

AM03

Notice of administrator's proposals



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1 Company details

Company number 0 0 8 5 0 8 1 4

Company name in full Claughton Office Equipment Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Andrew

Surname Andronikou

3 Administrator's address

Building name/number High Holborn House

Street 52-54 High Holborn

Post town London

County/Region

Postcode W C 1 V 6 R L

Country

4 Administrator's name ①

Full forename(s) Paul

Surname Zalkin

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number High Holborn House

Street 52-54 High Holborn

Post town London

County/Region

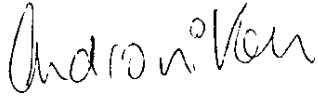
Postcode W C 1 V 6 R L

Country

② Other administrator

Use this section to tell us about
another administrator.

AM03
Notice of Administrator's Proposals

6		Statement of proposals	
		<input checked="" type="checkbox"/> I attach a copy of the statement of proposals	
7		Sign and date	
Administrator's Signature	<div>Signature</div> <div>✕  ✕</div>		
Signature date	<div><div>^d2^d3</div><div>^m0^m5</div><div>^y2^y0^y1^y8</div></div>		

AM03 Notice of Administrator's Proposals



Presenter information

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

Contact name	Tom Maker
Company name	Quantuma LLP
Address	High Holborn House
	52-54 High Holborn
Post town	London
County/Region	
Postcode	W C 1 V 6 R L
Country	
DX	
Telephone	020 3856 6720



Checklist

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Please make sure you have remembered the following:

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed and dated the form.



Important information

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The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.



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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

**High Court of Justice, Business & Property Courts Court
Number 2780 of 2018**

**Claughton Office Equipment Limited
In Administration**

THE JOINT ADMINISTRATORS' PROPOSAL

**Andrew Andronikou and Paul Zalkin
Joint Administrators**

Quantuma LLP

High Holborn House, 52-54 High Holborn, London, WC1V 6RL

020 3856 6720

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1. Executive Summary

- 1.1** This Proposal incorporates the Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act attached at Appendix I.
- 1.2** The business was established in 1965 and the principal activity of the Company was the manufacture of furniture for the education sector, trading from leasehold premises at 10-14 Melton Enterprise Park, Redcliff Road, Melton, North Ferriby, HU14 3RS. On 4 April 2018, Andrew Andronikou and Paul Zalkin of Quantuma LLP were appointed Joint Administrators by the Directors of the Company.
- 1.3** As explained in more detail in the Statement of Proposals, the Joint Administrators are currently pursuing the third statutory objective of realising property in order to make a distribution to one or more secured or preferential creditors.
- 1.4** A summary of the current and anticipated future positions are detailed below.

Assets

Asset	Realisations to date £	Anticipated future realisations £	Total anticipated realisations £
Book Debts	15,364.40	Uncertain	Uncertain
Cash at Bank	125.69	Nil	125.69
Total	15,490.09	Uncertain	Uncertain

Expenses

Expense	Expense incurred to date £	Anticipated further expense £	Total anticipated expense £
Pre-appointment costs	405.00	Nil	405.00
Joint Administrators' fees	4,259.50	21,817.25	26,076.75
Joint Administrators' disbursements	222.50	900.30	1,122.80
Total	4,887.00	22,717.55	27,604.55

Dividend prospects

Creditor class	Distribution / dividend paid to date £	Anticipated distribution / dividend £
Secured creditor (fixed charge)	5,171.63	Uncertain
Secured creditor (floating charge)	Nil	Nil
Preferential creditors	Uncertain	Uncertain
Unsecured creditors	Nil	Nil

- 1.5** The Statement of Proposals at Appendix I provides explanations of the events leading to the Administration and the progress of the Administration to date, as well as other statutory information.
- 1.6** This Proposal provides more detailed information on the work that the Joint Administrators anticipate they will undertake to complete the Administration together with their proposed basis of their fees. This Proposal provides further information on the Joint Administrators' costs to date, including the costs incurred prior to Administration. It also explains other matters for creditors' consideration, such as the

proposed timing of the Joint Administrators' discharge on conclusion of the Administration.

- 1.7 Definitions of the terms used in this Proposal are provided in Appendix I together with all statutory information pertaining to the Company.

2. Statement of Pre-Administration Costs

- 2.1 Pre-administration costs are defined in the Insolvency Rules as fees charged and expenses incurred by the Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the company entered Administration but with a view to its doing so.

This statement outlines those fees and expenses that were paid prior to the Administration and those where approval is being sought to pay them from Administration funds.

- 2.2 Prior to Administration, the proposed Joint Administrators gathered information on the Company to ensure that they were in a position to consent to act as Joint Administrators and to formulate an initial strategy for pursuing achievement of an Administration objective. This work was carried out prior to Administration so that there would be no delay in the Joint Administrators implementing the strategy immediately on appointment.

- 2.3 The pre-appointment costs of the Joint Administrators in the sum of £405.00 were incurred in relation to activities outlined above.

Attached at Appendix II is a breakdown of the time costs of the Joint Administrators and their staff incurred prior to Administration and included within Appendix III are Quantuma LLP's charge-out rates and bases of disbursements.

- 2.4 No pre-appointment disbursements were incurred on this matter.

- 2.5 We are unaware of any additional costs incurred by any other professionals qualified to act as an insolvency practitioner in respect of the Company. Should any claims subsequently come to light, they will be dealt with in the manner provided for by the Insolvency Rules.

- 2.6 A summary of the total costs incurred together with details of those which were paid pre-Administration and the amounts remaining outstanding, follows below:

	Total cost incurred	Amount already Paid	Identity of party who made payment	Amount Outstanding
	£	£		£
Administrators' pre-administration Remuneration	405.00	Nil	N/A	405.00
Administrators' Pre-administration Disbursements				
Category 1	Nil	Nil	N/A	Nil
Category 2	Nil	N/A	N/A	Nil
Other Insolvency Practitioners' Remuneration	Nil	Nil	Nil	Nil
Other Insolvency Practitioners' Expenses	Nil	Nil	Nil	Nil
Total Amount Outstanding				405.00

2.7 Consequently the unpaid pre-Administration costs are as follows:

	£
Quantuma LLP's time costs (see Appendix II)	405.00
Total	405.00

2.8 I am seeking to recover all the unpaid pre-Administration costs and expenses scheduled in paragraph 2.7 above as an expense of the Administration.

2.9 The payment of the unpaid pre-Administration costs as an expense of the Administration is subject to approval under Rule 3.52 of the Rules and is not part of the Statement of Proposals subject to approval under Paragraph 53 of Schedule B1 of the Act. Further explanation of the approval process is provided in Section 9.

3. The Joint Administrators' Fees

3.1 The Joint Administrators propose to fix their fees on the following basis:

- (i) the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT).

3.2 Attached at Appendix IV is a breakdown of the time costs incurred in the Administration to 23 May 2018. The Statement of Proposals provides an account of the work undertaken to date and Appendix V provides a detailed list of work undertaken and proposed to be undertaken by the Joint Administrators and their staff.

3.3 The charge-out rates of the Joint Administrators and their staff are detailed in Appendix III. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and claims being agreed. The grades of staff instructed to assist in this matter and their key responsibilities include:

- Case Administrators: maintenance of the creditors' contacts database, assisting with creditors' queries and routine correspondence, assisting in the realisation of assets, employee matters, liaising with creditors and debtors,

preparing reports to creditors and other statutory matters, and managing the cashiering function

- Managers: on-site attendance, reviewing the Company's position and affairs, handling asset realisations, reviewing draft statutory reports to creditors and overseeing the tax and VAT aspects of the case
- Partners: Overall responsibility for case strategy and key stakeholder contact.

3.4 Creditors may access a Guide to Administrators' Fees effective from 6 April 2017 at <http://www.quantuma.com/guide/creditors-guide-fees/> or a hard copy will be provided on request free of charge.

3.5 Further information is set out below and in the appendices to explain the future time costs that the Joint Administrators anticipate incurring in this Administration.

4. The Joint Administrators' Expenses

4.1 Expenses are amounts properly payable by the office holder from the estate which are not otherwise categorised as the office holder's remuneration or as a distribution to a creditor or creditors. These may include, but are not limited to, legal and agents' fees, trading expenses and tax liabilities.

Disbursements are expenses initially met by, and later reimbursed to, an office holder in connection with an insolvency appointment and will fall into two categories: Category 1 and Category 2.

- Category 1 disbursements are payments to independent third parties where there is specific expenditure directly referable to the appointment in question. These are charged to the estate at cost with no uplift. These include, but are not limited to, such items as advertising, bonding and other insurance premiums. Legislation provides that administrators may discharge Category 1 disbursements from the funds held in the insolvent estate without further recourse to creditors.
- Category 2 disbursements are also directly referable to the appointment in question but not to a payment to an independent third party. Payments may only be made in relation to Category 2 disbursements after the relevant creditors have approved the bases of their calculation.

4.2 Appendix III provides details of the bases of Category 2 disbursements that the Joint Administrators propose to recover from the insolvent estate and also provides details of the Category 1 and 2 disbursements as well as the other expenses that the Joint Administrators expect to incur in the Administration.

5. Proposed Work to be Undertaken

5.1 Set out in Appendix V is a detailed list of tasks that the Joint Administrators propose that they and their staff will undertake together with their estimates of the time these tasks will take to carry out in total. The most material tasks are summarised below. The Estimated Outcome Statement attached to the Statement of Proposals provides an overview of the financial benefit that this work is expected to bring to creditors.

