

Rule 2 33

Form 2 17B

The Insolvency Act 1986

Statement of administrator's proposals 2.17B

Name of Company Keighley Cougars RLFC (2001) Limited	Company number 04276267
In the High Court of Justice, Chancery Division, Leeds [full name of court]	Court case number 3393 of 2009

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

~~I/We~~, (a) Gary N Lee of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY and Rob Sadler of Begbies Traynor (Central) LLP, Bond Court, Leeds, LS1 2JZ

attach a copy of ~~my~~ our proposals in respect of the administration of the above company

* Delete as applicable

A copy of these proposals was sent to all known creditors on

(b) 5 February 2009

(b) Insert date

Signed

G N Lee
Joint Administrator

Dated

5/2/10

Contact Details:

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

Begbies Traynor (Central) LLP	
340 Deansgate, Manchester, M3 4LY	
	Tel 0161 837 1700
Fax Number 0161 837 1701	DX Number

When you have completed and signed this form please send it to the Registrar of Companies at
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff



PC3 03/03/2010 843
COMPANIES HOUSE

WEDNESDAY

Gary N Lee and Rob Sadler were appointed joint administrators on 18 December 2009

The affairs, business and property of the Company are being managed by the joint administrators, who act as the Company's agents and without personal liability

Keighley Cougars RLFC (2001) Limited (In Administration)

Statement of proposals of the joint administrators for achieving the purpose of the administration pursuant to Paragraph 49 of Schedule B1 to the Insolvency Act 1986 and Rule 2.33 of the Insolvency Rules 1986

The joint administrators' statement of proposals has been produced for the sole purpose of advising creditors pursuant to the provisions of the Insolvency Act 1986. The report is private and confidential and may not be relied upon, referred to, reproduced or quoted from, in whole or in part, by creditors for any purpose other than this report to them, or by any other person for any purpose whatsoever.

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1. INTERPRETATION

<u>Expression</u>	<u>Meaning</u>
"the Company"	Keghley Cougars RLFC (2001) Ltd (In Administration)
"the administration"	The appointment of administrators under Schedule B1 of the Insolvency Act 1986 on 18 December 2009
"the joint administrators"	Gary N Lee and Rob Sadler of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY and Begbies Traynor, 9 Bond Ct, Leeds, West Yorkshire, LS1 2JZ respectively
"the Act"	The Insolvency Act 1986 (as amended)
"the Rules"	The Insolvency Rules 1986
"secured creditor" and "unsecured creditor"	Secured creditor, in relation to a company, means a creditor of the company who holds in respect of his debt a security over property of the company, and "unsecured creditor" is to be read accordingly (Section 248(a), Insolvency Act 1986)
"security"	(i) In relation to England and Wales, any mortgage, charge, lien or other security and (ii) in relation to Scotland, any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off) (Section 248(b), Insolvency Act 1986)
"preferential creditor"	Any creditor of the Company whose claim is preferential within Sections 386, 387 and Schedule 6 to the Insolvency Act 1986

2. STATUTORY INFORMATION

Name of Company	Keighley Cougars RLFC (2001) Ltd	
Trading name	Keighley Cougars RLFC (2001) Ltd	
Date of Incorporation	23 August 2001	
Company registered number	04276267	
Company registered office	C/O Begbies Traynor, 340 Deansgate, Manchester, M3 4LY	
Former registered office	Cougar Park, Hard Ings Road, Keighley, West Yorkshire, BD21 3RF	
Trading address	Cougar Park, Hard Ings Road, Keighley, West Yorkshire, BD21 3RF	
Principal business activities	Rugby League Football Club	
Directors and details of shares held in Company	<u>Name</u>	<u>Shareholding</u>
	Mr N A Spencer	50 Ordinary
	Mr C Farrar	50 Ordinary
Company Secretary and details of shares held in Company	<u>Name</u>	<u>Shareholding</u>
	HSEC Ltd	Nil
Auditors	Hargreaves, Brown & Benson	
Share capital	100 Ordinary Shares	
Shareholders	Mr N A Spencer - 50 Ordinary Mr C Farrar - 50 Ordinary	

3. DETAILS OF APPOINTMENT OF ADMINISTRATORS

Names of joint administrators	Gary N Lee and Rob Sadler of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY and Begbies Traynor, 9 Bond Ct, Leeds, West Yorkshire, LS1 2JZ respectively
Date of administrators' appointment	18 December 2009
Court	High Court of Justice, Chancery Division, Leeds District Registry
Court Case Number	3393 of 2009
Person making appointment	Application to Court, supported by Affidavit of Mr N A Spencer (Director)
Acts of the joint administrators	The joint administrators act as officers of the court and as agents of the Company without personal liability. Any act required or authorised under any enactment to be done by an administrator may be done by any one or more persons holding the office of administrator from time to time
EC Regulation on Insolvency	The EC Regulation on Insolvency Proceedings (Council Regulation (EC) No 1346/2000) applies to these proceedings which are 'main proceedings' within the meaning of Article 3 of the Regulation

