from a connected party to the existing management team.

This offer was subsequently retracted and no further offers have been received by the Administrators.

#### ***Goodwill of Coach and Business Continuity Business***

On our appointment there was some interest in the forward order book of the coach business, however this interest did not translate into any firm offers.

***HP/ Leased Assets***

FEL held a significant number of assets on hire purchase with various finance providers. Our Agents, Sanderson Weatherall (“Agents”) confirmed that these assets did not hold any equity due to the level of finance outstanding. As a result there have been no realisations from this source and the assets were subsequently returned to the finance providers.

***BSOG Claim***

As previously reported, BSOG is the Bus Service Operators’ Grant (formerly Fuel Duty Rebate). The grant entitles coach operators, meeting certain criteria, to receive a rebate from the Department of Transport.

I can confirm that the Administrators were successful in obtaining a refund in conjunction with independent auditors, E P Morris and Company Limited, and net realisations of £144,320 were received.

***Motor Vehicles***

Realisations of £31,850 have been realised from the sale of unencumbered motor vehicles. This is an increase of £1,852 on my previous report. I can confirm that there are no further realisations expected from this source.

***Fixtures and Fittings***

A total of £76,152 has been realised in respect of fixtures and fittings sold via an online auction by my Agents which was significantly in excess of their valuation. I can confirm that the remaining balance of £16,152 has now been received from our Agents. There will be no further realisations from this class of asset.

***VAT Reclaim***

The sum of £6,462 in respect of recoverable VAT on factoring charges has been received.

***Cash in Hand***

As previously reported an amount of £5,169 has been realised in respect of cash held by FEL on appointment. No further realisations will be forthcoming from this source.

### ***Other Assets***

Since the date of my previous report the sum of £830 has been realised in respect of the sale of computer equipment.

An amount of £40 has been received in respect of the sale of football memorabilia in the period 10 September 2009 to 10 February 2010.

A total of £873 has been received to date in respect of sundry receipts

As previously reported, consideration of £2,160 was received by the Administrators in payment for concert tickets held by FEL for which no records of sale were identified

The sum of £1,004 has been realised in respect of a refunds on FEL's pension plan, vehicle operator's licence and insurance

An amount of £240 was received by the Administrators in respect of commission due to FEL

### ***Bank Interest***

Gross bank interest to date totals £19 48

### **FEPHC**

#### ***Freehold Land and Property***

As previously reported FEPHC owned four properties, Unit 4 and Unit 5, Mead Way, Shuttleworth Mead Business Park, Padiham, Burnley, a travel shop located in Blackburn and a residential property located in Accrington

These properties are all subject to a fixed and floating charge debenture in favour of Barclays

Following the Administrators' appointment our Agents were instructed to value and market the properties.

The Administrators received and accepted offers on all of the properties. Since the date of my previous report all four properties have now been sold and the sum of c£2.75m received. I can confirm that the sum of c£2.2m has been paid over to Barclays in respect of their security

### ***Deferred Consideration***

As reported in our initial proposals, FEPHC disposed of its 76% interest in Grand Central Railway Company Limited ("GCRC") Part of the consideration for this disposal was £2.66 million of loan notes which were accounted for within the FEPHC audited accounts for the year ended 30 June 2007

Approximately £1.5 million in deferred consideration remained outstanding from this source, payable in two instalments at the date of our appointment of which FEPHC was entitled to 76% ie £1.14m The first instalment was due 31 December 2009 and the second due 31 December 2010

Due to the way the original deal was structured the vendor was Fraser Eagle Malta ("FEM") albeit it is FEPHC that is beneficially entitled to receive the proceeds of sale FEM is not subject to insolvency proceedings and is outside of the security net of both secured lenders. FEM is a Maltese registered company

It was therefore important for the Joint Administrators to receive co-operation and assistance from FEM to recover the deferred consideration On the basis of commerciality an agreement was reached with FEM whereby they receive 15% of the deferred consideration received in 2009 and 20% of the deferred consideration received in 2010

At the date of this report, I can confirm that the first instalment of £534,332 has been received of which 15% was due to FEM On FEM's instruction part of their 15% has been paid directly to their advisors A retention of £35,668 was kept back by the purchaser The Joint Administrators are in discussion with the advisors of GCRC regarding this retention

### ***Trade Debtors***

At the date of our appointment the accounting records of FEPHC detailed trade debtors of £30,921 The Administrators have reviewed these debtors and are of the opinion they are not realisable No payments have been received in respect of these debtors.

### ***Inter-Company Debt – Fraser Eagle Group Limited***

An amount of £141,660 is recorded in the accounting records of FEPHC as being due from its parent company Fraser Eagle Group Limited ("FEG") FEG is purely a holding company and does not trade, accordingly no realisations are anticipated from this source

### ***Motor Vehicles***

As stated in my previous report FEPHC owned a number of unencumbered motor vehicles Following valuation advice from our agents these vehicles were sold for £25,900 which was in excess of their valuation No further realisations are expected from this class of asset



### ***Rates Refund***

As previously reported a rates refund of £8,298 has been received by the Administrators in respect of the premises located at Units 4 and 5, Mead Way, Shuttleworth Mead Business Park, Padiham, Burnley. There have been no further realisations from this source since the date of my previous report.

