

pwc

C. & G. Concrete Limited – in Administration
(Registered number: 00613713)

The High Court of Justice, Chancery Division
Birmingham District Registry
Case No. 8231 of 2011

**Joint Administrators' proposals for achieving the
purpose of administration**

www.pwc.co.uk/cgconcrete

30 June 2011

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The following abbreviations are used throughout these proposals:

"the Company"	C. & G Concrete Limited
"the Administrators"	Edward Williams and David Matthew Hammond
"Sch.B1 IA86"	Schedule B1 of The Insolvency Act 1986
"IA86"	The Insolvency Act 1986
"IR86"	The Insolvency Rules 1986
"PwC"	PricewaterhouseCoopers LLP
"RBS"	The Royal Bank of Scotland
"the Bank"	HSBC Bank plc
"Hanson"	Hanson Quarry Products Europe Ltd, previously named Hanson plc.
"FHG"	F. H. Gilman & Company
"GVA"	GVA Grimley Limited

1. Purpose of this document

I wrote to all creditors on 20 May 2011 to explain that the Company had entered into Administration and that Matthew Hammond and I had been appointed joint administrators on 16 May 2011.

We were appointed as administrators to manage the affairs, business and property of the Company. We will act until such time as our proposals for achieving the purpose of the Administration have been agreed by creditors and implemented, following which the Administration will be concluded.

The purpose of the Administration is to achieve one of the following objectives: -

- (a) Primarily, rescuing the Company as a going concern, or failing that
- (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 finally
- (c) Realising property in order to make a distribution to one or more secured or preferential creditors.

For the reasons detailed in this document, objective (b) is being pursued to date, as it will not be reasonably practicable to rescue the Company as a going concern.

This document and its appendices form our statement of proposals for achieving the purpose of the Administration as required by Paragraph 49 Sch.B1 IA86.

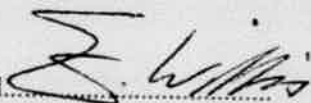
We are pleased to report that we currently envisage that the Company will have sufficient property to enable a distribution to be made to non-preferential unsecured creditors. Accordingly, an initial creditors' meeting will be held on 19 July 2011 at PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ. The purpose of the meeting is to consider these proposals and decide whether a creditors' committee should be formed; and if no committee is formed to fix the Administrators' remuneration and approve the pre-Administration costs which were unpaid at the time of the appointment.

Formal notice of the meeting, Form 2.20B, is enclosed. Please note that you will be bound by our proposals if they are approved at the creditors' meeting by the requisite majority of creditors. It is therefore important that you read this document carefully. You may put forward any modifications that you wish to see incorporated into the proposals and make your views known on whether they should be accepted.

As a creditor you can attend the creditors' meeting either in person or by submitting a proxy. Please let me have details of your claim on the enclosed form as soon as possible. In order to vote (either in person or by proxy) we must receive written details of your claim no later than 12.00 on 18 July 2011. Please note that you are not obliged to attend the meeting or submit a proxy if you do not wish to vote; and you will not prejudice your claim and entitlement to a dividend, should there be one, if you do not attend or vote.

If you have any concerns or questions regarding the background to this case or what is being proposed, please do not hesitate to contact my colleague, Lauren French, on 0113 289 4572.

Signed.....



E Williams
Joint Administrator of the Company

Edward Williams and David Matthew Hammond have been appointed as joint administrators of the Company on 16 May 2011 to manage its affairs, business and property as its agents without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

2. The Administrators' statement of proposals

a. Brief history of the Company and summary of the Administrators' actions to date

Background

The Company was established in 1958 by Tim Clancy and Frank Gilman, providing ready mix concrete. The Company also developed a separate division which produced aggregates with vertically integrated sales outlets of ready mix concrete, mortar, screed and bagged aggregates. Tim Clancy's shareholding was subsequently purchased by Hanson, a wholly owned subsidiary of Heidelbergcement AG.

FHG, a company under common control, was set up in 1942 by Frank Gilman as a farming business and expanded into construction in 1948, and quarrying in 1964.

The Company's head office is based at Stamford, Lincolnshire and at the date of our appointment employed some 120 people.

The circumstances giving rise to the Administrators' appointment

Due to the recent economic downturn, particularly in the construction sector, together with the effect of adverse weather conditions, the Company had been experiencing challenging trading conditions. In response to this position the Company had been suffering significant cash pressure with ongoing dialogue with the secured and unsecured creditors of both C&G and FHG.

The directors held a call on 9 March 2011 with representatives from the Bank and RBS (as secured creditors of Company and FHG respectively), together with directors from FHG and Hanson; and various advisors.