STATUTORY PURPOSE OF ADMINISTRATION

Paragraph 3 of Schedule B1 to the Act provides as follows

- "3 (1) The administrator of a company must perform his functions with the objective of
- (a) rescuing the company as a going concern, or
 - (b) achieving a better result for the company's creditors as a whole than would be likely if the company were wound up (without first being in administration), or
 - (c) realising property in order to make a distribution to one or more secured or preferential creditors
- (2) Subject to subparagraph (4), the administrator of a company must perform his functions in the interests of the company's creditors as a whole
- (3) The administrator must perform his functions with the objective specified in subparagraph (1)(a) unless he thinks either
- (a) that it is not reasonably practicable to achieve that objective, or
 - (b) that the objective specified in subparagraph (1)(b) would achieve a better result for the company's creditors as a whole
- (4) The administrator may perform his functions with the objective specified in subparagraph (1)(c) only if
- (a) he thinks that it is not reasonably practicable to achieve either of the objectives specified in subparagraph (1)(a) and (b), and
 - (b) he does not unnecessarily harm the interests of the creditors of the company as a whole "

4. CIRCUMSTANCES GIVING RISE TO THE APPOINTMENT OF ADMINISTRATORS

Keighley Cougars was initially formed in 1876 and has existed as a Rugby League club ever since. The Company was formed in 2001 following a previous financial restructuring of the Rugby League club and has operated under this limited entity for the last 8 years.

The Company has been supported by the injection of personal funds of private investors ("PIs") who have injected £309,959 into the Company over the last 8 years.

The Rugby League club has experienced recent success on the pitch and in 2009 they won the play offs in the Championship 1 grand final which resulted in them being promoted to the Co-operative Championship for the 2010 season.

I was first contacted by the Company's directors on 21st October 2009 to discuss the financial position of the Company. The directors made me aware that there was a legacy debt due to H M Revenue & Customs ("HMRC") for underpayment of PAYE/NIC and outstanding VAT contributions in the sum of £183,696.27. This debt had built up over the last few years and the Company was not in a position to make immediate payment of this liability.

The directors requested that I make contact with HMRC in order to establish whether an informal agreement could be reached to pay the outstanding debt over a period of time. HMRC advised that they may consider a formal proposal but whilst the debt was outstanding, steps would be taken to issue a winding up petition in the High Court.

HMRC subsequently issued a Winding Up Petition in the High Court which was advertised on 24th November 2009 and was due to be heard in Court on 9th December 2009.

A proposal was submitted to HMRC by the Company indicating that the debt due to HMRC would be paid in full within a 12 month period. HMRC responded on 19th November 2009 rejecting this proposal and advised that the outstanding debt would need to be paid in full in order for them to withdraw the petition.

The directors advised the RFL of the stance of HMRC which resulted in the directors and potential investors preparing a business plan for a new company, Keighley Cougars (2010) Limited, to acquire the business and assets of the Company out of Administration.

It was not possible to trade the Company in Administration as it was the close season for Rugby League and little if any revenue was expected to be generated until the season commenced in January 2010. It was also imperative that a sale of the business and assets was concluded immediately following the appointment of Administrators in order to achieve enhanced asset realisations and maintain continuity.

The Company entered administration on 18 December 2009. On the same day the business and assets were sold to Keighley Cougars (2010) Limited for the initial sum of £20,000. The sale and purchase agreement in this matter also entitles the Company to receive 50 percent of any net profits before tax of Keighley Cougars (2010) Limited for the next five years. This is to be remitted to the Company on an annual basis.

5. STATEMENT OF AFFAIRS

The directors' estimated statement of affairs as at 18 December 2009 is attached at Appendix 2. It makes no provision for the costs of the administration or any subsequent liquidation.

It should be noted that the Statement of Affairs represents the director's view of the expected realisations in this matter as at 18 December 2009 and that the Statement of Affairs does take into consideration the potential future realisations relating to the 50 percent of any future net profits before tax of Keighley Cougars (2010) Limited

Our comments on the estimated statement of affairs are as follows

Assets

The Company's tangible assets were valued by our agents, Messrs Fox Lloyd Jones, on 3 December 2009

On 18 December 2009, the business and assets of Keighley Cougars RLFC (2001) Limited were sold to Keighley Cougars (2010) Limited for the sum of £20,000, of which £10,000 was attributed to the tangible assets and £10,000 to the Company's debtors

Preferential Creditors

As all employees and playing staff have been transferred to Keighley Cougars (2010) Limited, there are no preferential creditors in this matter

Prescribed Part/Floating Charge Creditors

There are no Floating Charge creditors in this matter. Accordingly the provisions of the Prescribed Part are not applicable

Unsecured Creditors

Private investors represent over fifty percent of unsecured creditors with the remaining balance split between trade creditors and HMRC. The table below highlights the amounts due to each class of unsecured creditor

£	
Trade Creditors	68,714 41
HMRC	183,696 27
Private Investors	309,959 00
	<hr/>
	562,369 68

It can be seen from the Director's Statement of Affairs that if there are no further realisations in this matter there will be an estimated deficiency to the unsecured creditors, before costs, totalling £542,369 68. However, the forecasts received from Keighley Cougars (2010) Limited estimate that the Company's share of net profits before tax could be as much as £350,000, if such forecasts are achieved, which would enable a distribution to be paid to the unsecured creditors in this matter.