### ***Investments***

As previously reported, FEPHC held a 50% shareholding in My Company Momentum Limited. The Administrators received an offer of £10,000 from a party connected to the other 50% shareholder. This offer was accepted and payment has been received by the Administrators. There will be no further realisations from this source.

### ***Insurance Refund***

As previously reported, an insurance refund of £500 was received in respect of the pre-appointment insurance cover. There are no further realisations expected from this class of asset.

### ***Bank Interest***

Gross bank interest to date totals £11.49. This includes interest of £6.17 which has accrued since the date of my previous report.

### ***Prescribed Part***

There have been no payments to unsecured creditors of the Companies in relation to the Prescribed Part (Section 176A of the Insolvency Act 1986 (as amended)).

## **5. DIVIDEND PROSPECTS FOR CREDITORS**

### ***Secured Creditors***

The Companies both have two secured lenders: the Bank of Scotland (“**BoS**”) and Barclays Bank PLC (“**Barclays**”).

A review of the Deed of Priority performed by our solicitors Pinsent Masons LLP indicates that proceeds from property sales are due to Barclays and proceeds from the book debt ledger are due to BoS. Thereafter, realisations from other assets should be paid *Paru Passu* according to the aggregate of each lender's respective debt at the date of appointment.

To date book debt ledger realisations have not been sufficient to satisfy BoS's indebtedness. BoS are continuing to pursue the debts, however it is anticipated that BoS will experience a shortfall against the funding provided.

As stated in my previous report the Administrators had received and accepted offers on all four of FEPHC's properties. These sales have now been completed and realisations of c£2.75m received. An amount of c£2.2m has been paid over to Barclays in respect of their security; however their indebtedness has not been discharged in full.

Therefore as there is anticipated to be a shortfall to both secured creditors under their fixed charges they will look to their floating charges within FEPHC for further recoveries.

Distributions from this source will be made in accordance with the Deed of Priority.

#### **Preferential Creditors**

With effect from 15 September 2003, preferential status has been abolished for debts owing to the HM Revenue and Customs. Such debts rank alongside other unsecured creditors' claims. The only claims that remain preferential are those of employees in respect of wages (up to £800 per employee) and holiday pay.

The Administrators have received preferential creditor claims totalling £104,318 within FEL. There are no preferential creditors within FEPHC. The Administrators anticipate that there will be a dividend payable to preferential creditors within FEL, however at this stage the quantum is unknown.

#### **Non-Preferential Creditors**

The Administrators do not anticipate that there will be sufficient funds available to make a distribution to unsecured creditors within FEL or FEPHC.

### **6. CONDUCT OF THE ADMINISTRATION**

Following the Administrators' appointment an assessment of the business was undertaken. From this review it was evident that it was not feasible for the Administrators to trade the Companies. Accordingly the Administrators arranged for the assets of the Companies to be realised in order to maximise returns to the Companies' creditors.

## **7. ASSETS REMAINING TO BE REALISED**

### **FEL**

#### ***Book Debt Ledger***

As detailed above at the date of our appointment the book debt ledger of FEL totalled £3.63million. Of this £3.63million, £1.34million related to intercompany debts. These debts are not realisable. Since the date of my previous report a further c£100k has been received bringing total realisations to c£1.3million.

Quartz have now completed their debt collection exercise and BoS continue to collect the outstanding ledger.

### **FEPHC**

#### ***Deferred Consideration***

As detailed in section 6 above the first instalment of deferred consideration has now been received and the Administrators await the final instalment which is due in December 2010. In addition, the Administrators are currently investigating a potential misallocation of the original tranche of consideration received prior to the administration which may reveal a further debt for the Joint Administrators to pursue.

## **8. JOINT ADMINISTRATORS' PROPOSALS**

The Joint Administrators' proposals were approved by a resolution of the creditors. The proposals can be summarised as follows:

1. The Administrators should arrange to distribute available funds from the realised assets to those creditors entitled to them in such manner as they consider will lead to an early distribution of the available assets in an economic manner. The Joint Administrators shall investigate and pursue any claims the Companies may have.
2. The Administrators be authorised to make such application to Court for directions as they consider appropriate with a view to achieving the purposes of the Administration or their proposals.
3. The Administrators conclude the Administration when all the property and assets have been realised and distributed (after costs).
4. The Company exits the Administration pursuant to either paragraphs 80, 83 or 84 of Schedule B1 to the Insolvency Act 1986, as amended.

- 5 If appropriate, the Joint Administrators file a notice with the Registrar of Companies in order that the Administration will cease and the Companies will move automatically into Creditors' Voluntary Liquidation. It is further proposed that Lindsey Jane Cooper and Donald Bailey of Baker Tilly, 3 Hardman Street, Manchester, M3 3HF be appointed Joint Liquidators of the Companies.

## **9. EXTENSION OF THE ADMINISTRATION**

The Administrators intend to apply to court to extend the Administrations of both Companies a further 12 months.

The Administration of FEL is to be extended to enable a preferential dividend to be paid and to facilitate the collection of the remaining book debts by BoS.