Administration (including Statutory Reporting)

5.2 The Joint Administrators are required to meet a considerable number of statutory and regulatory obligations. Whilst many of these tasks do not have a direct benefit in enhancing realisations for the insolvent estate, they assist in the efficient and compliant progressing of the administration, which ensures that the Joint Administrators and their staff carry out their work to high professional standards.

5.3 Primarily, these tasks include:

- Meeting all statutory reporting and filing requirements, including 6-monthly reports, seeking an extension where necessary, and issuing a final report and notices;
- Consulting with and instructing staff and independent advisers as regards practical, technical and legal aspects of the case to ensure efficient progress;
- Maintaining case files, which must include records to show and explain the administration and any decisions made by the Joint Administrators that materially affect the administration;
- Conducting periodic case reviews to ensure that the administration is progressing efficiently, effectively and in line with the statutory requirements; and
- Maintaining and updating the estate cash book and bank accounts, including regular bank reconciliations and processing receipts and payments.

Investigations

5.4 The Joint Administrators examine the conduct of the Company and its directors prior to the Administration with two main objectives:

- To identify what assets are available for realising for the benefit of creditors, including any potential actions against directors or other parties, such as challenging transactions at an undervalue or preferences; and
- To enable the Joint Administrators to report to the Insolvency Service on the conduct of the directors so that the Insolvency Service may consider whether disqualification proceedings are appropriate ("CDDA" work).

5.5 In the early stages of the Administration, this work involves examining the Company's books and records, considering information received from creditors and the Company's accountants and seeking information from the Company's directors and other senior staff by means of questionnaires and/or interviews.

5.6 In the event that questionable transactions are identified, it may be necessary to conduct further investigations and instruct solicitors to assist in deciding the Joint Administrators' next steps in pursuing a recovery. If a potential recovery action is identified, it may be necessary to instruct professional agents in gathering evidence and in exploring further the existence and value of assets to target. If the Joint Administrators encounter resistance in making a recovery, formal legal action may be appropriate.

5.7 In addition, if the Insolvency Service decides to proceed with a disqualification, the Joint Administrators will be required to assist the Insolvency Service's investigators in their work, which may include providing the investigators with access to the Company's books and records and agreeing statements to be given in evidence of those proceedings.

- 5.8** At this early stage, it is difficult to estimate the likely time costs and expenses that may be incurred in this work. The Fees and Expenses Estimates presented below reflect the anticipated work in identifying potential causes of action. If any are identified and the Joint Administrators consider that additional work is required, they may revert to the relevant creditors to seek approval for fees in excess of the estimate.

Realisation of assets

- 5.9** The Statement of Proposals summarises the work carried out by the Joint Administrators to date in realising the Company's assets. The principal matters that require further work are:

- Continuing to monitor the Company's outstanding book debts.

Creditors (claims and distributions)

- 5.10** As the Statement of Proposals explains, there are a number of different classes of creditor involved in the Administration that require the Joint Administrators' attention. In particular, the Joint Administrators anticipate conducting the following key tasks:

- Liaising with the secured creditors in relation to the collection of debts subject to their security;
- Assisting the employees to receive payments from the RPO and liaising with the RPO to agree its claim;
- Reviewing claims submitted by the tax departments and, where it is appropriate, examining the Company's records to appeal assessments or adjudicate on the Crown's claims;
- Responding to creditors' queries and logging their claims and supporting information;
- Maintaining the database as regards creditors' contact details and claims;
- Agreeing employee claims, calculating and paying a distribution to preferential creditors, if there are sufficient funds, and paying the subsequent PAYE/NI deductions to HMRC;

6. Other Information to Support the Proposed Fees

- 6.1** Attached at Appendix V is an estimate of the time that the Joint Administrators envisage the above work will take to complete. Appendix V also provides their estimate of the expenses that have been or are likely to be incurred.
- 6.2** Please note that the estimates have been provided on the assumptions given below. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted Expenses Estimate. In the event that the Joint Administrators incur time costs in excess of the Fees Estimate, they will only revert to the relevant creditors for approval if they propose to draw any fees in addition to those estimated from the insolvent estate.
- 6.3** In summary, the Joint Administrators propose that their post-appointment fees be fixed on the basis of time costs and they estimate that they and their staff will spend time totalling £25,671.75 in conducting the tasks described. This estimate includes the time spent to date of £3,854.50, as described in Appendix IV.

6.4 The Fees and Expenses Estimates have been compiled on the assumptions set out below. Please note that these are assumptions only for the purposes of preparing the Estimates in accordance with the statutory provisions. It has been assumed that:

- investigations to the extent described in section 5 above will be carried out;
- no exceptional work will need to be conducted in order to realise the remaining assets;
- there will be no requirement to hold a physical creditors' meeting or additional decision procedure to consider the matters covered by this Proposal; and
- there will be no need to extend the Administration.

6.5 On the basis of these assumptions, the Joint Administrators do not anticipate that it will be necessary to seek additional approval from the relevant creditors for fees in excess of the Fees Estimate. However, in the event that the Administration does not proceed as envisaged, the Joint Administrators will seek approval for any fees in addition to those estimated that they wish to draw from the insolvent estate.

7. The Joint Administrators' Discharge

7.1 The Act requires that in the absence of a Committee the timing of the Joint Administrators' discharge from liability will be decided by the unsecured creditors. The Joint Administrators propose that this discharge will take effect when their appointment ceases to have effect, unless the court specifies a time.

8. Invitation to Form a Creditors' Committee

8.1 Attached at Appendix VIII is a Notice of Invitation to Form a Creditors' Committee. The purpose of the Committee is to assist the Joint Administrators in discharging their functions. In particular, a Creditors' Committee takes on the responsibility for approving the basis of the Joint Administrators' fees and other costs described above.

8.2 In the absence of a Committee, this responsibility falls to the unsecured creditors. The Joint Administrators do not see a need for a Committee to be formed in this case.

8.3 Notwithstanding this, creditors are entitled to seek the formation of Committee, provided that there are sufficient nominations to form a Committee. At least three nominations would be required and the requisite majority of creditors would also need to object to the proposed decision not to form a Committee. Appendices VI and VII provide further information on these steps.

9. Approval

9.1 The creditors are not being asked to decide on the Joint Administrators' proposals, although they may ask the Joint Administrators to request such a decision. Further details can be found at section 8 of the Joint Administrators' Statement of Proposals.

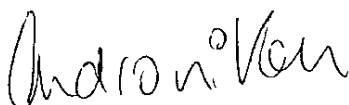
9.2 The Joint Administrators are proposing the decisions set out below by means of a virtual meeting. Should creditors wish to attend and/or vote at the meeting, they should complete and return the enclosed proxy form together with a proof of debt form, if one has not already been submitted. These forms are attached at Appendix VI together with a Notice of Decision Procedure setting out the following proposed decisions:

- That a Creditors' Committee will not be established;

- That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time;
 - That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken;
 - That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's Summary; and
 - That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved.
- 9.3** The Joint Administrators must receive completed proofs of debt by 4pm on the business day before the virtual meeting date and proxies no later than the start of the meeting to enable you to attend the meeting and to enable your vote to be counted.
- 9.4** Whilst a virtual meeting has been summoned, creditors who meet a statutory threshold as set out in the Notice attached at Appendix VII can require that a physical meeting of creditors be convened. Such a request must be made to the Joint Administrators within 5 business days of the date on which this Proposal was delivered. If you wish to request a physical meeting, please set out in writing which of the decision(s) above you wish the meeting to consider.

Should you have any queries in regard to any of the above please do not hesitate to contact Tom Maker on 020 3856 6720 or by e-mail at tom.maker@quantuma.com.

Dated this 23 May 2018



Andrew Andronikou
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

The affairs, business and property of Cloughton Office Equipment Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

High Court of Justice, Business & Property Courts Court

Number 2780 of 2018

**Claughton Office Equipment Limited
In Administration**

**STATEMENT OF THE JOINT ADMINISTRATORS' PROPOSALS
PURSUANT TO SCHEDULE B1 OF THE INSOLVENCY ACT 1986**

**Andrew Andronikou and Paul Zalkin
Joint Administrators**

Quantuma LLP

High Holborn House, 52-54 High Holborn, London, WC1V 6RL

020 3856 6720

Disclaimer Notice

- This Statement of Proposals has been prepared by Andrew Andronikou and Paul Zalkin, the Joint Administrators of Claughton Office Equipment Limited, solely to comply with their statutory duty under Paragraph 49, Schedule B1 of the Insolvency Act 1986 to lay before creditors a statement of their proposals for achieving the purposes of the Administration and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.
- Any estimated outcomes for creditors included in this Statement of Proposals are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.
- Any person that chooses to rely on this document for any purpose or in any context other than under Paragraph 49, Schedule B1 of the Insolvency Act 1986 does so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this Statement of Proposals.
- The Joint Administrators act as agent for Claughton Office Equipment Limited and contract without personal liability. The appointment of the Joint Administrators is personal to them and, to the fullest extent permitted by law, Quantuma LLP does not assume any responsibility and will not accept any liability to any person in respect of this Statement of Proposals or the conduct of the Administration.
- All Insolvency Practitioners of Quantuma LLP are licensed in the UK to act as Insolvency Practitioners.