6. THE ADMINISTRATION PERIOD

Receipts and Payments

Attached at Appendix 1 is our account of receipts and payments from the commencement of administration, 18 December 2009 to date, incorporating our projected outcome for creditors.

Following our appointment we advised the Company's directors of the effect of our appointment and we attended the Company's premises and obtained the necessary information required to assist us in carrying out our statutory duties as Administrators.

All statutory documents confirming our appointment were filed at Court and Companies House in accordance with Insolvency Law and we wrote to all known creditors of the Company to confirm our appointment. The only remaining statutory duty of the administrator is the report to the Department of Business, Innovation and Skills on the conduct of the Directors.

Pre-packaged sale of the business and assets

Creditors of the Company have already been provided with information on the pre-packaged sale of the Company's business and assets by letter dated 23 December 2009

The information previously provided to creditors is as follows

Background Information

The Administrators' statement of proposals for achieving the purpose of the administration which will be sent to creditors in due course will provide detailed information in relation to the Company. However, to assist creditors who may have a limited understanding of the Company and its affairs to better understand the reasons for the pre-packaged sale, we have provided certain background information at this stage

Keighley Cougars was initially formed in 1876 and has existed as a Rugby League club ever since. The Company was formed in 2001 following a previous financial restructuring of the Rugby League club.

The Company had been supported by the injection of personal funds of private investors who injected £309,959 into the Company over the last 8 years.

The reasons for the Company's insolvency

We were first contacted by the Company's directors on 21st October 2009 to discuss the financial position of the company. The directors advised that there was a debt due to H M Revenue & Customs ("HMRC") in the sum of £183,696.27. This related to underpayment of PAYE/NIC and outstanding VAT contributions and had built up over the last few years.

The Company was not in a position to make payment of these sums and HMRC took steps to issue a winding up petition in the High Court.

A proposal was submitted to HMRC by the Company requesting HMRC to agree to a 12 month repayment period. HMRC rejected this proposal and advised that the outstanding debt would need to be paid in full before they would withdraw the winding up petition.

The reasons for the pre-packaged sale

If no action was taken then the Company would have been wound up by the Court and the Company placed into Compulsory Liquidation.

Liquidation was immediately discounted as an option, as this would result in the termination of all of the players' contracts and the immediate dismissal of all employees. It would also not allow the possibility for any part of the business to be saved, as continuity would be lost.

The possibility of a stand alone Company Voluntary Arrangement was also discounted as an option for the Company as HMRC, who had in excess of 25% of the vote due to the size of their claim in this matter, had already rejected a proposal which would have seen them repaid in full within a 12 month period.

An Administration, with an immediate sale of the business and assets on a going concern basis to a new company, has significantly enhanced asset realisations in this matter for the following reasons -

- i) The realisations achieved exceed the going concern valuations of the tangible assets,
- ii) Continued trading of the Rugby Football club via an immediate sale of the business and assets to a new company will ensure that there will be an ongoing customer for the trade suppliers who are creditors of the Company,
- iii) The players' and employee's contracts can be transferred to the new company to ensure that continued employment is offered which in turn will minimise any associated claims on the Company,
- iv) Better realisations being achieved from the debt collection exercise due to the continuity of the business

The route of Administration was also supported by the private investors who are in excess of 50% of the creditors of the Company

An element of future profits generated by the new company over the next 5 years will be remitted back to the company which can be distributed to creditors

Who was the source of Begbies Traynor (Central) LLP's initial introduction to the Company?

Helen Carter – General Manager / Gary Fawcett - Investor

What was the extent of Gary N Lee and Rob Sadler, and Begbies Traynor (Central) LLP's involvement with the Company before appointment?

We were first contacted by the Company's directors on 21st October 2009 to discuss the financial position of the company

What marketing of the Company's undertaking and assets was undertaken by the Company?

No marketing was undertaken due to limited funds being available to undertake this exercise and that in excess of 50% of the creditors supported the proposed sale. The Company's directors sought out new investors which resulted in the offer being formulated

What marketing of the Company's undertaking and assets was undertaken by Gary N Lee and Rob Sadler?

As above. In addition as a winding up petition had been issued and advertised, limited time was available

What valuations of the Company's undertaking and assets were obtained?

Messrs, Fox Lloyd Jones Ltd were instructed to prepare an independent valuation of the Company's assets, details as follows -

<u>Categories of Assets</u>	<u>Valuation £ (going concern basis)</u>	<u>Valuation £ (break-up basis)</u>
Plant & Machinery	3,000	2,000
Office Furniture & Equipment	3,750	2,100
Motor Vehicles	750	750
Total	7,500	4,850

What alternative courses of action were considered by Gary N Lee and Rob Sadler?

All alternatives were explored and considered including proposals being submitted by the company to HMRC to repay their debt in full over 12 months which were rejected. However, it was evident that a sale of the business and assets as a going concern would ensure the maximum realisations for creditors in this matter.

Why was it not appropriate to trade the business during the administration in order to offer it for sale as a going concern?

It was the close season of the Rugby League calendar and therefore no income was expected to be generated in the immediate future and as such trading the Company was not an option.

What requests were made to potential funders to fund working capital requirements during the administration?

N/a

What consultations were made with major creditors?