The Administration of FEPHC is to be extended as the Administrators await receipt of the final instalment of the deferred consideration which is due in December 2010. In addition, the Administrators are currently investigating the potential misallocation of the original tranche of consideration which may reveal a further debt for the Joint Administrators to pursue.

## **10. JOINT ADMINISTRATORS' REMUNERATION AND DISBURSEMENTS**

### **Time costs and fees drawn to date**

The basis of the Joint Administrators' remuneration was approved by BoS and Barclays on 25 August 2009 and 5 June 2009 respectively, in which the following resolution was passed:

"The Joint Administrators shall be authorised to draw their remuneration based upon time costs incurred by them at the Barclays standard panel rates in the Administrations. These rates may be varied if the secured lenders are repaid in full or with their agreement. These fees are to be paid out of the assets of the Companies in accordance with Rule 2.106(2)(b) by reference to the time properly given by the Administrators and their staff, in attending to matters arising in the Administrations, and may be drawn on account as and when funds permit."

Since the date of our appointment we have drawn a total of £109,000 plus VAT and disbursements on account of our time costs of £126,639 incurred on FEL and £34,000 plus VAT and disbursements on account of our time costs of £58,374 incurred on FEPHC.

Baker Tilly Restructuring & Recovery LLP were paid pre appointment fees of £17,000 plus VAT on FEL and £5,500 plus VAT on FEPHC in accordance with the pre appointment consent of the Companies for general insolvency advice. These fees were paid prior to the Administration.

Attached are the following

- Appendix B Time and charge out summary
- Appendix C Charge out bands and disbursement rates
- Appendix D Summary of payments to Joint Administrators and associated parties
- Appendix E Baker Tilly Restructuring and Recovery LLP charging, expenses and disbursements policy statement

A total of 863.20 hours have been spent by our staff in the Administration of the estate of FEL and 320.80 on FEPHC from the date of appointment to 10 February 2010, at an average hourly charge out rate of £146.71 and £182 respectively

#### **Analysis of time spent in administration of the estate**

Our staff have carried out the following tasks.

##### **a) Administration and Planning**

This includes dealing with the commencement of the Administrations, statutory filing of appointment documents with Companies' House, requesting the submission of the Statement of Affairs and filing it at Companies' House, together with day-to-day administration duties. These include but are not limited to handling receipts and payments, VAT and corporation tax issues such as the monthly VAT returns, pension queries and general correspondence.

##### **b) Investigation**

In accordance with our statutory obligations under the Company Directors' Disqualification Act 1986, we have prepared and filed the appropriate documentation on the conduct of the directors with the DBIS.

A significant amount of time has been spent in investigating the transactions between group companies and also the sale of the Grand Central Railway Company.

##### **c) Realisation of Assets**

Our staff have been employed on various matters, including the preparation of sale documents, handling queries from interested parties and obtaining valuations of assets. In addition time has been incurred in dealing with the BSOG claim, deferred consideration and the sale of shares. Asset realisation is considered to be a key aspect of the administration.

##### **d) Creditors**

There has been a significant amount of queries from and correspondence with creditors and employees of the Companies. The preparation of the Joint

Administrators' proposals has been undertaken including the attendant aspects of providing and obtaining the required information and two six monthly progress reports of the Administration have been prepared.

**e) Case Specific Matters**

A significant amount of time has been and will continue to be spent liaising with our solicitors in respect of the various legal matters arising in this matter

**Joint Administrators' disbursements**

The basis of the Joint Administrators' drawing disbursements was approved by BoS and Barclays on 25 August 2009 and 5 June 2009 respectively, when the following resolution was passed

“The Joint Administrators be authorised to draw their disbursements and other expenses incurred by them in the Administration, to be paid out of the assets of the Company Such disbursements to include “Category 2 disbursements” at the rates disclosed in the Joint Administrators' Proposals dated 30 April 2009 ”

Disbursements drawn from the Companies' assets in accordance with the resolution are detailed on Appendix D

Lindsey J Cooper  
Baker Tilly Restructuring and Recovery LLP  
Joint Administrator

Lindsey Cooper and Donald Bailey are licensed to act as Insolvency Practitioners in the UK by the Institute of Chartered Accountants in England and Wales

The affairs, business and property of the company are being managed by the Joint Administrators who act as agents of the company and without personal liability