In response to the creditor pressures, the meeting considered the appropriateness of an earlier decision taken in 2007 by FHG's shareholders to sell its West Wales assets, on-core lands and a sale of the Company, with the intention of retaining the core Stamford lands and property sales. Whilst these decisions had been made in 2007, no action was taken. Following the meeting on 9 March 2011, this action plan was implemented with a view to benchmarking possible value.

The Bank and RBS continued to provide support to the Company and FHG, and indicative offers were being sought for the Company. However, a company within the Hanson group (which held a 23.5% share in the Company), issued a petition for the Company's winding up due an unpaid debt in respect of cement supplies. This raised further concerns over the ongoing viability of the Company and led to further issues and complications with ongoing trading.

Discussions continued with a view to resolving the Hanson dispute through negotiation and the Company made a number of proposals which were based on the winding up petition being withdrawn or dismissed. We understand that Hanson had agreed not to advertise whilst discussions were ongoing, but on 12 May 2011 the winding up petition was advertised in the London Gazette in error.

The Company's directors took immediate action to consider its position with its lenders and various advisors. It was believed that as a consequence of the London Gazette advertisement, suppliers would decline to continue trading on normal credit terms and require prepayment.

Following the directors' discussions with the Bank regarding their financial position and subsequent advertisement of the petition the Directors requested that the business be placed into an insolvency process, a notice of intention to appoint Administrators was filed in court by the Bank. Eddie Williams and Matthew Hammond were subsequently appointed as joint administrators on 16 May 2011.

2. The Administrators' statement of proposals

Pre-Administration costs

Prior to their appointment, the Administrators incurred time costs totalling £1,852 in relation to placing the Company into Administration. Specifically, time was spent by the Administrators and their staff on the following matters:

- Statutory planning work in relation to the Administration appointment, including internal compliance and risk procedures;
- Discussions with the Bank and the Company's directors regarding the appointment; and
- Discussions with lawyers and advisors regarding legal issues, placing the Company into Administration.

It was necessary for time to be spent on these matters in order that the Company could be placed into Administration in an orderly manner and that business could continue to trade, thus preserving the value of the Company's assets for the benefit of creditors.

These costs were paid to the Administrators' firm by the Bank, prior to appointment. Legal fees incurred by DLA Piper LLP in the sum of £2,350 remain unpaid.

The payment of unpaid pre-Administration costs (as summarised in Appendix A) as an expense of the Administration, is subject to approval in the same manner as the Administrators' remuneration and certain disbursements; and is not part of our proposals subject to approval under Paragraph 53 Sch.B1 IA86.

As we have stated that the Company may have sufficient property to enable a distribution to be made to non-preferential unsecured creditors; it will be for the creditors' committee to approval the payment of pre-Administration costs, but if no committee is appointed, it will be for the general body of creditors to approve these instead.

The manner in which the Company's affairs and business have been managed and financed

At the date of our appointment, the Company's assets consisted of mainly freehold property, book debts, plant and machinery and stock.

Following our appointment, the business continues to trade with the assistance of its employees and directors and under our control, whilst we seek a buyer for the Company's business and assets. No redundancies have been made and all sites have remained operational, with the exception of one leased concrete batching plant on a quarry owned by Cemex.

Sale of business / property disposal

The Company's fixed assets comprise mainly freehold properties which are operated as sand and gravel quarries ("the quarries") and mortar and screed/ready mix concrete plants ("the concrete depots").

The Company also owns plant and machinery associated with the operation of the quarries and concrete depots and some additional non-operating assets, which include strategic land reserves currently utilised as agricultural land and two tenanted cottages.

As outlined earlier, a marketing process had already been commenced prior to our appointment and offers were received from two parties. We have continued negotiations with these parties whilst further marketing was conducted, to see if any interest from other credible parties would be forthcoming.

2. The Administrators' statement of proposals

In this regard, we have undertaken an accelerated sales process, resulting in 27 new expressions of interest. The deadline for indicative offers was 3 June 2011. As the Company had engaged GVA to value the property assets during 2008 and 2010, we have leveraged that existing knowledge of the business to assist with the sale and marketing.

Negotiations with the interested parties remain ongoing and further updates regarding the agreement and completion of any sale will be provided to all known creditors in future reports.

Trading matters

With the support of customers and suppliers, the business has been able to continue trading, allowing us to maximise recoveries from pre-appointment debtors and work in progress, and provide the opportunity to seek a sale of the business as a going concern.