The sale of the business and assets was supported by the private investors who are in excess of 50% of the creditors of the Company. A dialogue was also ongoing with HMRC.

What was the date of the transaction?

18 December 2009

What were the assets sold and what was the nature of the transaction?

The assets sold were as follows -

Intellectual Property Rights
Debtors
Goodwill
Office furniture and equipment
Stock/work in progress

The sale was by way of sale and purchase agreement

What was the consideration for the sale, including payment terms, and other conditions of the contract that could materially affect the consideration?

£20,000 payable on completion + 50% of the new company's net profits before tax on an annual basis over the next 5 years

Is the sale part of a wider transaction? If so a description of the other aspects of the transaction

No

Who was the purchaser?

Keighley Cougars (2010) Ltd

Is there a connection between the purchaser and the directors, shareholders or secured creditors of the Company?

The joint administrators are not aware of any connection between the purchaser and the directors or shareholders of the Company, apart from the fact that Gary Fawcett, a director of the purchaser, is also an investor in the company

Are any directors, or former directors, of the Company involved in the management or ownership of the purchaser, or of any other entity into which any of the assets have been transferred? If so, who are they?

From information obtained at Companies House and from information provided by the directors, the joint administrators are not aware of the directors, or former directors of the Company being involved in the management of the purchaser or any other entity into which the assets have been transferred

Had any directors of the Company given guarantees for amounts due from the Company to a prior financier? Is that financier financing the new business?

No

What options, buy-back arrangements or similar conditions are attached to the contract of sale?

None

7. JOINT ADMINISTRATORS' PROPOSALS FOR ACHIEVING THE PURPOSE OF THE ADMINISTRATION

Purpose of the Administration

We are required to set out our proposals for achieving the purpose of the administration which in this context means one of the objectives specified in paragraph 3 of Schedule B1 to the Act as set out at section 3 of this report above

The joint administrators believe that the most appropriate objective to pursue in this case is that specified in subparagraph 3(1)(b), namely achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration) We furthermore consider that pursuing this objective should not unnecessarily harm the interests of the creditors of the Company as a whole

For the reasons set out in our report, it was not reasonably practicable to pursue the objective of rescuing the Company as a going concern. I believe that the sale of the business and assets to Keighley Cougars (2010) Limited, a new company formed by investors from the local community, has achieved the purpose of Administration specified in subparagraph 3(1)(b).

In order that the purpose of the administration can be fully achieved, we propose to remain in office as administrators in order to carry out our remaining statutory duties.

Exit from Administration

We confirm that we are of the opinion that, if the forecasts of Keighley Cougars (2010) Limited are achieved, a distribution will be made to the unsecured creditors of the Company.

Consequently, as soon as we are satisfied that we have fully discharged our duties as administrators, we propose to implement the provisions of Paragraph 83 of Schedule B1 to the Act whereby on the registration of a notice sent to the Registrar of Companies, our appointment as administrators shall cease to have effect and the company will automatically be placed into Creditors Voluntary Liquidation. The Company will remain in liquidation until it has received the element of future profits that it is entitled to from Keighley Cougars (2010) Limited. Paragraph 83(7) provides:

The liquidators for the purpose of the winding up shall be-

- (a) a person nominated by the creditors of the company in the prescribed manner and within the prescribed period, or
- (b) if no person is nominated under paragraph (a), the administrator

We confirm that as part of our proposals Gary N Lee seeks nomination as liquidator in the subsequent winding up of the Company. Creditors may nominate a different person as the proposed liquidator provided that the nomination is made after the receipt of the proposals and before the proposals are approved. The appointment of a person nominated as liquidator takes effect by the creditors' approval, with or without modification, of the administrators' proposals.

Section 176A Fund for Unsecured Creditors

Section 176A of the Act provides that, where the company has created a floating charge after 15 September 2003, the administrator must make a *prescribed part* of the Company's *net property* available for the unsecured creditors and not distribute it to the floating charge holder except in so far as it exceeds the amount required for the satisfaction of unsecured claims. *Net property* means the amount which would, were it not for this provision, be available to floating charge holders out of floating charge assets (i.e. after accounting for preferential debts and the costs of realising the floating charge assets). The floating charge holder may not participate in the distribution of the prescribed part of the Company's net property. The *prescribed part of the Company's net property* is calculated by reference to a sliding scale as follows:

- ☐ 50% of the first £10,000 of *net property*;
- ☐ 20% of *net property* thereafter,
- ☐ Up to a maximum amount to be made available of £600,000

An administrator will not be required to set aside the *prescribed part of net property* if

- ☐ the *net property* is less than £10,000 and he thinks that the cost of distributing the *prescribed part* would be disproportionate to the benefit, (Section 176A(3)) or
- ☐ he applies to the court for an order on the grounds that the cost of distributing the *prescribed part* would be disproportionate to the benefit and the court orders that the provision shall not apply (Section 176A(5))

To the best of the joint administrators' knowledge and belief, there are no unsatisfied floating charges created or registered on or after 15 September 2003 and, consequently, there is no net property as defined in Section 176A(6) of the Act and, therefore, no prescribed part of net property is available for distribution to the unsecured creditors