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- 4.** The Purpose of the Administration
- 5.** Management of the Company's Affairs since the Joint Administrators' Appointment
- 6.** The Statement of Affairs and the Outcome for Creditors
- 7.** The Joint Administrators' Fees
- 8.** Approval of the Statement of Proposals
- 9.** Summary of the Joint Administrators' Statement of Proposals

Attachments

- A** Definitions
- B** Statutory Information
- C** Estimated Financial Statement as at 4 April 2018 and Creditors' Details
- D** Estimated Outcome Statement
- E** The Joint Administrators' Receipts and Payments Account to 23 May 2018

1. Introduction

- 1.1** This Statement of Proposals is prepared pursuant to Schedule B1 of the Act in relation to the Company, the purposes of which are to provide creditors with a full update as to the present position and to set out the Joint Administrators' proposals for achieving an Administration objective.
- 1.2** The Statement of Proposals also includes information required to be provided to creditors pursuant to the Rules. Definitions of the terms used in the Statement of Proposals are provided in Attachment A and statutory information pertaining to the Company is set out in Attachment B.
- 1.3** This Statement of Proposals is being delivered to creditors on 23 May 2018.

The Joint Administrators think that neither of the first two Administration objectives will be achieved. Consequently and in accordance with Paragraph 52(1)(c) of Schedule B1 of the Act, creditors are not being asked to decide on the Joint Administrators' proposals, although they may ask the Joint Administrators to request such a decision. Please see section 8 for further details.

2. Background to the Company

- 2.1** This information has been provided by the directors and related parties. Its accuracy cannot be verified by the Joint Administrators and is provided for information purposes only.
- 2.2** The business was established in 1965 and the principal activity of the Company was manufacturing commercial furniture, supplying stationery and carrying out typewriter maintenance for the education sector. At the date of the Administration the Company traded from leasehold premises at 10-14 Melton Enterprise Park, Redcliff Road, Melton, North Ferriby, HU14 3RS.
- 2.3** The Company was set up in 1965 by James Claughton. It traded throughout the 1960s, 1970s and 1980s specialising in commercial furniture.
- 2.4** In the 1990s, there was a commitment to increased spending in education. At this point the Company moved into the education furniture industry, particularly fitting out IT units in schools.
- 2.5** The Company traded from two sites in Hull, a factory and an office. The Company employed around 35 staff and reached a peak turnover of £4.5m in 2015.
- 2.6** In 2015 the Company was taken under common ownership as that of Keighley based furniture manufacturer, British Thornton ESF Limited. Lilyvalley Limited then became the Company's sole shareholder. The newly formed group turned over around £19m in 2017.
- 2.7** Following the merger the Company manufactured some furniture and made catalogue sales. In addition the Company supplied specialist computer monitors under the CDS brand.
- 2.8** In 2017 the Company was primarily funded by HSBC Bank PLC.
- 2.9** HSBC Bank plc became concerned about the financial viability of the Company and the wider group and appointed BDO LLP to undertake a limited scope

review. Subsequently, in November 2017, HSBC Bank plc agreed to a significant debt write off to enable the Company to refinance with Praetura Commercial Finance Limited ("Praetura") under the terms of a debt purchase agreement.

Despite the significant debt forgiveness, the Company continued to incur losses and struggled to remain within its agreed working capital facilities. Pressure from HMRC in respect of wider group liabilities was significant.

By this point Praetura was becoming increasingly concerned regarding its exposure to the Company's deteriorating financial position and it seemed clear to management that ongoing, longer term working capital support would not be available from Praetura.

The Company's shareholder took steps which included entering into negotiations to dispose of the Company's share capital. This ultimately led to Neil and David Tweddle and Elliot Caplan acquiring the issued share capital of Lilyvalley Limited for £50k on 26 February 2018.

There was only the opportunity to undertake limited due diligence prior to the acquisition but, as an acquiring party, the purchaser believed there was a genuine prospect of reversing the Company's fortunes and restructuring its affairs outside of a formal insolvency process. However, we are advised that within the first few weeks of their ownership the purchasers concluded that the state of the Company's finances was worse anticipated and not capable of being restructured without a more generous working capital facility.

At this point the new owners of the business entered into discussions with a number of Asset Based Lenders in an attempt to secure working capital facilities with greater flexibility, advance rates and a greater total funding limit. It was at this point that the Praetura debt purchase agreement was assigned to a new funder, GQS Finance Limited, who increased the level of funding available to the Company.

Despite the best efforts of the new management team and GQS Finance Limited to stabilise the business and restructure its affairs outside of an insolvency process, on 20 March 2018 HMRC issued a winding up petition against the group's sister company.

There was absolutely no prospect of the sister company paying the debt due to HMRC in order to have the winding up proceedings discharged, nor was there any realistic prospect of entering into a further time to pay agreement with HMRC.

As a consequence, and in part due to the cross collateralised nature of the security the Company had given its lenders, the directors had no choice but seek the appointment of the Joint Administrators in order to protect the interests of creditors as a whole.

Overview of Financial Information

2.10 Extracts from the abbreviated filed accounts as at 31 December 2016 and the draft management accounts as at 30 September 2017 are shown below.

2.11 Please note that this information has not been verified by the Joint Administrators or by Quantuma LLP.

Claughton Office Equipment Limited (In Administration)

Statement of Joint Administrators' Proposals

Pursuant to Schedule B1 of the Insolvency Act 1986

Filed Abbreviated Balance Sheet

	Abbreviated Filed Accounts for year to 31 Dec 2016 £	Abbreviated Filed Accounts for year to 31 Dec 2015 £
Fixed assets		
Tangible Assets	361,887	443,871
Current Assets		
Stocks	52,578	120,348
Debtors	636,852	1,224,085
Cash at Bank and in Hand	1,612	-
	<u>691,042</u>	<u>1,344,433</u>
Creditors		
Amounts Falling Due Within One Year	<u>(969,334)</u>	<u>(1,848,130)</u>
Net Current Liabilities	(278,292)	(503,697)
Total Assets Less Current Liabilities	83,595	(59,826)
Amounts Falling Due After More Than One Year	(107,082)	(209,150)
Provisions For Liabilities	<u>(62,939)</u>	<u>-</u>
Net Liabilities	<u>(86,426)</u>	<u>(268,976)</u>
Capital & Reserves		
Called Up Share Capital	176,196	176,196
Share Premium	143,926	143,926
Retained Earnings	<u>(406,548)</u>	<u>(589,098)</u>
	(86,426)	(268,976)

Source: Abbreviated Accounts filed at Companies House

Cloughton Office Equipment Limited (In Administration)

Statement of Joint Administrators' Proposals

Pursuant to Schedule B1 of the Insolvency Act 1986

Draft Balance Sheet

**Draft Management
Accounts for
year to 30
September 2017
£**

Fixed assets	205,936
Current Assets	
Stock	28,020
Trade debtors	214,798
Intercompany debtors	-
Other debtors	33,086
	<hr/> 275,904
Current Liabilities	
Trade creditors	210,801
PAYE/NIC/Tax	16,341
Accruals	36,956
Bank, Reserve, Cash	(12,518)
Invoice Discounting	133,493
Debt Forgiveness	328,350
VAT	131,768
HP Loans	64,565
Intercompany	(171,934)
Total Current Liabilities	<hr/> (737,822)
Total Assets Less Current Liabilities	<hr/> (255,982)
Capital & Reserves	
Share Capital / Premium	320,122
Loan Capital	-
Reserves Bfwd	(327,224)
Reserves CY	(248,880)
	<hr/> (255,982)

Source: Draft Management Accounts

The Joint Administrators have been attempting to access the Company's accounting records. The Company operated Sage 200, and a significant amount was outstanding to the provider at the date of Administration so the records were not directly available.

We are attempting to reconstruct the companies accounting records from the database that was recovered prior to the administration.

Management and Employees

2.12 As at the date of the Joint Administrators' appointment 4 April 2018, the Company's two employees had recently been made redundant.

2.13 Statutory information on the Company, including details of the Directors, Company Secretary, and Shareholders is provided at Attachment B.

3. Events leading to the Administration

- 3.1** The Company suffered along with the rest of the group following the merger as efforts were made to concentrate on more lucrative contract work. However that work had much longer lead time and customers would typically withhold 5% retentions. This led to a difficult year of trading for the group in 2016.
- 3.2** In 2017, HSBC was concerned with the performance of the group. It agreed a significant debt write-down to enable the group to refinance with Praetura Commercial Finance Ltd.
- 3.3** Despite the significant debt forgiveness the group continued to struggle to stay within its working capital facilities. A sale process commenced whereby Neil and David Twedde together with Elliot Caplan acquired the shares of Lilyvalley Ltd for £50,000 and therefore took control of the Company and British Thornton ESF Ltd. They were also appointed as directors of each company.
- 3.4** On 4 April 2018, Andrew Andronikou and Paul Zalkin of Quantuma LLP were appointed Joint Administrators of the Company and also over British Thornton ESF Limited following the filing of a Notice of Appointment of Administrators by GQS Finance Limited.
- 3.5** The Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either one or both of them.
- 3.6** For creditors' general information, the EC Regulation on insolvency proceedings applies in this case, and these proceedings are the main proceedings.
- 3.7** In compliance with the General Data Protection Regulation, creditors, employees, shareholders, directors and any other stakeholder who is an individual (i.e not a corporate entity) in these insolvency proceedings is referred to the Privacy Notice in respect of Insolvency Appointments, which can be found at this link www.quantuma.com/legal-notices/.