Similarly, we held meetings with all employees shortly after our appointment, to inform them of the appointment, our plans for ongoing trading and the completion of customer contracts. Regular meetings continue to be held to inform the employees of their position and the progress of our negotiations with interested parties.

Details of trading receipts and payments can be found at Section 3. Customers and suppliers should continue to liaise directly with their usual contact at the Company regarding ongoing trading matters.

Book debts

From an opening debtors' ledger of £2.4 million, we have identified net adjustments of £0.03 million, for credit balances and pre-appointment transactions that had not been posted to the ledger at the date of appointment. This resulted in an adjusted book debt ledger as at the date of appointment of £2.37 million.

Of the adjusted ledger balance of £2.37 million, as at 26 June 2011, some £1,416,955 had been collected, and collection rates have been maintained in line with expectations.

Floating charge assets

Assets subject to the Bank's floating charge security consist of stock, plant and machinery and vehicles. Following discussions with interested parties, we expect these remaining assets to form part of any sale.

Objective of the Administration

Following the recent marketing process and the resulting expressions of interest, any sale is likely to consist of the disposal of the business and certain assets, rather than a sale of the Company and its share capital. Therefore it is not reasonably practical to pursue objective (a), being the rescue of the Company as a going concern.

Consequently, the statutory purpose being pursued is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in administration).

It is anticipated that the purpose of the Administration will be achieved, as we expect the going concern sale of the business and assets; together with the collection of book debts, will realise higher values in Administration than would be anticipated in a winding up.

2. The Administrators' statement of proposals

Dividend prospects

Secured Creditor

The Bank holds a qualifying floating charge over the Company's assets dated 10 May 1971, together with a debenture dated 1 October 1998. At the date of our appointment, the Bank was owed circa £6.1 million.

It is anticipated that the Bank will recover its lending in full from the Company's asset realisations. However, the timing and extent of any surplus funds depends on the successful sale of the business, property and assets and the terms thereof along with the debtor collection and final result from trading.

Preferential Creditors

Preferential claims represent amounts due for any arrears of wages, subject to statutory limits, and unpaid holiday pay.

Although the value of preferential claims has not yet been finalised, based on the information available, the majority of preferential creditors represent holiday pay accrued as at the date of appointment. This is currently estimated to be in the region of £36,000.

It is anticipated that preferential creditors will be paid in full, subject to the level of recoveries from the contract debts and costs of the Administration.

Unsecured Creditors

Based on the information available and in particular the negotiations with interested parties, it would appear there will be a distribution to the unsecured creditors of the Company. However, at this stage, we are unable to confirm the quantum or timing of any distribution as this primarily depends on the level and timing of asset realisations.

The key areas which will impact on the overall return to creditors are achieving a sale of the assets as a going concern and the final level of unsecured creditors and particularly any claim from the PPF in respect of the pension scheme.

Prescribed Part

The Prescribed Part (Section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003) applies where there are floating charge realisations, net of costs, to be set aside for unsecured creditors. However, as the fixed and floating charges held by the Bank are dated prior to the Prescribed Part order coming into force on 15 September 2003, the Prescribed Part does not apply in this case.

Ending the Administration

The Administrators currently envisage that once the objective of the Administration has been achieved the Administration may end in one of the manners set out in Section 2(b)(vii) overleaf, depending on the circumstances at that time.

It is currently anticipated that the dividend, should there be one, will either be distributed by the Administrators (subject to court approval) or by subsequently appointed liquidators in a Creditors' Voluntary Liquidation. In preparation for any dividend, and in order to avoid any unnecessary delays, we intend to commence the assessment of creditor claims in principal in the near future, using the Company staff to assist us prior to their transfer to a purchaser of the business.

2. The Administrators' statement of proposals

b. Proposals for achieving the purpose of the Administration

The Administrators make the following proposals for achieving the purpose of administration.