It is proposed that

- 1 The Joint Administrators propose to realise the assets of the Company in such a manner as they consider appropriate with a view to achieving the purpose of a better result for creditors as a whole than would be likely if the company was wound up as set out in Paragraph 3(1)(b) of Schedule B1 to the Insolvency Act 1986
- 2 The Joint Administrators propose in the interim to take all necessary actions to preserve the value of the Company's assets
- 3 Once the Administration is complete and the Joint Administrators think that the purpose of the Administration has been achieved, the Joint Administrators propose to move from Administration to Creditors' Voluntary Liquidation under the provisions of Paragraphs 83 of Schedule B1 to the Insolvency Act 1986. In accordance with Paragraph 83(7) and Rule 2.117(3) of the Insolvency Rules 1986, creditors may nominate a different person to be Liquidator provided that the nomination is made after receipt of the proposals and before the proposals are approved. Any nomination should be made in writing prior to the meeting of creditors. It is proposed that Gary Norton Lee, a Licensed Insolvency Practitioner regulated by the Insolvency Practitioners Association and a partner of Begbies Traynor be appointed Liquidator of the Company
- 4 The Joint Administrators propose to be remunerated on the basis of their hourly costs at scale rates calculated on the time properly spent in the course of the administration and may draw their remuneration on account as and when funds permit

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. The Joint Administrators will be reimbursed for their incidental expenses. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the Administrators' licensing bodies

A copy of this Firm's policy note on fees and disbursements, to include details of the hourly rates charges by the relevant grades of staff, together with a summary of time costs are attached at Appendix 3

- 5 Once the Administration is complete and the Joint Administrators think that the purpose of the Administration has been achieved, then the creditors, in accordance with paragraph 98(2) of Schedule B1 to the Insolvency Act 1986, hereby consent to the Administrator being discharged from liability in respect of any action as Administrator

These proposals shall be subject to such modifications or conditions as the Court may approve or impose

Administrators' Remuneration

The joint administrators propose that the basis of their remuneration be fixed under Rule 2.106 of the Rules by reference to the time properly given by them (as administrators) and the various grades of their staff calculated at the prevailing hourly rates of Begbies Traynor (Central) LLP in attending to matters arising in the administration

It is for the creditors' committee to approve the basis of the administrators' remuneration under Rule 2.106 of the Rules, but if no such committee is appointed it will be for the creditors to determine

Appendix 3 sets out the administrators' firm's hourly charge out rates and the time that they and their staff have spent in attending to matters arising in the administration

Administrators' disbursements

The joint administrators propose that disbursements, including disbursements for services provided by their firm (defined as Category 2 disbursements in Statement of Insolvency Practice 9) be charged in accordance with their firms policy, details of which are set out at Appendix 3. These disbursements will be identified by the administrators and subject to the approval of those responsible for determining the basis of the administrators' remuneration.

8. CONCLUSION

Pursuant to paragraph 51 of Schedule B1 to the Act, the joint administrators' proposals will be considered at an initial meeting of the Company's creditors summoned in accordance with the Notice of meeting (Form 2 20B) accompanying this document.

A handwritten signature in black ink, appearing to read 'G N Lee', followed by a long horizontal line extending to the right.

G N Lee
Joint Administrator

Date 5 February 2010

JOINT ADMINISTRATORS' ACCOUNT OF RECEIPTS AND PAYMENTS, INCORPORATING ESTIMATED OUTCOME FOR CREDITORS

18 December 2009 to 5 February 2010

	To date	Future	Total
Asset Realisations			
Keighley Cougars (2010) Ltd (share of future profits)	Nil	unknown	unknown
Book Debts	10,000	Nil	10,000
Vehicles	1,500	Nil	1,500
Equipment, Fixtures and Fittings	8,500	Nil	8,500
	20,000	Nil	20,000
Less costs			
Administrators fees	Nil	(8,300)	(8,300)
Legal fees	(9,000)	Nil	(9,000)
Legal disbursements	(600)	Nil	(600)
Agents fees	Nil	(1,500)	(1,500)
Statutory Advertising	Nil	(500)	(500)
Specific Bond	Nil	(100)	(100)
	(9,600)	(10,400)	(20,000)
Available to Preferential Creditors			Nil
Employee Claims (estimate)			Nil
Shortfall to Preferential Creditors			Nil
Available to Floating Charge Holders			Nil
No Floating Charge Holders			Nil
Shortfall to Floating Charge Holders			Nil
Available to Unsecured Creditors			Nil
Unsecured creditors (per Statement of Affairs)			(562,370)
Shortfall to Unsecured Creditors			(562,370)

Estimated outcome for Creditors.

The forecasts received from Keighley Cougars (2010) Limited estimate that the Company's share of net profits before tax could be as much as £350,000. If such forecasts are achieved, this would enable a distribution to be paid to the unsecured creditors in this matter.