# APPENDIX A

## Fraser Eagle Property Holding Company Limited - In Administration

### Receipts and Payments Summary for the period 10 September 2009 to 5 March 2010

SOA Value £		10/09/2009 to 05/03/2010		Total to 05/03/2010	
		£	£	£	£
	<b>SECURED ASSETS</b>				
3,475,000 00	Freehold Land and Property	2,759,353 97		2,759,353 97	
			2,759,353 97		2,759,353 97
	<b>COST OF REALISATIONS</b>				
0 00	Agents / Valuers Disbursements	(8,273 11)		(8,273 11)	
0 00	Agents / Valuers Fees	(60,740 00)		(60,740 00)	
0 00	Legal Disbursements	(60 00)		(60 00)	
0 00	Legal Fees	(3,395 40)		(3,395 40)	
0 00	Telegraphic Transfer Fee	(154 00)		(154 00)	
			(72,622 51)		(72,622 51)
	<b>SECURED CREDITORS</b>				
(1,577 777 00)	Barclays Bank Plc	(2,010,000 00)		(2,010,000 00)	
(60,513 41)	Barclays Bank Plc	(137,000 00)		(137,000 00)	
(78,151 59)	Barclays Bank plc	(112,353 97)		(112,353 97)	
			(2,259,353 97)		(2,259,353 97)
	<b>ASSET REALISATIONS</b>				
0 00	Bank Interest Gross	6 17		11 49	
0 00	Company Vehicles	0 00		25,900 00	
56,085 00	Corporation Tax	0 00		0 00	
1,240 000 00	Deferred Consideration	0 00		0 00	
0 00	GCRC	534,332 49		534,332 49	
0 00	Insurance Refund	0 00		500 00	
50,076 00	Investments in related companies	0 00		0 00	
25,000 00	Motor Vehicles	0 00		0 00	
0 00	Rate Refund	0 00		8,298 28	
0 00	Sale of Shares	0 00		10,000 00	
1,799 00	VAT Refund	0 00		0 00	
			534,338 66		579,042 26
	<b>COST OF REALISATIONS</b>				
0 00	Advertisements	(4 57)		(149 78)	
0 00	Agents / Valuers Fees	(7,826 92)		(7,826 92)	
0 00	Appointee Costs	(457 08)		(15,000 00)	
0 00	Appointer Fees	(19,000 00)		(19,000 00)	
0 00	Court fees	0 00		(30 00)	
0 00	Environmental Search	(67 75)		(67 75)	
0 00	Fraser Eagle Malta	(77,414 35)		(77,414 35)	
0 00	Insurance	(12,255 61)		(19,911 92)	
0 00	Land registry search	(59 00)		(83 00)	
0 00	Legal Disbursements	(261 13)		(261 13)	
0 00	Legal Fees	(41,391 50)		(58,383 90)	
0 00	Oath fees	0 00		(5 00)	
0 00	Photocopying Charges	(51 53)		(51 53)	
0 00	Postage	(57 97)		(179 48)	
0 00	Search fees	(9 61)		(39 00)	
0 00	Service of Intruder Alarm	0 00		(165 00)	
0 00	Specific Bond	(1 22)		(40 00)	
0 00	Telegraphic Transfer Fee	(22 00)		(22 00)	
			(158,880 24)		(198,630 76)
	<b>UNSECURED CREDITORS</b>				
(3,770,759 00)	Unsecured Creditors	0 00		0 00	
			0 00		0 00
	<b>EQUITY</b>				
(50,000 00)	Ordinary	0 00		0 00	
			0 00		0 00
(683,741 00)			0 00		807,788 99
	<b>REPRESENTED BY</b>				
	Barclays Bank Current Account			806,302 74	
	VAT Receivable (Payable)			1,486 25	
					807,788 99

## Fraser Eagle Limited - In Administration

Receipts and Payments Summary for the period 10 September 2009 to 5 March 2010

SOA Value £	10/09/2009 to 05/03/2010		Total to 05/03/2010	
	£	£	£	£
	<b>SECURED ASSETS</b>			
3,371,073 00	Debtors (Pre Appointment)	0 00	0 00	
				0 00
	<b>SECURED CREDITORS</b>			
(1 569 707 00)	Claims	0 00	0 00	
				0 00
	<b>FINANCE AND HIRE PURCHASE AGREEMENTS</b>			
36 000 00	Leased Assets	0 00	0 00	
(2,497,458 83)	Leased Assets (Amounts Owling)	0 00	0 00	
				0 00
	<b>ASSET REALISATIONS</b>			
0 00	Bank Interest Gross	0 00	19 48	
169,000 00	B50G Claim	0 00	169,788 58	
4,912 75	Cash in Hand	0 00	5,168 71	
0 00	Commission	0 00	240 38	
0 00	Company Vehicles	17,750 00	31,850 00	
30,000 00	Furniture, fixtures and fittings	16,152 00	76,152 00	
0 00	Insurance Refund	0 00	99 71	
47,536 00	Motor Vehicles	0 00	0 00	
0 00	Pension Plan Refund	0 00	850 00	
0 00	Plant and Machinery	830 00	830 00	
0 00	Sale of Football Memorabilia	40 00	40 00	
0 00	Sundry Debtors	235 82	873 39	
1 000 00	Sundry Stationary Stock	0 00	0 00	
0 00	Tickets	0 00	2 160 00	
0 00	Vat Recovered on Factoring Charges	0 00	6,461 76	
0 00	Vehicle Operators Licence Refund	0 00	54 00	
		35,007 82		294,588 01
	<b>COST OF REALISATIONS</b>			
0 00	Advertisements	0 00	(149 78)	
0 00	Agents / Valuers Fees	(19,882 38)	(19 882 38)	
0 00	Appointee Costs	0 00	(92,000 00)	
0 00	Appointee Fees	(17,000 00)	(17,000 00)	
0 00	Bank Charges	0 00	(548 95)	
0 00	Courier	0 00	(11 35)	
0 00	Court Fees	0 00	(30 00)	
0 00	Employee Disbursement	0 00	(104 33)	
0 00	Employee Wages	0 00	(11,096 90)	
0 00	Insurance	0 00	(2,594 77)	
0 00	Legal Fees	0 00	(13,811 70)	
0 00	Mail Redirection	0 00	(101 80)	
0 00	Mileage	0 00	(401 21)	
0 00	Oath Fees	0 00	(5 00)	
0 00	Other Professional Fees	0 00	(25,468 29)	
0 00	PAYE/NI	0 00	(2,882 22)	
0 00	Petitioners Costs	0 00	(1,596 55)	
0 00	Postage	(2,755 42)	(8,248 09)	
0 00	Search Fees	0 00	(108 00)	
0 00	Specific Bond	0 00	(260 00)	
0 00	Storage Costs	0 00	(200 00)	
0 00	Travel	0 00	(31 91)	
		(39,637 80)		(196,533 23)
	<b>PREFERENTIAL CREDITORS</b>			
(34,280 76)	Holiday Pay	0 00	0 00	
(5 334 49)	Other Claims	0 00	0 00	
(64,702 58)	Wages	0 00	0 00	
				0 00
	<b>UNSECURED CREDITORS</b>			
(7 980,868 00)	Unsecured Creditors	0 00	0 00	
				0 00
	<b>EQUITY</b>			
(50 000 00)	Ordinary	0 00	0 00	
		0 00		0 00
(8 542 829 91)		(4 629 98)		98,054 78
	<b>REPRESENTED BY</b>			
	Barclays Bank - Current Account		88,327 47	
	VAT Receivable (Payable)		9,727 31	
				98 054 78
				98 054 78