- i) The Administrators will continue to manage and finance the Company's business, affairs and property from trading revenues and asset realisations in such manner as they consider expedient with a view to 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).
- ii) The Administrators may investigate and, if appropriate, pursue any claims that the Company may have under the Companies Act 1985 or IA86 or otherwise. In addition, the Administrators shall do all such other things and generally exercise all their powers as Administrators as they in their discretion consider desirable in order to achieve the purpose of the Administration or to protect and preserve the assets of the Company or to maximise their realisations or for any other purpose incidental to these proposals.
- iii) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion establish in principle the claims of unsecured creditors for adjudication by a subsequent liquidator or the Administrators and that the costs of so doing be met as a cost of the Administration as part of the Administrators' remuneration.
- iv) If the Administrators think that funds will become available for unsecured creditors, the Administrators may at their discretion make an application to court for permission to make distributions to unsecured creditors under Paragraph 65(3) Sch.B1 IA86.
- v) A creditors' committee will be established if sufficient creditors are willing to act on it. The Administrators propose to seek the election of a creditors' committee and to consult with it from time to time. Where the Administrators consider it appropriate, they will seek sanction from the committee to a proposed action rather than convening a meeting of all creditors.
- vi) The Administrators will consult with any creditors' committee concerning the necessary steps to extend the Administration beyond the statutory duration of one year if an extension is considered advantageous. If no committee is established, the Administrators shall either apply to the court or seek consent from the appropriate classes of creditors for an extension.
- vii) The Administrators may use any or a combination of "exit route" strategies in order to bring the Administration to an end, but in this particular instance the Administrators are likely to wish to pursue the following options as being the most cost effective and practical in the present circumstances: -
 - (a) Once asset disposals are complete, the Administrators will apply to the Court to allow them to distribute surplus funds, if any, to unsecured non-preferential creditors. If such permission is given, the Administration will be brought to an end by notice to the Registrar of Companies under Paragraph 84 Sch.B1 IA86, following registration of which the Company will be dissolved three months later. If permission is not granted the Administrators will place the Company into Creditors' Voluntary Liquidation or otherwise act in accordance with any order of the court; or
 - (b) At a time deemed appropriate by the Administrators, the Administrators will place the Company into Creditors' Voluntary Liquidation. In these circumstances, it is proposed that Edward Williams and David Matthew Hammond be appointed as Joint Liquidators and any act required or authorised to be done by the Joint Liquidators may be done by either or both of them. In accordance with Paragraph 83(7) Sch.B1 IA86 and Rule 2.117(3) IR86, creditors may nominate alternative

2. The Administrators' statement of proposals

liquidators, provided that the nomination is made after the receipt of these proposals and before they are approved, or

- (c) If it transpires that there are insufficient funds with which to make a distribution to unsecured non-preferential creditors, once all of the assets have been realised and the Administrators have concluded all work within the Administration, the Administrators will file a notice under Paragraph 84(1) of Sch.B1 IA86 with the Registrar of Companies, following registration of which the Company will be dissolved three months later.
- viii) The Administrators shall be discharged from liability pursuant to Paragraph 98(1) Sch.B1 IA86 in respect of any action of theirs as Administrators, 14 days after they cease to be joint administrators of the Company; or in any case at a time determined by the court.
- ix) It is proposed that the Administrators' fees be fixed under Rule 2.106 IR86 by reference to the time properly given by the Administrators and the various grades of their staff, according to their firm's usual charge out rates for work of this nature; and that disbursements for services provided by the Administrators' own firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) be charged in accordance with the Administrators' firm's policy. It will be for the creditors' committee to fix the basis and level of the Administrators' fees and Category 2 disbursements, but if no committee is appointed, it will be for the general body of creditors to determine these instead. In any event, the basis of the Administrators' remuneration and Category 2 disbursements are to be fixed no later than 18 months after the date of the Administrators' appointment.
- x) The Administrators also propose that the Company's books and records be destroyed one year after dissolution.

Creditors will be asked to vote upon the following matters at the initial meeting of creditors: -

- The approval of the Administrators' proposals for achieving the purpose of Administration
- The formation of a creditors' committee
- If a creditors' committee is not formed – the basis and level of the Administrators' fees and Category 2 disbursements
- If a creditors' committee is not formed – the timing of the Administrators' discharge from liability pursuant to Paragraph 98(1) Sch.B1 IA86.

2. The Administrators' statement of proposals

c. Statement of affairs

A statement of affairs of the Company was delivered to the Administrators on 23 June 2011. The statement was signed by Andrew Robinson, a director of the Company.

The Administrators make the following comments on the statement of affairs: -

- In accordance with the standard format of the statement of affairs, no provision has been made for the costs of realising the Company's assets or the costs of the Administration.
- The Administrators have not carried out anything in the nature of an audit on the information.
- Given the commercial sensitivity, it is inappropriate for the Administrators to comment on the potential realisable values attributed by the directors to the Company's assets.
- The Administrators believe the preferential creditor figure includes the Bank's fixed and floating debt, rather than preferential claims alone.
- No allowance has been made for any potential claim from the pension scheme.
- PricewaterhouseCoopers is not a creditor of the Company as at the date of appointment with those amounts noted having been discharged by the Company in accordance with the terms of our engagement letters in respect of work for the Company and the Bank.