**DIRECTOR'S ESTIMATED STATEMENT OF
AFFAIRS AS AT 18 December 2009**

Rule 2 29

Form 2.14B

Statement of affairs

Name of Company
Keighley Cougars RLFC (2001) Limited

Company number
04276267

In the
High Court of Justice, Chancery Division,
Leeds

Court case number
3393 of 2009

(a) Insert name and address of
registered office of the Company

Statement as to the affairs of (a) Keighley Cougars RLFC (2001) Limited, 340 Deansgate, Manchester,
on the (b) 18 December 2009, the date that the company entered administration

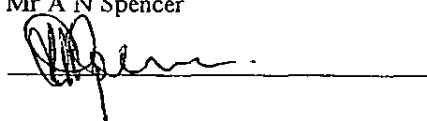
(b) Insert date

Statement of Truth

I believe that the facts stated in this statement of affairs are a full, true and complete statement of the affairs of the above named company as at (b) 18 December 2009, the date that the company entered administration

Full name Mr A N Spencer

Signed



A – Summary of Assets

Assets

Uncharged assets

Equipment, Fixtures & Fittings

Motor Vehicles

Debtors

Estimated total assets available for preferential
creditors

Book Value £	Estimated to Realise £
34,033	8,500
1,927	1,500
85,101	10,000
121,061	20,000

Signature



Date 19/01/10

A1 – Summary of Liabilities

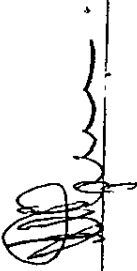
Estimated realise		to
		£
Estimated total assets available for preferential creditors (carried from page A)	£	£ 20,000
Liabilities		
Preferential creditors - (arrears of wages and holiday entitlements)	0	
Estimated deficiency/surplus as regards preferential creditors	£	£ 20,000
Estimated prescribed part of net property where applicable (to carry forward)	0	
Estimated total assets available for floating charge holders	£	£ 20,000
Debts secured by floating charges	0	
Estimated deficiency/surplus of assets after floating charges	£	£ 20,000
Estimated prescribed part of net property where applicable (brought down)	0	
Total assets available to unsecured creditors	£	£ 20,000
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)		
Trade creditors (see attached list) - 68,714 41		
HM Revenue & Customs - 183,696 27		
Private Investors - 309,959 00	562,370	
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	£	(542,370)
Shortfall to floating charge holders (brought down)	£ 0	
	£	(542,370)
	£100	
		£ (542,470)
Estimated deficiency/surplus as regards creditors		
Issued and called up capital	£	
Estimated total deficiency/surplus as regards members		£

Begbies Traynor (Central) LLP
Keighley Cougars RLFC (2001) Limited
B - Company Creditors

Key	Name	Address	£
CA00	ABV Licensed Trade Wholesalers		
CA01	Art Display	Royal Spring, Goulbourne Street, Keighley, BD21 1JR	600 00
CA02	Alan Chappelow	20a - 22 Clyde Street, Bingley, BD16 2NT	276 00
CA03	Advance Income		1,000 00
CB00	Bright Start Solutions	134 Stanton Street, Clayton, Manchester, M11 4PX	11,650 00
CB01	British Gas Business	PO Box 7685, Leicester, LE19 1ZE	99 00
CB02	Bancroft Amenities		13,871.04
CB03	Burrows Communications Ltd	106 Stafford Street, Wallington, Surrey, SM6 9AY	2,392 00
CC00	Cartasport Leisure Ltd	Goulbourne House, Goulbourne Street, Keighley, BD21 1PG	287 50
CC01	City of Bradford Metropolitan District Council	Department of Customer Services, Revenue Services, Department 19, Britannia House, Hall Ings, Bradford, BD1 1HX	4,768 74
CC02	Carter Towler Chartered Surveyors		3,913 84
CE00	E on Energy Limited	Coronet House, Queen Street, Leeds, LS1 2TW	5,586 99
CF00	Fourways Coaches	Business Customer Services, Newland House, 49 Mount Street, Nottingham, NG1 6PG	9,559 89
CH00	Hargreaves Brown & Benson	Ghyll Road, Gulseley, Leeds, LS20 9LT	2,025 00
CH01	Hawksworth Appliance Testing	1 Bond Street, Colne, BB8 9DG	4,511 35
CL00	Loop Publishing Ltd	Guidance House, York Road, Thirsk, YO7 3BT	326 20
CL01	L & S Prints	The Northern Life Centre, 43 Scotland Road, Nelson, BB9 7UT	189 75
CO00	One Pool	Export House, West Lane, Keighley, BD21 2LH	520 00
CP00	Pest Response		295 00
CP01	Phoenix Trophies and Sports Awards	The Old Post Office, Wakefield Old Road, Dewsbury, WF12 8AA	1,329 92
CP02	Primary Technology Ltd	20/22 Barry Street, Bradford, BD21 2AW	327 50
CP03	Ponter Limited		352 50
CP04	Primo Play Ltd	65 North Wallace Street, Townhead, G3 0DT	35 04
CP05	PF Services	Centurion House, Thornhill Road, Dewsbury, WF12 9QQ	97 52
CR00	Raiseprint PLC		241 50
CS00	Skin Kind	Royd Way, Keighley, BD21 3LG	1,695 00
		Brookworth Environmental Services, The Old Police Station, Bolton Road, Slisden, BD20 0JY	75 61
CS01	Show & Event Northern Ltd		
CT00	Towler & Staines Ltd	Head Office, 14 - 18 York Road, Wetherby, LS22 6SL	605 36
CT01	T Mobile UK Limited	Calor Gas Centre, 85 Bradford Road, Keighley, BD21 4BL	321 81
		Hatfield Business Park, Hertfordshire, AL10 9BW	165 94
CU00	UK Theatres Online Ltd	Clifford House, 34 - 36 Orchard Road, St Annes-on-Sea, Lancashire, FY8 1PF	224 25