# APPENDIX B

## Fraser Eagle Limited - In Administration Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9

### Summary of Time Costs and Charge-out Rates to 5 March 2010

Hours (post 31/12/2002)	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average hourly rate
Administration and Planning	14 00	60 10	130 20	0 50	204 80	£28 966 50	£141 44
Investigation	4 90	6 40	44 00	0 00	55 30	£7,731 50	£139 81
Realisation of Assets	34 90	61 70	38 90	0 00	135 50	£26 508 50	£195 63
Trading	1 30	0 00	0 00	0 00	1 30	£461 00	£354 62
Creditors	19 30	112 40	228 10	3 90	363 70	£48 711 00	£133 93
Case Specific Matters	2 60	21 90	77 10	1 00	102 60	£14,260 50	£138 99
<b>Total Hours</b>	<b>77 00</b>	<b>262 50</b>	<b>518 30</b>	<b>5 40</b>	<b>863 20</b>		
<b>Total Time Costs</b>	<b>27,410 00</b>	<b>44,502 00</b>	<b>54,344 00</b>	<b>383 00</b>		<b>£126,639 00</b>	

  

<b>Charge-out Rates</b>				
As at 10 February 2010	£370	£155-240	£100-130	£70
As at 1 April 2009	£350	£140-225	£105-125	£65

**Fraser Eagle Limited In Administration**  
**Joint Administrators time costs in accordance with Statement of Insolvency Practice 9**

**Summary of Time Costs for "Administration and Planning"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Appointment	0.0	5.6	17.0	0.0	22.6	£2,593.50
Background information	0.0	2.1	16.2	0.1	18.4	£1,890.50
Case Management	5.1	21.8	33.9	0.3	61.1	£9,450.00
Pension Scheme	0.0	1.0	2.4	0.0	3.4	£450.00
Post-appointment - general	0.0	0.0	1.2	0.1	1.3	£121.00
Post-appointment taxation	0.2	1.0	5.5	0.0	6.7	£979.50
Pre-appointment matters	0.0	0.0	1.9	0.0	1.9	£152.00
Receipts and Payments	0.9	4.2	46.3	0.0	51.4	£6,118.50
Secured Creditors	0.0	2.5	0.0	0.0	2.5	£475.00
Shareholders/Director/Debtors/ Bkpt	1.7	9.4	4.3	0.0	15.4	£2,614.50
Statement of Affairs	0.1	1.0	0.5	0.0	1.6	£215.00
Unsecured Creditors	0.0	0.0	1.0	0.0	1.0	£100.00
BR01 Case Management	0.0	5.4	0.0	0.0	5.4	£957.00
BR02 Background information	0.0	0.7	0.0	0.0	0.7	£126.00
BR05 Appointment	0.0	0.6	0.0	0.0	0.6	£114.00
BR06 Post-appointment - general	5.0	0.0	0.0	0.0	5.0	£1,750.00
BR10 Post-appointment taxation	0.0	0.4	0.0	0.0	0.4	£80.00
BR28 Shareholders/Directors/Debtors/Bkpt	0.0	4.4	0.0	0.0	4.4	£800.00
Totals	14.0	60.1	130.2	0.5	204.8	£28,956.50

**Summary of Time Costs for "Investigations"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
DIV/Official Receiver	0.0	0.0	1.0	0.0	1.0	£120.00
Investigations/CDDA	4.9	6.4	43.0	0.0	54.3	£7,611.50
Totals	4.9	6.4	44.0	0.0	55.3	£7,731.50