4. The Purpose of the Administration

- 4.1** The purpose of an Administration is set out in Schedule B1, Paragraph 3(1) of the Act. In short, this provides that an Administrator of a company must perform his functions with the objective of:
- rescuing the company as a going concern, or
 - achieving a better result for the creditors as a whole than would be likely to be achieved if the company were wound up (without first being in Administration), or
 - realising property in order to make a distribution to one or more secured or preferential creditors.
- 4.2** These objectives form a hierarchy. The rescue of a company is the priority. If this is not possible, the Administrator seeks to achieve a better result for the creditors as a whole. In the event that this cannot be achieved, then the Administrator is permitted to realise assets for the benefit of the preferential or secured creditors.

- 4.3** The Joint Administrators would comment that no further investment was available at short notice in addition to that provided by GQS Finance Ltd.
- 4.4** The second objective is normally achieved by means of a sale of the business and assets as a going concern (or a more orderly sales process than in liquidation). The Joint Administrators would comment that the Company's manufacturing division had ceased to operate in 2017 and the sales team were predominantly employed by British Thornton ESF Ltd. As such the Company did not have an operating business to sell.
- 4.5** The Joint Administrators would comment that the third objective will be achieved through assisting in the collection of the Company's debts and distributing the realisations to the Company's secured creditor, GQS Finance Ltd.
- 4.6** A detailed account of how the Joint Administrators have sought to achieve the objective of the Administration is set out below.

5. Management of the Company's Affairs since the Joint Administrators' Appointment

- 5.1** Immediately upon appointment the Joint Administrators undertook a review of the Company's affairs with particular regard to its financial and resource requirements. This assessment was carried out in liaison with the remaining management of the Company.

Assets remaining to be realised

- 5.2** The Company factored its book debts, and as a result they are owned by GQS Finance Ltd. BR Thornton Ltd purchased the business and assets of British Thornton ESF Ltd from its Joint Administrators on 5 April 2018. As part of that transaction they are collecting the debts of British Thornton ESF Ltd and the Company on behalf of GQS Finance Ltd.
- 5.3** The future value of the collectable debts is currently uncertain, but there is not expected to be a significant surplus following the discharge of GQS Finance Ltd's indebtedness and the costs of the Administration.

Post-appointment strategy

- 5.4** Immediately following the appointment of the Joint Administrators on 4 April 2018, members of the Joint Administrators' staff attended the Company's site in Melton.
- 5.5** As staff were made redundant prior to the Joint Administrators' appointment and the Company's business and assets did not form part of the sale to BR Thornton Ltd, any claims from former employees will be passed on to the Redundancy Payments Office.
- 5.6** The primary function of the Joint Administrators will be to oversee the debt collection process and to conduct their statutory investigations into the Company's affairs.

Investigation into the Company's Affairs Prior to the Administration

- 5.7** The Joint Administrators are undertaking a review of the Company's trading activities in order to establish whether or not there are actions that may be taken for the benefit of the Administration and consequently to enable a conduct report to be submitted in

respect of Company directors in office at the commencement of the Administration and any who resigned in the three years prior to the Administration.

- 5.8** Should any creditor have any concerns about the way in which the Company's business has been conducted or information on any potential recoveries for the estate, they are invited to bring them to the attention of the Joint Administrators as soon as they are able.

6. The Statement of Affairs and the Outcome for Creditors

- 6.1** The Directors have not to date submitted a signed Statement of Affairs, albeit they are currently in the process of drafting this. An Estimated Financial Statement of the Company, together with a list of the creditors, is attached at Attachment C for creditors' information. These details have been extracted from the Company's records and therefore no warranty can be given to the accuracy of the details given.
- 6.2** In accordance with the standard format of a Statement of Affairs, no provision has been made in the Statement for the costs of the Administration (including agents, legal and other professional fees).
- 6.3** The Joint Administrators have not carried out any work of the nature of an audit on the information.

Secured creditors

- 6.4** The Company's secured debt at the date of the appointment of the Joint Administrators, and as set out in the Statement of Affairs, can be summarised as follows:

	£
Confidential Invoice Discounting facility	955,098.00
TOTAL	955,098.00

- 6.5** The anticipated recovery to the secured creditor is shown on the Estimated Outcome Statement at Attachment C.

Preferential claims

- 6.6** Preferential claims relating to employee deductions are expected to be paid by the RPO who will have a corresponding preferential claim against the Company. These are likely to be in the region of £5,000. There are no other known preferential claims outstanding.

Prescribed Part

- 6.7** Section 176A of the Act requires Administrators to make a prescribed part of the company's net property, which is the balance remaining after discharging the preferential claims but before paying the floating charge-holder, available for the satisfaction of unsecured debts.
- 6.8** It is unlikely that there will be sufficient realisations to discharge the costs of the Administration in full and therefore the Joint Administrators envisage that there will be no resulting net property from which to deduct a prescribed part.

6.9 The Joint Administrators do not propose to make an application to court under Section 176A(5) of the Act to disapply the prescribed part provisions, because in the event that there are monies remaining once the costs of the Administration have been discharged, the secured creditor's debt will have been discharged so the prescribed part provisions will not apply.

6.10 As demonstrated in the Estimated Outcome Statement attached at Attachment D, on the basis of the costs incurred to date and the estimated further costs to be incurred in bringing the Administration to a conclusion, it is anticipated that there will be insufficient funds to pay a distribution to unsecured creditors.

6.11 Attached at Attachment D is the Joint Administrators' receipts and payments account for the period from 4 April 2018 to 23 May 2018.

7. The Joint Administrators' Fees

7.1 The Joint Administrators propose to be remunerated on the basis of the time properly given by the Joint Administrators and their staff in attending to matters arising in the Administration, such time to be charged at the prevailing standard hourly charge out rates used by Quantuma LLP at the time the work is performed (plus VAT).

7.2 The Joint Administrators will seek approval for the basis of their fees from the unsecured creditors, unless a Creditors' Committee is established.

7.3 Information to support the proposed basis of the Joint Administrators' fees, together with the Statement of pre-Administration costs, is provided in the Joint Administrators' Proposal, to which this Statement of Proposals forms an appendix.

8. Approval of the Statement of Proposals

8.1 The Joint Administrators think that neither of the first two Administration objectives can be achieved. Therefore, pursuant to Paragraph 52(1)(c) of Schedule B1 of the Act, the Joint Administrators are not required to seek creditors' approval of the Statement of Proposals.

8.2 Notwithstanding this, the Joint Administrators shall be required to seek a creditors' decision on whether to approve the Statement of Proposals, if it is requested by creditors whose debts amount to at least 10% of the Company's total debts. Such request must be delivered to the Joint Administrators within 8 business days from the date on which the Statement of Proposals was delivered. Security must be given for the expenses of seeking such a decision.

8.3 If no decision is requested, the Statement of Proposals will be deemed to be approved pursuant to Rule 3.38(4) of the Rules. However, as mentioned in Section 7, the Joint Administrators are seeking creditors' approval of other proposed decisions. Information regarding these matters is provided in the Joint Administrator's Proposal, to which this Statement of Proposals forms an appendix.

9. Summary of the Joint Administrators' Proposals

9.1 The Statement of Proposals which creditors are invited to consider, is summarised below.

9.2 In order to achieve the purpose of the Administration, the Joint Administrators formally propose to creditors that:

Claughton Office Equipment Limited (In Administration)

Statement of Joint Administrators' Proposals

Pursuant to Schedule B1 of the Insolvency Act 1986

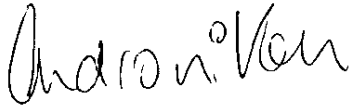
- the Joint Administrators continue to manage the business, affairs and property of the Company in order to achieve the purpose of the Administration, in particular that:
 - (i) they investigate and, if appropriate, pursue any claims that the Company may have against any person, firm or company, whether in contract or otherwise, including any officer or former officer of the Company or any person, firm or company that supplies or has supplied goods or services to the Company; and
 - (ii) they do all such things and generally exercise all their powers as Joint Administrators as they consider desirable or expedient at their discretion in order to achieve the purpose of the Administration or protect and preserve the assets of the Company or maximise the realisations of those assets, or of any purpose incidental to these activities.
- the Joint Administrators make distributions to any secured or preferential creditors in accordance with Paragraph 65 of Schedule B1 of the Act. Further, they may make a distribution to unsecured creditors, having first sought the court's permission in accordance with Paragraph 65(3) of Schedule B1 of the Act where necessary.
- the Joint Administrators end the Administration in one of the following ways, appropriate to the circumstances of the case at the time:
 - (i) in the event that there is no remaining property that might permit a distribution to the Company's creditors, they shall file a notice of dissolution of the Company pursuant to Paragraph 84 of Schedule B1 of the Act; or
 - (ii) however, in the event that the Joint Administrators think that a distribution will be made to unsecured creditors (and they have not sought the court's permission, and are otherwise unable, to pay the distribution whilst the Company is in Administration), they shall send to the registrar of companies notice to move the Company from Administration to Creditors' Voluntary Liquidation. In such circumstances, Andrew Andronikou and Paul Zalkin will be appointed Joint Liquidators and will be authorised to act either jointly or separately in undertaking their duties as Liquidator. Creditors may nominate a different person or persons as the proposed liquidator or liquidators in accordance with Paragraph 83(7)(a) of Schedule B1 of the Act and Rule 3.60(6)(b) of the Rules, but they must make the nomination or nominations at any time after they receive the Statement of Proposals, but before it is approved. Information about the process of approval of the Statement of Proposals is set out at Section 8; or
 - (iii) alternatively, and should there be no likely funds to distribute to unsecured creditors, the Joint Administrators may seek to place the Company into Compulsory Liquidation in order to bring proceedings that only a Liquidator may commence for the benefit of the estate. In such circumstances, Andrew Andronikou and Paul Zalkin may ask the court that they be appointed Joint Liquidators, to act either jointly or separately in undertaking their duties as Liquidator.