Begbies Traynor (Central) LLP
 Keighley Cougars RLFC (2001) Limited
 B - Company Creditors

Key	Name	Address	£
CY00	Yorkshire Water	PO Box 52, Bradford, BD3 7YD	
CY01	Yorkshire Clinic	Bradford Road, Bingley, BD16 1TW	1,220 16
32 Entries Totalling			150 00
			68,714 41

Signature 

Keighley Cougars RLFC (2001) Limited
C - Shareholders

Key	Name	Address	Pref	Ord	Other	Total
HS00	Mr Alvin Neil Spencer	Trosleigh, Moss Carr Road, Keighley, West Yorkshire, BD21 4SD	0	50	0	50
HF00	Mr Colin Farrar	3 The Orchard, Thwaites, Keighley, BD21 4NT	0	50	0	50
2 Entries Totalling						100

Signature 

DIRECTOR'S ESTIMATED STATEMENT OF AFFAIRS

Notes to the Directors Estimated Statement of Affairs

- 1 The estimated realisable value given for the assets represents the director's view
- 2 The equipment, fixtures and fittings and motor vehicles have been professionally valued by Messrs Fox Lloyd Jones Ltd on both an Open Market Valuation and an Estimated Restricted Realisation Price basis
- 3 The claims of the Department for Business, Innovation and Skills represent employees' estimated claims under The Employment Rights Act 1996 in respect of arrears of pay to a maximum of £800 per employee and holiday pay which are claimed preferentially, and pay in lieu of notice, redundancy pay and arrears of pay in excess of £800 which are non-preferential

In this case there are no preferential claims

- 4 Section 176A(2) of the Act requires the administrators to set aside the prescribed part of the Company's net property for the satisfaction of unsecured debts "**Net property**" means the amount which would, if it were not for this provision, be available to floating charge holders (i.e. after accounting for preferential debts and the costs of realisation) The **prescribed part** is 50% of the first £10,000 and 20% of the remaining net property (up to a maximum of £600,000)

The administrator will not be required to set aside the prescribed part of net property if

- a The net property is less than £10,000 and he thinks that the cost of distributing the prescribed part would be disproportionate to the benefit,
- b Or if the net property is more than £10,000, if the provision is disapplied by the court on the application of the administrator on cost-benefit grounds

As there is no Floating Charge Holder it is unnecessary to set aside a prescribed part

- 5 Creditors' claims are subject to agreement and will not be prejudiced by omission from the Statement of Affairs or by inclusion in a different amount from that claimed
- 6 The claim of HM Revenue & Customs represents outstanding PAYE, NIC and VAT
- 7 Amounts owed to private investors represent amounts due to Mr N A Spencer, Mr C Farrar and Mr G Fawcett
- 8 The estimated total deficiency, including the calculation of the prescribed part of the Company's net property, is subject to the costs of administration and distribution for which no provision is made in the statement of affairs

JOINT ADMINISTRATORS' TIME COSTS AND EXPENSES

Remuneration drawn will be notified to any creditors' committee appointed under paragraph 57 of Schedule B1 to the Act. In the absence of a creditors' committee, details of time incurred and disbursements drawn will be reported to creditors in accordance with *Statement of Insolvency Practice 9* issued by the Joint Insolvency Committee on behalf of the administrators' licensing bodies.

Total time spent to date on this assignment amounts to 44.60 hours at an average composite rate of £200.44 per hour resulting in total time costs to date of £8,940.

To assist creditors in determining this matter, the following further information on time costs and expenses are set out:

- ☐ Begbies Traynor (Central) LLP's policy for re-charging expenses
- ☐ Begbies Traynor (Central) LLP's charge-out rates
- ☐ Summary of time costs incurred by staff grade and work activity

In addition a copy of *A Creditors' Guide to Administrators' Fees* is available on request. Alternatively, the guide can be downloaded from <http://www.begbies-traynorgroup.com/Files/A%20Creditors'%20Guide%20to%20Administrators'%20Fees.pdf>

POLICY FOR RE-CHARGING EXPENSES INCURRED BY OFFICE HOLDERS IN RESPECT OF THE ADMINISTRATION OF INSOLVENT ESTATES

INTRODUCTION

This note applies where a licensed insolvency practitioner in the firm is acting as an office holder of an insolvent estate and seeks creditor approval to make a separate charge by way of expenses or disbursements to recover the cost of facilities provided by the firm. Standard professional practice¹ requires that such charges should be disclosed to those who are responsible for approving his remuneration, together with an explanation of how those charges are made up and the basis on which they are arrived at.