**Summary of Time Costs for "Realisation of Assets"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Assets - general/other	2.2	10.1	3.9	0.0	16.2	£7,740.50
Chattels	0.3	13.9	4.1	0.0	18.3	£2,909.50
Debtors & sales finance	3.2	6.6	1.7	0.0	11.5	£2,561.50
HP/Leasing creditors	1.5	1.8	26.6	0.0	29.9	£2,659.00
Land and Property	0.0	1.1	1.7	0.0	2.8	£350.50
ROT/ Third Party Assets	0.2	0.0	0.9	0.0	1.1	£165.50
Sale of business	19.0	4.6	0.0	0.0	23.6	£7,478.00
BR12 Sale of business	8.5	14.1	0.0	0.0	22.6	£5,513.00
BR13 Land and Property	0.0	4.2	0.0	0.0	4.2	£832.00
BR14 Debtors & sales finance	0.0	0.3	0.0	0.0	0.3	£54.00
BR15 Chattels	0.0	4.5	0.0	0.0	4.5	£815.00
BR16 HP/Leasing creditors	0.0	0.5	0.0	0.0	0.5	£90.00
Totals	34.9	61.7	38.9	0.0	135.5	£28,508.50

**Summary of Time Costs for "Trading"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Trading	1.3	0.0	0.0	0.0	1.3	£461.00
Totals	1.3	0.0	0.0	0.0	1.3	£461.00

**Summary of Time Costs for "Creditors"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
st cred - ors/shareholders meetings and reports	2.5	9.8	18.4	0.0	30.7	£4,296.00
Employees	1.0	10.2	24.7	2.0	37.9	£4,935.50
Other Creditor Meetings and Reports	0.6	4.1	13.6	0.0	18.3	£2,498.00
Secured Creditors	12.2	26.5	4.3	0.2	43.2	£9,882.50
Unsecured Creditors	2.0	55.0	166.6	1.4	225.0	£25,543.50
BR22 Employees	0.0	2.5	0.5	0.0	3.0	£485.00
BR23 Secured Creditors	1.0	1.3	0.0	0.0	2.3	£594.00
BR25 Unsecured Creditors	0.0	3.0	0.0	0.3	3.3	£475.50
Totals	19.3	112.4	228.1	3.9	363.7	£48,711.00

**Summary of Time Costs for "Case Specific Matters"**

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Legal Matters	1.8	11.4	1.9	1.0	16.1	£2,795.50
Major issues - Employees	0.0	8.3	75.2	0.0	83.5	£10,773.00
BR21 Legal Matters	0.8	2.2	0.0	0.0	3.0	£692.00
Totals	2.6	21.9	77.1	1.0	102.6	£14,260.50

# APPENDIX B

## Fraser Eagle Property Holding Company Limited - In Administration Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9

### Summary of Time Costs and Charge-out Rates to 5 March 2010

Hours (post 31/12/2002)	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs	Average hourly rate
Administration and Planning	6 90	24 70	77 90	0 00	109 50	£15 299 50	£139 72
Investigation	24 00	7 60	31 30	0 30	63 20	£13 592 00	£215 06
Realisation of Assets	3 40	37 40	5 30	0 00	46 10	£8 846 50	£191 90
Trading	0 00	0 00	0 00	0 00	0 00	£0 00	£0 00
Creditors	15 50	39 50	25 20	0 20	80 40	£15 372 50	£191 20
Case Specific Matters	7 80	11 50	2 30	0 00	21 60	£5 263 50	£243 68
<b>Total Hours</b>	<b>57 60</b>	<b>120 70</b>	<b>142 00</b>	<b>0 50</b>	<b>320 80</b>		
<b>Total Time Costs</b>	<b>20,986 50</b>	<b>22,164 00</b>	<b>15,188 50</b>	<b>35 00</b>		<b>£58,374 00</b>	

### Charge-out Rates:

As at 10 February 2010  
As at 1 April 2009

£370	£155-240	£100-130	£70
£350	£140-225	£105-125	£65

## APPENDIX B

### Fraser Eagle Property Holding Company Limited - In Administration Joint Administrators' time costs in accordance with Statement of Insolvency Practice 9

#### Summary of Time Costs for "Administration and Planning"

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Appointment	00	20	126	00	146	£1,528.00
Background Information	00	08	10	00	18	£249.00
Case Management	46	101	142	00	289	£4,867.50
Post appointment - general	00	00	09	00	09	£85.00
Post appointment taxation	08	10	187	00	205	£2,886.00
Pre appointment matters	00	00	19	00	19	£152.00
Receipts and Payments	04	22	245	00	271	£3,249.00
Secured Creditors	00	25	00	00	25	£475.00
Shareholders/Director/Debtor/Bkpt	10	19	36	00	65	£1,054.00
Statement of Affairs	01	05	05	00	11	£145.00
BR01 Case Management	00	23	00	00	23	£411.00
BR05 Appointment	00	04	00	00	04	£75.00
BR28 Shareholders/Directors/Debtor/Bkpt	00	10	00	00	10	£142.00
<b>Totals</b>	<b>69</b>	<b>247</b>	<b>779</b>	<b>00</b>	<b>1096</b>	<b>£15,289.50</b>

#### Summary of Time Costs for "Investigations"

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
DTI/Official Receiver	00	00	14	00	14	£168.00
Investigations/CDDA	240	76	299	03	618	£13,424.00
<b>Totals</b>	<b>240</b>	<b>76</b>	<b>313</b>	<b>03</b>	<b>632</b>	<b>£13,592.00</b>