Claughton Office Equipment Limited (In Administration)

Statement of Joint Administrators' Proposals

Pursuant to Schedule B1 of the Insolvency Act 1986

Dated this 23 May 2018



Andrew Andronikou
Joint Administrator

Licensed in the United Kingdom to act as an insolvency practitioner by the Insolvency Practitioners Association

The affairs, business and property of Claughton Office Equipment Limited (in Administration) are managed by the Joint Administrators, who act as agents of the Company and contract without personal liability.

DEFINITIONS

The Act	The Insolvency Act 1986
The Rules	The Insolvency Rules 1986 or the Insolvency (England & Wales) Rules 2016 (whichever applied at the time of the event described)
The Statement of Proposals	The Statement of the Joint Administrators' Proposals prepared pursuant to Paragraph 49(1) of Schedule B1 of the Act
The Joint Administrators	Andrew Andronikou and Paul Zalkin
The Company	Claughton Office Equipment Limited (in Administration)
The Court	High Court of Justice, Business & Property Courts
EBIT	Earnings before interest and tax
SPA	Sale & Purchase Agreement
RPO	The Redundancy Payments Office
HMRC	HM Revenue & Customs
ROT	Retention of Title
EOS	Estimated Outcome Statement
PP or Prescribed Part	The Prescribed Part of the Company's net property subject to Section 176A of the Insolvency Act 1986
QFCH	Qualifying Floating Charge Holder
SIP	Statement of Insolvency Practice (England & Wales)
TUPE	Transfer of Undertakings (Protection of Employment) Regulations

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)**STATUTORY INFORMATION**

Company Name	Claughton Office Equipment Limited
Previous Name(s)	None
Trading Name(s)	N/A
Proceedings	In Administration
Court	High Court of Justice, Business & Property Courts
Court Reference	2780 of 2018
Date of Appointment	4 April 2018
Joint Administrators	Andrew Andronikou and Paul Zalkin Quantuma LLP High Holborn House, 52-54 High Holborn, London, WC1V 6RL
Registered office Address	c/o Quantuma LLP , High Holborn House, 52-54 High Holborn, London, WC1V 6RL
Company Number	00850814
Incorporation Date	2 June 1965
Company Secretary	None
Appointment by	GQS Finance Ltd
Directors at date of Appointment	Neil Tweddle David James Tweddle Elliot Mark Caplan
Shareholdings	Lilyvalley Ltd – 100%

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

ESTIMATED FINANCIAL STATEMENT AS AT 4 APRIL 2018 AND CREDITORS' DETAILS

Claughton Office Equipment Limited - In Administration

Joint Administrators' Estimated Financial Statement as at 23 May 2018

	Book Value £	Estimated to Realise £
ASSETS		
SUBJECT TO INVOICE DISCOUNTING FACILITY		
Book Debts	186,245.89	Uncertain
Less: Due to GQS Finance		(955,098.00)
		(955,098.00)
FIXED CHARGE ASSETS		
None	NIL	NIL
FLOATING CHARGE ASSETS		
Cash at Bank	125.69	125.69
		125.69
LIABILITIES		
PREFERENTIAL CREDITORS: None		NIL
		NIL
NET PROPERTY		125.69
Estimated prescribed part of net property where applicable (to carry forward)		NIL
AVAILABLE TO FLOATING CHARGE-HOLDER		125.69
DEBTS SECURED BY FLOATING CHARGES PRE 15 SEPTEMBER 2003		
OTHER PRE 15 SEPTEMBER 2003 FLOATING CHARGE CREDITORS		
Less: Floating Charge Creditor - GQS Finance Limited		NIL
Surplus/(Deficiency) to QFC		(954,972.31)
Estimated prescribed part of net property where applicable (brought down)		NIL
Available for Ordinary Unsecured Creditors		NIL
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade & Expense Creditors		(19,662.40)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)		(19,662.40)
Shortfall to Floating Charge Holder		(954,972.31)
Estimated deficiency to creditors		(974,634.71)
Issued and called up capital		
Ordinary Shareholders		(176,196.00)
TOTAL SURPLUS/(DEFICIENCY)		(1,150,830.71)

Notes to Joint Administrators' Estimate of the Company's Financial Position As At 23 May 2018

- 1 A Statement of Affairs for the Company has been requested from the directors but has not yet been received. As a result the Joint Administrators have prepared an Estimate of the Company's Financial Position as at the date of their appointment.
- 2 The above estimate excludes the costs of the Administration.
- 3 The book values in respect of book debts were taken from the Company's last available ledger. The cash at bank book value was the amount received by the Joint Administrators.
- 4 The trade creditors figure is expected to rise significantly. However the Joint Administrators have not yet been able to access the Company's accounting records. The number given reflects the value of claims received to date.

Claughton Office Equipment Limited

Schedule of Secured Creditors

Secured Creditors

Secured creditor's name and address	Amount of claim (estimated)	Details of security	Date security was given	Value of security (per Statement of Affairs)
GQS Finance Ltd	£955,098	Fixed and floating charges	Granted to Praetura Commercial Finance Ltd on 7 November 2017. Assigned to GQS Finance Ltd on 26 February 2018	£955,098

Special Creditor Groups

Creditor Group	Number of creditors in group	Total amount of claims (estimated)
Employees and former employees	2	£5,000
Consumers claiming amounts paid in advance for the supply of goods and services	Nil	Nil

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

ESTIMATED OUTCOME STATEMENT

Insolvency Act 1986 and Insolvency Rules (England and Wales) 2016

Claughton Office Equipment Limited - In Administration

Joint Administrators' Estimated Outcome Statement as at 23 May 2018

	Current Realisations £	Estimated Future Realisations £	Total £
ASSETS			
SUBJECT TO INVOICE DISCOUNTING FACILITY			
Book Debts	15,364.40	Uncertain	15,364.40
Less: Due to GQS Finance	(463,568.58)	(491,529.42)	(955,098.00)
	(448,204.18)	(491,529.42)	(939,733.60)
FIXED CHARGE ASSETS			
None	0.00	0.00	0.00
Less: GQS Finance	0.00	(491,529.42)	(491,529.42)
	0.00	(491,529.42)	(491,529.42)
FLOATING CHARGE ASSETS			
Cash at Bank	125.69	0.00	125.69
Bank Interest Gross	0.16	Uncertain	0.16
	125.85	0.00	125.85
COSTS			
Joint Administrators' Pre-Appointment Remuneration	0.00	(405.00)	(405.00)
Joint Administrators' Pre-Appointment Disbursements	0.00	0.00	0.00
Joint Administrators' Remuneration	0.00	(25,671.75)	(25,671.75)
Joint Administrators' Disbursements	0.00	(1,122.80)	(1,122.80)
Debt Collection Fee	0.00	Uncertain	0.00
	0.00	(27,199.55)	(27,199.55)
LIABILITIES			
PREFERENTIAL CREDITORS			(5,000.00)
			(5,000.00)
NET PROPERTY			(32,073.70)
Estimated prescribed part of net property where applicable (to carry forward)			0.00
AVAILABLE TO FLOATING CHARGE-HOLDER			(32,073.70)
DEBTS SECURED BY FLOATING CHARGES POST 15 SEPTEMBER 2003			
Less: Floating Charge Creditor - GQS Finance Limited			(491,529.42)
Surplus/(Deficiency) to QFC			(491,529.42)
Estimated prescribed part of net property where applicable (brought down)			0.00
Available to Ordinary Unsecured Creditors			0.00
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)			
Trade & Expense Creditors			(19,662.40)
			(19,662.40)
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall in respect of F.C's post 14 September 2003)			(19,662.40)
Shortfall to Floating Charge Holder			(491,529.42)
Estimated deficiency to creditors			(511,191.82)
Issued and called up capital			
Ordinary Shareholders			(176,196.00)
TOTAL SURPLUS/(DEFICIENCY)			(687,387.82)
SUMMARY OF ESTIMATED RETURN TO CREDITORS			
Estimated Dividend to Secured Creditors	Uncertain	p in the £	
Estimated Dividend to Preferential Creditors	N/A	p in the £	
Estimated Dividend to Unsecured Creditors	-	p in the £	

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

JOINT ADMINISTRATORS' RECEIPTS AND PAYMENTS ACCOUNT TO 23 MAY 2018

**Claughton Office Equipment Limited
(In Administration)**

**Joint Administrators' Summary of Receipts and Payments
To 23 May 2018**

	Statement of Affairs (£)	Specifically Pledged (£)	Not Specifically Pledged (£)	Total (£)
RECEIPTS				
Book Debts		15,364.40		15,364.40
Cash at Bank			125.69	125.69
Bank Interest Gross			0.16	0.16
		<hr/>	<hr/>	<hr/>
		15,364.40	125.85	15,490.25
PAYMENTS				
GQS Finance Ltd - Factoring Agreement		5,171.63		5,171.63
Bank Charges			270.00	270.00
		<hr/>	<hr/>	<hr/>
		5,171.63	270.00	5,441.63
Net Receipts/(Payments)				<hr/> 10,048.62 <hr/>
MADE UP AS FOLLOWS				
Bank 1 Current				10,048.62
				<hr/> 10,048.62 <hr/>

Notes

- 1 The balance of funds in hand is held in an interest bearing account at Metro Bank.
- 2 Amounts in the above statement are shown exclusive of VAT unless specifically stated.
- 3 The above statement should be read in conjunction with the Joint Administrators' Proposals dated 23 May 2018

**Andrew Andronikou and Paul Zalkin
Joint Administrators
23 May 2018**

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

BREAKDOWN OF PRE-ADMINISTRATION TIME COSTS FOR QUANTUMA LLP

Time Entry - SIP9 Time & Cost Summary

6002746 - Cloughton Office Equipment Limited
Project Code: PRE
To: 04/04/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	0.70	0.00	0.00	0.70	262.50	375.00
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigations	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Pre Appointment	0.00	0.00	0.00	1.50	1.50	142.50	95.00
Realisation of Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	0.70	0.00	1.50	2.20	405.00	184.09
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

**CHARGE-OUT RATES AND BASES OF DISBURSEMENTS ("QUANTUMA LLP'S
SUMMARY")**



Schedule of Current Charge Out Rates and Chargeable Disbursements

Staff Allocation & Support Staff

An objective and practical approach is taken to each case which includes active Partner involvement from the outset. Other members of staff will be assigned on the basis of experience and specific skills to match the needs of the case. In accordance with the provisions of Statement of Insolvency Practice 9 (SIP 9), set out below are the current charge out rates per hour for the grades of staff employed within Quantuma LLP, exclusive of VAT.