DEFINITIONS

Required professional practice classifies expenses into two broad categories

- *Category 1 expenses (approval not required)* – specific expenditure that is directly related to a particular insolvency case, where the cost of the expense incurred is referable against an independent external supplier's invoice or published tariff of charges,
- *Category 2 expenses (approval required)* – all other items of expenditure
 - Which cannot, or cannot easily, be directly related to a particular insolvency case because there is an element of shared or allocated cost, and/or
 - Where the cost of the expense incurred is an estimated, unitised cost with the estimate based on external costs or opportunity cost

CHARGING POLICY

- *Category 1 expenses (approval not required)* – with the exception of any items referred to below, all such items are re-charged to the case as they are incurred
- *Category 2 expenses (approval required)*
 - (A) The following items of expenditure are re-charged as described
 - Internal meeting room usage for the purpose of statutory meetings of creditors is re-charged at the rate of £100 (London £150) per meeting,
 - Car mileage is re-charged at the rate of 40 pence per mile,
 - Storage of books and records (when not rechargeable as a *Category 1 expense*) is recharged on the basis that the number of standard archive boxes held in storage for a particular case bears to the total of all archive boxes for all cases in respect of the period for which the storage charge relates,
 - (B) The following items of expenditure will normally be treated as general office overheads not subject to a re-charge
 - Telephone and facsimile
 - Printing and photocopying
 - Stationery

A re-charge may be made, however, where the precise cost to the case can be determined because the item satisfies the test of a *Category 1 expense*

¹ Statement of Insolvency Practice 9 (SIP 9) effective from April 2007

BEGBIES TRAYNOR CHARGE-OUT RATES

Begbies Traynor is a national firm. The rates charged by the various grades of staff that may work on a case are set nationally, but vary to suit local market conditions.

The rates applying to the Manchester office as at the date of this report are as follows:

Grade of staff	Charge-out Rate (£ per hour)
Partner 1	395
Partner 2	350
Senior Manager	295
Manager	250
Assistant Manager	195
Senior Administrator	160
Administrator	130
Junior / Cashier	100

Time spent by support staff for carrying out shorter tasks, such as typing or dealing with post, is not charged to cases but is carried as an overhead. Only where a significant amount of time is spent at one time on a case is a charge made for support staff.

Time is recorded in units of 0.10 of an hour (i.e. 6 minute units).

**Keighley Cougars (2001) Limited - In Administration
Administrators Time Costs @ 5 February 2010**

Staff analysis

Grade Analysis	Average Charge out rate £	Hours	Amount £
Partner	395 00	7 00	2,765 00
Manager	250 00	11 15	2,787 50
Senior Administrator	160 00	0 20	32 00
Administrator	130 00	24 35	3,165 50
Junior	100 00	1 90	190 00
Total		44 60	8,940 00

Work analysis

Category of work	Hours	Amount £
Administration	6 40	907 00
Appointment Activity	22 05	4,378 50
Banking	0 60	72 00
Bonding	0 40	78 00
Case Strategy & Planning	3 75	1,227 50
Claims, Proofs & Distributions	0 60	78 00
Fixed Charge Assets	1 30	434 00
Sale of Business & Assets	2 00	790 00
Statutory Reports & Returns	7 50	975 00
Total	44 60	8,940 00

Note Includes time costs incurred up to and including 29 January 2010

THE INSOLVENCY ACT 1986

KEIGHLEY COUGARS RLFC (2001) LIMITED (In Administration)

Company number 04276267

Court High Court of Justice, Chancery Division, Leeds

Court number 3393 of 2009

Notice is hereby given by Gary N Lee of Begbies Traynor (Central) LLP, 340 Deansgate, Manchester, M3 4LY and Rob Sadler of Begbies Traynor (Central) LLP, 9 Floor, Bond Court, Leeds, LS1 2JZ, the joint administrators, that a meeting of the creditors of Keighley Cougars RLFC (2001) Limited is to be held at Cougar Park, Hard Ings Road, Keighley, West Yorkshire, BD21 3RF on 25 February 2010 at 11 00am

The meeting is an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986

Any creditor entitled to attend and vote at this meeting is entitled to do so either in person or by proxy. Completed proxy forms must be lodged with the joint administrators by the date of the meeting.

In order to be entitled to vote under Rule 2.38 of the Insolvency Rules 1986 at the meeting you must give to us, not later than 12 00 hours on the business day before the day fixed for the meeting, details in writing of your claim. Secured creditors (unless they surrender their security) should also include a statement giving details of their security, the date(s) on which it was given and the estimated value at which it is assessed.

The resolutions to be taken at the meeting may include a resolution specifying the terms on which the joint administrators are to be remunerated.

Signed


G N Lee

Joint Administrator

Dated

5/2/10

Rule 8.1 Insolvency Act 1986

Form 8 2

Proxy (Administration)

KEIGHLEY COUGARS RLFC (2001) LIMITED

Notes to help completion of
the FormPlease give full name and
address for communication

Name of Creditor

Address

Please insert name of person
(who must be 18 or over) or the
"chairman of the meeting" (see
note below) If you wish to
provide for alternative proxy-
holders in the circumstances
that your first choice is unable to
attend please state the name(s)
of the alternative(s) 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 25 February 2010, 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

* Please delete as appropriate

1 For the acceptance / rejection* of the administrator's proposals as circulated

2 For the appointment of

of

representing

as a member of the creditor's committee

This form must be signed

Signature

Date

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

Remember: there may be resolutions on the other side of this form

Particulars of claim for voting purposes	£
Total claim (incl VAT) at (PLEASE ATTACH A STATEMENT OF CLAIM)	

Estimated value of security held (if any)	
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Particulars of security	
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