#### Summary of Time Costs for "Realisation of Assets"

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Assets general/other	08	25	00	00	33	£731.00
Chattels	00	30	13	00	43	£717.00
Debtors & sales finance	00	05	10	00	15	£175.00
HP/Leasing creditors	00	00	05	00	05	£40.00
Land and Property	26	265	25	00	316	£6,270.50
Sale of business	00	12	00	00	12	£229.00
BR13 Land and Property	00	28	00	00	28	£519.00
BR15 Chattels	00	05	00	00	05	£90.00
BR19 Other assets	00	04	00	00	04	£76.00
<b>Totals</b>	<b>34</b>	<b>374</b>	<b>63</b>	<b>00</b>	<b>461</b>	<b>£8,846.50</b>

#### Summary of Time Costs for "Creditors"

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
1st creditors/shareholders meetings and reports	25	93	58	00	176	£2,829.00
Employees	00	00	12	00	12	£126.00
Other Creditor Meetings and Reports	03	36	100	00	139	£1,645.00
Secured Creditors	127	229	30	02	388	£9,282.50
Unsecured Creditors	00	24	52	00	76	£946.00
BR23 Secured Creditors	00	13	00	00	13	£244.00
<b>Totals</b>	<b>155</b>	<b>395</b>	<b>252</b>	<b>02</b>	<b>804</b>	<b>£16,372.50</b>

#### Summary of Time Costs for "Case Specific Matters"

HOURS SPENT	Partners	Managers	Administrators	Assistants	Total Hours	Total Time Costs
Legal Matters	70	109	23	00	202	£4,856.50
BR21 Legal Matters	08	06	00	00	14	£407.00
<b>Totals</b>	<b>78</b>	<b>115</b>	<b>23</b>	<b>00</b>	<b>216</b>	<b>£5,263.50</b>

## Appendix C

### BAKER TILLY RESTRUCTURING AND RECOVERY LLP JOINT ADMINISTRATORS' CHARGE OUT AND DISBURSEMENT RATES

	Rate at commencement £	Current rate £
Partner	350	370
Manager	140 – 225	155 - 240
Administrator	105 - 125	100 – 130
Support staff	65	70

It is the office holder's policy to ensure that work undertaken is carried out by the appropriate grade of staff required for each task, having regard to its complexity and the skill and experience actually required to perform it

Baker Tilly Restructuring and Recovery LLP's charge out rates are reviewed periodically

## Appendix D

### FRASER EAGLE LIMITED

#### SUMMARY OF PAYMENTS TO JOINT ADMINISTRATORS AND ASSOCIATED PARTIES

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' FIRM	
	£
Baker Tilly Restructuring and Recovery LLP – Pre appointment fees	17,000 00
Baker Tilly Restructuring and Recovery LLP – Post appointment fees	109,000 00
Baker Tilly Restructuring and Recovery LLP - Category 1 disbursements	2,008 81
Baker Tilly Restructuring & Recovery LLP – Mileage (Cat 2 disbursement drawn in accordance with the resolutions approved by the creditors)	401 21
Total	128,008 81

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF JOINT ADMINISTRATORS	
	£
PPS Print Communications – Postage and printing costs of Joint Administrators proposals	4,125 10
PPS Print Communications - Postage and printing costs of Joint Administrators six monthly progress report	2,755 42
Lockton Insolvency Risk Services - Insurance	2,594 77
Ray Nixon Brown – Petitioners costs	1,596 55
Total	11,071 84

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' SOLICITOR	
	£
Pinsent Masons LLP - Advice in relation to the appointment and case specific advice	13,811 70
Pinsent Masons LLP – Disbursements	109 35
Total	13,921 05

## Appendix D

### FRASER EAGLE LIMITED

#### SUMMARY OF PAYMENTS TO JOINT ADMINISTRATORS AND ASSOCIATED PARTIES

#### CONTINUED

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' AGENT	
	£
E P Morris & Company Limited – Advice provided in completion in BSOG claim	25,468 29
Sanderson Weatherall – Valuation of assets and sale via online auction	19,882 38
Total	45,350 67

## Appendix D

### FRASER EAGLE PROPERTY HOLDING COMPANY LIMITED

#### SUMMARY OF PAYMENTS TO JOINT ADMINISTRATORS AND ASSOCIATED PARTIES

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' FIRM	
	£
Baker Tilly Restructuring and Recovery LLP - Pre appointment fees	5,500
Baker Tilly Restructuring and Recovery LLP – Post appointment fees	34,000
Baker Tilly Restructuring and Recovery LLP - Category 1 disbursements	261 83
Total	39,761 83

AMOUNTS PAID OR PAYABLE TO ASSOCIATED PARTIES OF JOINT ADMINISTRATORS	
	£
PPS Print Communications - Postage and printing costs of Joint Administrators proposals	71 05
PPS Print Communications - Postage and printing costs of Joint Administrators six monthly report	56 38
Lockton Insolvency Risk Services – Insurance Costs	19,911 92
Blackburn Alarms – Service of intruder alarm	165 00
Total	20,204 35