Grade of Staff	Rate from 1 June 2016
Partner	£295.00 - £495.00
Director	£250.00 - £450.00
Senior Manager	£225.00 - £375.00
Manager	£200.00 - £250.00
Assistant Manager	£185.00 - £265.00
Senior Administrator	£175.00 - £215.00
Administrator	£150.00 - £175.00
Assistant Administrator	£100.00
Case Accountant	£125.00
Junior Administrator	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £125.00

Work undertaken is recorded in 6 minute units in an electronic time recording system. Time properly incurred on cases is charged at the hourly rate of the grade of staff undertaking the work that applies at the time the work is done. There has been no allocation of any general or overhead costs.

Time spent on casework is recording directly to the relevant case and the nature of the work undertaken is recorded at that time. The work is recorded under the following categories:

- Administration & Planning
- Creditors
- Investigations
- Realisation of Assets
- Trading
- Cashiering
- Closing Procedures

On occasion it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment any material changes will be notified to creditors as part of the normal fee reporting procedures. Rates are likely to be subject to periodic increase.

The time of support staff and executive assistants is not charged to a case except when the initial set up is being performed or when a sizeable administrative task or appropriate ad hoc duty is being undertaken.

Details of historic charge out rates are provided at the end of this guide. Should any creditor wish to receive details of the charge out rates in force prior to those shown, these can be provided upon request.

Subcontractors

Details and the cost of any work which has been or is intended to be sub-contracted out that could otherwise be carried out by the office holder or his staff will be provided in any report which incorporates a request for approval of the basis upon which remuneration may be charged.



Direct Expenses (Category 1 Disbursements)

Category 1 disbursements, as defined by SIP 9, are expenses which are directly referable both to the appointment in question and a payment to an independent third party at cost and without uplift.

These expenses, which do not require the prior approval of creditors, include but are not limited to the following examples:

Category 1 Disbursement	Basis of Charge
Indemnity Bond	At cost of mandatory cover required in accordance with the Insolvency Act 1986 for each appointment
Insurance of assets	At cost in relation to asset coverage requirements
Travel	All forms other than mileage at actual cost
Room Hire	All external venues at actual cost
Storage Retrieval	At cost incurred
Postage	At cost incurred
Virtual Meeting Platform (from 6/4/17)	At cost incurred

Indirect Expenses (Category 2 Disbursements)

These are expenses that are directly referable to the appointment in question but which are not to an independent third party and may include shared or allocated costs that can be apportioned to the appointment on a proper and reasonable basis.

They may also include payment to an individual with whom a practice or individual within a practice has a business or personal relationship. Included within the list below is the cost per hour of Mr Mick Brunning, who is the husband of an individual within the practice. It is considered that the services of Mr Brunning represent best value.

Other payments made to individuals of businesses with whom the practice or individual within the practice has a business or personal relationship will be disclosed to creditors and an appropriate resolution for approval will be proposed.

Specific approval for Category 2 Disbursements is required from creditors before they can be paid.

The following indirect disbursements (Category 2 Disbursements, as defined by SIP 9) are charged to cases where appropriate on the following basis:

Category 2 Disbursement	Cost £
Photocopying, scanning and faxes (per side)	0.10
Company Search	10.00
Stationery (per Report/Letter per member/creditor)	0.50
Mileage incurred as a result of necessary travel as per HMRC's approved rate (per mile)	0.45
Internal Meeting Room Hire (outside London)	65.00



Category 2 Disbursement	Cost £
Internal Meeting Room Hire (in London)	95.00
Mick Brunning – collection and listing of books and records (per hour)	10.00
Box Storage (per box for life of case)	50.00
Electronic Anti-Money Laundering Identification Search (per case) (from 1/9/16)	12.00

Category 2 disbursements may be subject to periodic increase and this schedule will be updated accordingly. The schedule is available for creditors to review at <http://www.quantuma.com/guide/creditors-guide-fees/>. Details of historic disbursement charges can be found at the end of this schedule.

Professional Advisors

Details of any professional advisor(s) used will be given in reports to creditors. The fee arrangement for each will be disclosed in reports to creditors and these will be reviewed on a regular basis, together with the recovery or relevant disbursements. The choice of professional advisors is based around a number of factors including, but not restricted to, their expertise in a particular field, the complexity or otherwise of the assignment and their geographic location.

VAT

With the exception of Individual Voluntary Arrangements and Company Voluntary Arrangements which are VAT exempt, the office holders' remuneration and disbursements invoiced to the insolvency estate will be subject to VAT at the prevailing rate.

Creditors' Rights

Information about Creditors' rights can be obtained by visiting the creditors' information micro-site published by the Association of Business Recovery Professionals (R3) at <http://www.creditorinsolvencyguide.co.uk/>. Details about how an office holder's fees may be approved for each case type and challenged are available in a series of guides issued with SIP 9 and can be accessed at <https://www.quantuma.com/guide/creditors-guide-fees/>. Alternatively hard copies of these documents may be requested free of charge from Quantuma LLP's registered office.



Historic Charge Out Rates

	Rates from 1 April 2016	Rates from 15 July 2015	Rates from 1 April 2015
Partner	£295.00 - £475.00	£295.00 - £475.00	£295.00 - £475.00
Director	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
Senior Manager	£225.00 - £350.00	£225.00 - £350.00	£225.00 - £275.00
Manager	£200.00 - £250.00	£200.00 - £250.00	£200.00 - £250.00
Assistant Manager	£185.00 - £265.00	£185.00	£185.00
Senior Administrator	£175.00 - £215.00	£175.00 - £215.00	£175.00 - £215.00
Administrator	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
Assistant Administrator	£100.00	£100.00	£100.00
Case Accountant	£125.00	£125.00	£125.00
Junior Administrator	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00

	Rates from 1 February 2015	Rates from 5 January 2015	Rates from 1 November 2014
Partner	£295.00 - £445.00	£295.00 - £425.00	£295.00 - £425.00
Director	£250.00 - £325.00	£250.00 - £325.00	£250.00 - £325.00
Senior Manager	£225.00 - £275.00	£225.00 - £275.00	£225.00 - £275.00
Manager	£200.00 - £250.00	£200.00 - £250.00	£200.00
Assistant Manager	£185.00	£185.00	£185.00
Senior Administrator	£175.00	£175.00	£175.00
Administrator	£150.00 - £175.00	£150.00 - £175.00	£150.00 - £175.00
Assistant Administrator	£100.00	£100.00	£100.00
Case Accountant	£125.00	£125.00	£125.00
Junior Administrator	£75.00 - £100.00	£75.00 - £100.00	£75.00 - £100.00
Support Staff/Executive Assistant	£95.00 - £100.00	£95.00 - £100.00	£95.00 - £100.00



Historic Disbursement Charging Rates

With effect from 6 April 2017, the following charges will no longer be applied to existing or new cases.

Category 1 Disbursement	Basis of Charge
Stationery	At cost incurred
Postage	At cost incurred (other than for reports to creditors scheduled below *)

Category 2 Disbursement	Cost £
File Set Up (per file)	7.00
Postage per Report to Creditors and Members (per report)	0.50
Reports to Members and Creditors (published on line – per report per member/creditor)	0.25

*to ensure consistent charging of postage across our cases, all postage will be charged at the cost incurred and therefore reports will not be subject to the Category 2 charge shown above.

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

**BREAKDOWN OF THE JOINT ADMINISTRATORS' TIME COSTS FROM 4 APRIL 2018 TO
23 MAY 2018**

Time Entry - SIP9 Time & Cost Summary

6002746 - Claughton Office Equipment Limited
Project Code: POST
From: 04/04/2018 To: 23/05/2018

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.00	1.80	5.20	0.90	7.90	1,804.00	228.35
Case Specific Matters	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	1.10	2.70	3.80	615.00	161.84
Closing Procedures	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Creditors	0.00	0.10	2.70	0.00	2.80	726.00	259.29
Investigations	0.00	0.10	0.00	0.00	0.10	37.50	375.00
Pre Appointment	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.50	1.90	0.00	2.40	672.00	280.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Hours	0.00	2.50	10.90	3.60	17.00	3,854.50	226.74
Total Fees Claimed						0.00	
Total Disbursements Claimed						0.00	

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

INFORMATION TO SUPPORT THE JOINT ADMINISTRATORS' FEE PROPOSAL

a) The Joint Administrators' Fees Estimate

Please note that this estimate reflects the work undertaken and time anticipated to be incurred for the full period of the Administration and thus it includes the time already incurred, details of which are provided in Appendix IV.

b) The Joint Administrators' Expenses Estimate

Below is the expenses estimate in respect of category 1 direct expenses and category 2 expenses, which will have an element of shared or allocated costs.