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' SOLICITOR	
	£
Pinsent Masons LLP – Advice in relation to the appointment and case specific advice regarding realisation of GCRC deferred consideration	61,141 30
Pinsent Masons LLP – Search fees, land registry charge, court fees and other disbursements	684 41
Total	61,825 71



## Appendix D

### FRASER EAGLE PROPERTY HOLDING COMPANY LIMITED

#### SUMMARY OF PAYMENTS TO JOINT ADMINISTRATORS AND ASSOCIATED PARTIES

#### CONTINUED

AMOUNTS PAID OR PAYABLE TO THE JOINT ADMINISTRATORS' AGENT	
	£
Sanderson Weatherall – Fees in relation to marketing and sale of all four properties	59,370 00
Sanderson Weatherall – Valuation of assets	7,826 92
Sanderson Weatherall – Disbursements	8,273 11
Mortimers Estates Agents Limited – Fees in relation to sale of property at 32 Lynwood Avenue	1,370 00
Slater Heelis – Legal fees in relation to sale of property property at 32 Lynwood Avenue	638 00
Total	77,478 03

## **Appendix E**

### **BAKER TILLY RESTRUCTURING AND RECOVERY LLP**

#### **CHARGING, EXPENSES AND DISBURSEMENTS POLICY STATEMENT**

##### **Charging policy**

- Partners, directors, managers, administrators, cashiers, secretarial and support staff are allocated an hourly charge out rate which is reviewed from time to time
- Work undertaken by cashiers, secretarial and support staff will be or has been charged for separately and such work will not or has not also been charged for as part of the hourly rates charged by partners, directors, managers and administrators
- Time spent by partners and all staff in relation to the insolvency estate is charged to the estate
- Time is recorded in 6-minute units
- The current charge rates for Baker Tilly Restructuring and Recovery LLP Manchester are attached
- Time billed is subject to Value Added Tax at the applicable rate

##### **Expenses and disbursements policy**

- Only expenses and disbursements properly incurred in relation to an insolvency estate are re-charged to the insolvency estate
- Expenses and disbursements which comprise external supplies of incidental services specifically identifiable to the insolvency estate require disclosure to creditors, but do not require creditors' approval prior to being drawn from the insolvency estate. These are known as "Category 1" disbursements
- Expenses and disbursements which are not capable of precise identification and calculation (for example any which include an element of shared or allocated costs) require the approval of creditors prior to being drawn from the insolvency estate. These are known as "Category 2" disbursements
- A resolution to consider approving "Category 2" disbursements at the attached rates applicable to Baker Tilly Restructuring and Recovery LLP Manchester will be proposed to creditors' in general meeting
- General office overheads are not re-charged to the insolvency estate as a disbursement
- Any payments to outside parties in which the office holder or his firm or any associate has an interest will only be made with the approval of creditors
- Where applicable, expenses and disbursements re-charged to or incurred directly by an insolvency estate are subject to VAT at the applicable rate

No. 779 of 2009

No. 780 of 2009

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

MANCHESTER DISTRICT REGISTRY

His Honour Judge *Pelling QC* *sitting as a Judge of the High Court*  
at Manchester District Registry on 5 March 2010

IN THE MATTER OF

FRASER EAGLE LIMITED (IN ADMINISTRATION)  
Case No 779 of 2009

FRASER EAGLE PROPERTY HOLDING COMPANY LIMITED (IN ADMINISTRATION)  
Case No 780 of 2009



AND IN THE MATTER OF THE INSOLVENCY ACT 1986

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ORDER

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UPON THE APPLICATION of Lindsey Cooper and Donald Bailey (the "Administrators"), in their capacity as joint administrators of Fraser Eagle Limited (In Administration) and Fraser Eagle Property Holding Company Limited (In Administration) (together the "Companies")

AND UPON HEARING Counsel for the Administrators

AND UPON READING the evidence

IT IS ORDERED pursuant to paragraph 76(2) of Schedule B1 of the Insolvency Act 1986 that

- 1 the period of the Companies administration and the Administrators' term of office as joint administrators the Companies is extended for the period of 12 months to 12pm on 10 March 2011
- 2 the progress report prepared for the purposes of this application shall stand as the progress report for the period up to the 10 March 2010, and no further progress report will need to be sent to creditors for this period, save that the Administrators will inform the creditors of any further changes in the period between the making of the Order and the 10 March 2010
- 3 the costs of and occasioned by this Application be paid as an expense of the Companies administration

Dated this *5th* day of *March* 2010

Pinsent Masons LLP  
3 Hardman Street  
Manchester  
M3 3AU

Tel 0161 234 8234  
Fax 0161 234 8235

Ref JB/101672 07056  
Solicitors for the Administrators

No. 779 of 2009

No 780 of 2009

IN THE HIGH COURT OF JUSTICE

CHANCERY DIVISION

MANCHESTER DISTRICT REGISTRY

His Honour Judge at Manchester  
District Registry on 5 March 2010

IN THE MATTER OF

FRASER EAGLE LIMITED (IN ADMINISTRATION)

FRASER EAGLE PROPERTY HOLDING COMPANY  
LIMITED (IN ADMINISTRATION)

AND IN THE MATTER OF THE INSOLVENCY ACT  
1986

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ORDER

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Ref JB/101672 07056

Solicitors for the Administrators