Please note that this estimate reflects the expenses anticipated to be incurred for the full period of the Administration and thus it includes expenses already incurred, details of which are provided elsewhere in this document.

Please note that this estimate has been provided on the assumptions given in Section 6. In the event that it proves necessary for the Joint Administrators to incur additional expenses in performing their duties, they will provide further details in their progress reports, but there is no statutory obligation to ask creditors to approve any adjusted estimate.

**Estimate of Fees and Expenses for
Claughton Office Equipment Limited (In Administration)
To 04/04/2019 or the life of the case.**

	Total Hours	Avg Hourly Rate £	Time Cost £	Disbursements £	Expenses £
Classification of Work Function					
Admin & Planning	21.20	343.97	7,292.25		
Cashiering	9.00	197.22	1,775.00		
Closing Procedures	2.00	324.75	649.50		
Creditors	24.70	368.44	9,100.50		
Investigations	8.70	385.29	3,352.00		
Realisation of Assets	9.70	361.08	3,502.50		
	75.30	340.93	25,671.75		
Disbursements					
Category 1 Disbursements				810.80	
Category 2 Disbursements				312.00	
				1,122.80	
Expenses (*)					
					0.00
Totals	75.30	340.93	25,671.75	1,122.80	0.00

(*) Details of the expenses the IP considers will be, or are likely to be, incurred during the period of this estimate.

Details of estimated disbursements that will be paid during the period of this estimate.

Category 1 Disbursements

Insurance of Assets	200.00
Postage	150.00
Specific Bond	135.00
Statutory Advertising	325.80
	810.80

Category 2 Disbursements

AML Electronic Identification Search	12.00
Photocopying	150.00
Stationery	150.00
	312.00

Notes:

1. Category 1 Disbursements are payable without prior approval as they are payments to independent third parties e.g. advertising, room hire, storage, travel expenses
2. Category 2 Disbursements are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee
3. The figures provided for Expenses are as accurate as possible based on the information available at this time. No prior approval is required for the payments of the expenses as they are regarded as a cost of the administration of the estate
4. Further approval will be sought from the creditors' committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded
5. The above estimates are all exclusive of VAT

Estimate of Fees and Expenses for Claughton Office Equipment Limited (In Administration)

Explanatory Note:

FEE ESTIMATE

The office holders are seeking to be remunerated on a time cost basis. We use charge out rates appropriate to the skills and experience of a member of staff and the work that they perform, recording time spent in 6 minute units. Narrative is recorded to explain the work undertaken and the time spent is analysed into different categories of work. In this document the estimated time that will be spent undertaking the work in each category of work has been multiplied by the applicable charge out rate for each member of staff that it is anticipated will undertake work in that category to arrive at the estimated total time costs attributable to that category of work on the case. We have then divided that estimated total by the estimated number of hours to arrive at a blended hourly charge out rate for that category of work.

This estimate has been provided to creditors at an early stage in the case. Whilst all possible steps have been taken to make this estimate as accurate as possible, it is based on the office holders' current knowledge of the case and their knowledge and experience of acting as office holders in similar cases. As a result, the estimate does not take into account any currently unknown complexities or difficulties that may arise during the administration of the case.

This fee estimate covers the life of the case and it is currently not anticipated that the total fees during the life of the case will exceed the estimate. However since the office holders cannot draw remuneration in excess of this estimate without first obtaining approval to do so, should the fee estimate be exceeded and where the office holders consider it appropriate in the context of the case, they will seek a resolution to increase the fee. A full outline and explanation of the fees incurred against the fees that have been estimated below will be provided to creditors with this request.

The hourly charge out rates that it is anticipated will be used on the case are as follows:

	£
Partner	495.00
Director	400.00
Senior Manager	375.00
Manager	250.00
Senior Administrator	255.00
Administrator	175.00
Assistant Administrator	100.00
Case Accountant	125.00
Support Staff/Executive Assistant	125.00

Please note that the rates quoted above will be used for each category of work outlined in the estimate and will be subject to periodic increase.

Explanations are given below in relation to each category of work outlined in the estimate. A list of the activities under those categories that it is anticipated will be carried out is also provided.

Administration and planning

This represents the work that is involved in the routine administrative functions of the case by the office holders and their staff, together with the control and supervision of the work done on the case by the office holders and their managers. It does not give direct financial benefit to the creditors, but ensures that the case is managed in a professional and methodical manner and has to be undertaken by the office holders to meet their requirements under the insolvency legislation and the Statements of Insolvency Practice, which set out required practice that office holders must follow.

- Initial Statutory and General Notifications & Filing e.g. Advertising the appointment, undertaking statutory notifications to Companies House, HMRC, the Pension Protection Fund, preparing the documentation and dealing with other notification of appointment
- Obtaining a specific penalty bond
- Recovering & Scheduling the company's books and records
- Setting up electronic case files and electronic case details on IPS

Estimate of Fees and Expenses for Claughton Office Equipment Limited (In Administration)

- General Administration - Dealing with all routine correspondence and emails relating to the case
- Case strategy & completing file reviews at 1 month, 2 months, 6 months and 6 months thereafter
- VAT & Corporation Tax matters and returns

Creditors

Claims of creditors - the office holder needs maintain up to date records of the names and addresses of creditors, together with the amounts of their claims as part of the management of the case, and to ensure that notices and reports can be issued to the creditors. The office holder will also have to deal with correspondence and queries received from creditors regarding their claims and dividend prospects as they are received. The office holder is required to undertake this work as part of his statutory functions.

- Preparing the documentation and dealing with initial appointment notification to creditors
- Dealing with creditor correspondence, emails and telephone conversations
- Dealing with Pension Schemes
- Final Reports
- Dealing with HMRC/RPO claims
- Retention of Title - issuing ROT questionnaires to creditors, reviewing ROT claims & corresponding with creditors
- Secured Creditor Reports/Claims
- Annual/Progress Reports
- Initial Appointment Notification to Creditors - Preparing the documentation & sending out initial appointment notification to creditors
- Interim Fee Report to Creditors
- Para 49 Administrators' Proposals
- Para 53 Report of Initial Meeting/Deemed Approval Documentation

Investigations

The insolvency legislation gives the office holders powers to take recovery action in respect of what are known as antecedent transactions eg where assets have been disposed of prior to the commencement of the insolvency procedure (and also in respect of matters such as misfeasance and wrongful trading). The office holders are required by the Statements of Insolvency Practice to undertake an initial investigation in all cases to determine whether there are potential recovery actions for the benefit of creditors and the time costs recorded represent the costs of undertaking such an initial investigation. If potential recoveries or matters for further investigation are identified then the office holders will need to incur additional time costs to investigate them in detail and to bring recovery actions where necessary, and further information will be provided to creditors and approval for an increase in fees will be made as necessary. Such recovery actions will be for the benefit of the creditors and the office holders will provide an estimate of that benefit if an increase in fees is necessary.

The office holders are also required by legislation to report to the Department for Business, Energy & Industrial Strategy on the conduct of the directors. The work to enable them to comply with these statutory obligations may also identify potential recovery actions.

- SIP 2 Review - Conducting an initial investigation with a view to identifying potential asset recoveries by seeking and obtaining information from relevant third parties, such as the bank, accountants, solicitors, etc.
- CDDA Reports - Preparing a report or return on the conduct of the directors as required by the Company Directors Disqualification Act.
- Investigating & Pursuing Antecedent Transactions

Realisation of Assets

This is the work that needs to be undertaken to realise the known assets in the case. If this work is undertaken, the office holder anticipates that the assets will realise the estimated to realise amounts provided to creditors.

- Motor Vehicles
- Financed Assets
- Debtors
- Cash at Bank
- Arranging & Monitoring Insurance

Estimate of Fees and Expenses for Claughton Office Equipment Limited (In Administration)

Cashiering

The office holders must ensure that estate bank accounts are opened and maintained in accordance with legislation and SIPs. Bank reconciliations are performed on all bank accounts and statutory receipts and payments accounts are filed at Companies House & Court.

- Opening, maintaining and managing the Office Holders' cashbook and bank account.
- Dealing with cheque requisitions
- Dealing with deposit forms
- Bank Reconciliations
- Preparing & Filing statutory Receipts & Payments accounts

Closing Procedures

The office holders are required by statute to effect an orderly end to the case and although this has no direct financial benefit to the creditors it is necessary so that where applicable final meetings are advertised and held and final reports are filed at Companies House and Court.

- Preparing Final Account
- Filing final statutory returns at Companies House/Court

EXPENSE ESTIMATE

Full details of Quantuma LLP's charging policy in relation to disbursements can be found at <http://www.quantuma.com/guide/creditors-guide-fees/> or alternatively a hard copy can be requested free of charge from the Quantuma LLP office dealing with this case.

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

NOTICE OF DECISION PROCEDURE / PROXY FORM / PROOF OF DEBT

NOTICE OF DECISION PROCEDURE

Company Name: Claughton Office Equipment Limited (In Administration) ("the Company")
Company Number: 00850814
In the High Court of Justice, Business & Property Courts, Number 2780 of 2018

This Notice is given under Rule 15.8 of the Insolvency (England & Wales) Rules 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Andrew Andronikou and Paul Zalkin, of Quantuma LLP, High Holborn House, 52-54 High Holborn, London, WC1V 6RL, who were appointed by GQS Finance Limited.

Creditors are invited to attend a virtual meeting for the purposes of considering the following (for the full wording of proposed decisions, see the proxy form):

1. The establishing of a Creditors' Committee, if sufficient nominations are received by 8 June 2018 and those nominated are willing to be members of a Committee¹²
2. The basis of the Joint Administrators' fees
3. The approval of the Joint Administrators' Category 2 disbursements
4. The approval of the pre-Administration costs
5. The timing of the Joint Administrators' discharge

The meeting will be held as follows:

Time: 11:00am
Date: 8 June 2018
Venue: Via telephone conference
Please contact Tom Maker at tom.maker@quantuma.com for dial in details.

The meeting may be suspended or adjourned by the chair of the meeting (and must be adjourned if it is so resolved at the meeting).

Also provided is a proxy form to enable creditors to appoint a proxy-holder to attend on their behalf (note: any creditor who is not an individual must appoint a proxy-holder, if they wish to attend or be represented at the meeting).

All proxy forms, together with a proof of debt if one has not already been submitted, must be completed and returned to the Joint Administrator by one of the methods set out below:

By post to: Quantuma LLP, High Holborn House, 52-54 High Holborn, London, WC1V 6RL
By email to: londonvoting@quantuma.com

Please note that, if you are sending forms by post, you must ensure that you have allowed sufficient time for the forms to be delivered to the address above by the times set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All proofs of debt must be delivered by: 4pm on 7 June 2018

All proxy forms must be delivered to the convener or chair before they may be used at the meeting fixed for 11:00am on 8 June 2018

¹ Please see the Notice Inviting Creditors to Form a Committee for further instructions.

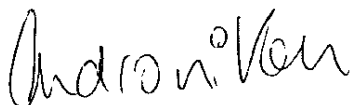
If the Joint Administrator has not received a proof of debt by the time specified above (whether submitted previously or as a result of this Notice), that creditor's vote will be disregarded. Any creditor whose debt is treated as a small debt in accordance with Rule 14.31(1) of the Rules must still deliver a proof if the creditor wishes to vote. A creditor who has opted out from receiving notices may nevertheless vote if the creditor also provides a proof by the time set out above.

Creditors who meet one or more of the statutory thresholds listed below may, within 5 business days from the date of the delivery of this Notice, require a physical meeting to be held to consider the matter.

Statutory thresholds to request a meeting:	10% in value of the creditors
	10% in number of the creditors
	10 creditors

Creditors who have taken all steps necessary to attend the virtual meeting under the arrangements made by the convener, but that do not enable them to attend the whole or part of the meeting, may complain under Rule 15.38 of the Rules. A complaint must be made as soon as reasonably practicable and in any event no later than 4pm on the business day following the day on which the person was, or appeared to be, excluded; or where an indication is sought under Rule 15.37, the day on which the complainant received the indication.

A creditor may appeal a decision by application to the court in accordance with Rule 15.35 of the Rules. Any such appeal must be made not later than 21 days after the Decision Date.

Signed:		Dated:	23 May 2018
Andrew Andronikou			
Joint Administrator			
Convener			

The Insolvency Act 1986

Proxy (Administration)

In the matter of Claughton Office Equipment Limited

and

in the matter of the Insolvency Act 1986

**Notes to help completion
of the form**

Please give full name and
address for communication

Name of creditor _____

Address _____

Please insert name of
person or "chair of the
meeting". If you wish to
provide for alternative proxy-
holders in the circumstances
that your first choice is
unable to attend please state
the names of the alternatives
as well

Name of proxy-holder

1 _____

2 _____

3 _____

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

I appoint the above person to be my/the creditor's proxy-holder at the meeting of
creditors to be held on 8 June 2018, or at any adjournment of that meeting. The
proxy-holder is to propose or vote as instructed below (and in respect of any
resolution for which no specific instruction is given, may vote or abstain at his/her
discretion).

Voting instructions for resolutions:

SEE ATTACHED SHEET

**This form must be
signed**

Signature _____ Dated _____

Name in CAPITAL LETTERS _____

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

Position with creditor or relationship to creditor or other

authority for signature: _____

Are you the sole member/shareholder of the creditor?

Yes / No

**This proxy may be completed with the name of the person or the chair of
the meeting who is to be the proxy-holder.**

Proxy (Administration) (continued)

Claughton Office Equipment Limited (In Administration)

Name of creditor _____

Voting instructions for resolutions:

1	That a Creditors' Committee be established if sufficient nominations are received by 8 June 2018 and those nominated are willing to be members of a Committee.	*For / Against
2	That the Joint Administrators' fees be fixed by reference to the time given by them and their staff in attending to matters arising in the Administration, such time to be charged at the hourly charge out rate of the grade of staff undertaking the work at the time it was undertaken. These costs are estimated at £25,671.75.	*For / Against
3	That the Joint Administrators be authorised to recover all Category 2 disbursements, calculated on the bases detailed in Quantuma LLP's summary.	*For / Against
4	That the unpaid pre-Administration costs set out in the Joint Administrators' Proposal be approved. These costs total £405.00.	*For / Against
5	That the Joint Administrators be discharged from liability in respect of any action undertaken by them pursuant to Paragraph 98 of Schedule B1 of the Act, such discharge to take effect when the appointment of Joint Administrators ceases to have effect, as defined by the Act, unless the court specifies a time.	*For / Against

*** Please delete as applicable to indicate your voting instructions**

PROOF OF DEBT - GENERAL FORM

Cloughton Office Equipment Limited (in Administration)

Date of Administration: 4 April 2018

DETAILS OF CLAIM		
1.	Name of Creditor (if a company, its registered name)	
2.	Address of Creditor (i.e. principal place of business)	
3.	If the Creditor is a registered company: <ul style="list-style-type: none"> For UK companies: its registered number For other companies: the country or territory in which it is incorporated and the number if any under which it is registered The number, if any, under which it is registered as an overseas company under Part 34 of the Companies Act 	
4.	Total amount of claim, including any Value Added Tax, as at the date of administration, less any payments made after this date in relation to the claim, any deduction under R14.20 of the Insolvency (England & Wales) Rules 2016 and any adjustment by way of set-off in accordance with R14.24 and R14.25	£
5.	If the total amount above includes outstanding uncapitalised interest, please state	YES (£) / NO
6.	Particulars of how and when debt incurred	
7.	Particulars of any security held, the value of the security, and the date it was given	
8.	Details of any reservation of title in relation to goods to which the debt relates	
9.	Details of any document by reference to which the debt can be substantiated. [The administrator may call for any document or evidence to substantiate the claim at his discretion.]	
10.	Give details of whether the whole or any part of the debt falls within any (and if so which) of the categories of preferential debts under section 386 of, and schedule 6 to, the Insolvency Act 1986	Category Amount(s) claimed as preferential £
11.	If you wish any dividend payment that may be made to be paid in to your bank account please provide BACS details. Please be aware that if you change accounts it will be your responsibility to provide new information	Account No.: Account Name: Sort code:
AUTHENTICATION		
Signature of Creditor or person authorised to act on his behalf		
Name in BLOCK LETTERS		
Date		
If signed by someone other than the Creditor, state your postal address and authority for signing on behalf of the Creditor		
Are you the sole member of the Creditor?		YES / NO

CLAUGHTON OFFICE EQUIPMENT LIMITED (IN ADMINISTRATION)

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

NOTICE OF INVITATION TO FORM A CREDITORS' COMMITTEE

Company Name: Claughton Office Equipment Limited (In Administration) ("the Company")

Company Number: 00850814

In the High Court of Justice, Business & Property Courts. Number 2780 of 2018

This Notice is given under Rule 3.39 of the Insolvency Rules (England & Wales) 2016 ("the Rules"). It is delivered by the Joint Administrators of the Company, Andrew Andronikou and Paul Zalkin, of Quantuma LLP, High Holborn House, 52-54 High Holborn, London, WC1V 6RL, who were appointed by GQS Finance Limited.

Creditors are invited to nominate creditors (which may include themselves) by completing the section below and returning this Notice to the Joint Administrator by one of the following methods:

By post to: Quantuma LLP, High Holborn House, 52-54 High Holborn, London, WC1V 6RL

By email to: tom.maker@quantuma.com

Please note that, if you are sending nominations by post, you must ensure that you have allowed sufficient time for the Notice to be delivered to the address above by the time set out below. Unless the contrary is shown, an email is treated as delivered at 9am on the next business day after it was sent.

All nominations must be delivered by: 11:00am on 8 June 2018

Nominations can only be accepted if the Joint Administrator is satisfied as to the nominated creditor's eligibility under Rule 17.4 of the Rules.

For further information on the role of Creditors' Committees, go to:
<http://www.quantuma.com/guide/guide-creditors-committee/>

Signed: 

Andrew Andronikou
Joint Administrator

Dated: 23 May 2018

NOMINATIONS FOR MEMBERS OF A CREDITORS' COMMITTEE
Claughton Office Equipment Limited (In Administration)

On behalf of (name of Creditor): _____,

at (address of Creditor): _____,

I nominate the following creditor(s) to be member(s) of a Creditors' Committee (provide name(s) and address(es)):

1. _____

2. _____

3. _____

Signed: _____

Dated: _____

Name in capitals: _____

Position with, or relationship to, Creditor or other authority for signature: _____

Are you are the sole member/shareholder of the Creditor (where it is a company)? Yes / No