The statement of affairs is copied in redacted form at Appendix A and, as is required by statute, includes details of the names, addresses and debts of creditors (including details of any security held).

2. The Administrators' statement of proposals

d. Statutory and other information

Court details for the Administration:	The High Court of Justice, Chancery Division, Birmingham District Registry, 8231 of 2011
Full name (and trading name):	C. & G. Concrete Limited
Registered number:	00613713
Registered address:	Uffington Road, Stamford, Lincolnshire, PE9 2HA
Company directors:	Andrew Robinson, Frank Gilman, Peter Gilman, David Sharman, Charles Stubbs
Company secretary:	Andrew Robinson
Shareholdings held by the directors and secretary:	
Date of the Administration appointment:	16 May 2011
Administrators' names and addresses:	(1) Edward Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ; and (2) David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT.
Appointor's / applicant's name and address:	HSBC Bank plc of 8 Canada Square, London, E14 5HQ
Objective being pursued by the Administrators:	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).
Division of the Administrators' responsibilities:	In relation to paragraph 100(2) Sch.B1 IA86, during the period for which the Administration is in force, any function to be exercised by the persons appointed to act as Administrators may be done by any or all of the persons appointed or any of the persons for the time being holding that office.
Proposed end of the Administration:	Dissolution following Administration or Creditors Voluntary Liquidation.
Estimated dividend for unsecured creditors:	Not yet known
Estimated values of the prescribed part and the company's net property:	N/A
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	N/A
The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):	The European Regulation on Insolvency Proceedings applies to this Administration and the proceedings are main proceedings.
Any other information which the Administrators think necessary to enable creditors to decide whether or not to vote for adoption of the proposals:	N/A

3. Receipts and payments account

	Directors' statement of affairs (£)	(£)
Receipts		
Assets subject to fixed charge:		
Freehold property	13,560,000	-
Assets subject to floating charge:		
Plant & machinery	2,950,000	-
Motor vehicles	250,000	-
Office equipment	250,000	-
Stock	729,000	-
Book debts	2,166,551.00	1,416,955.50
Sundry receipts	-	139,357.04
Third party funds	-	4,815.55
Interest received	-	21.48
Trading surplus/(deficit)	-	(506,396.00)
	<u>19,905,551</u>	<u>1,054,753.57</u>
Payments		
Statutory advertising	-	73.62
Preferential creditors*	6,098,806	-
Unsecured creditors*	4,486,429	-
	<u>10,585,235</u>	<u>73.62</u>
Net balance	<u>9,320,316</u>	<u>1,054,679.95</u>
Net VAT receivable	-	(20,834.07)
Balance in hand	<u><u>9,320,316</u></u>	<u><u>1,033,845.88</u></u>

*See note in Section 2(c).

3. Receipts and payments account

Trading Account

Receipts	£
Trading sales	140,817.17
Salaries refund from FHG	104,096.81
Postage & printing refund from FHG	414.00
	<u>245,327.98</u>
Payments	
Net wages	387,362.94
PAYE & NIC	52,168.01
Purchases	105,668.31
Bank charges	3,620.00
Motor & travel expenses	110,102.43
Repairs & maintenance	43,731.15
Utilities	7,786.44
Employee expenses	699.17
Security costs	405.00
Employee related costs	240.12
Other payroll deductions	149.62
Sundry Expenses	<u>39,790.79</u>
	<u>751,723.98</u>
Balance in hand	<u><u>(506,396.00)</u></u>

Note:

This trading account is prepared on a cash basis and therefore debts not collected and liabilities not settled have not been included.

Appendix A Pre-Administration costs

The following are costs incurred prior to the appointment of Administrators but with a view to the Company entering Administration. See further comments in Section 2(a) of this report.

	Paid amount (£)	Unpaid amount (£)	Payment made by (if applicable)
Fees charged by the Administrators	1,852	-	HSBC Bank plc
Expenses incurred by the Administrators	-	-	
Fees charged by other persons qualified to act as an insolvency practitioner	-	2,350	
Expenses charged by other persons qualified to act as an insolvency practitioner	-	-	
Total	1,852	2,350	

Appendix B Copy of the statement of affairs

Statement of affairs

Name of company C. & G. Concrete Limited

Company number 00613713

In the High Court of Justice, Chancery Division, Birmingham District Registry <small>(full name of court)</small>
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Court case number 8231 of 2011


(a) Insert name and address of registered office of the company
Statement as to the affairs of (a) C. & G. Concrete Limited, Uffington Road, Stamford, Lincs, PE9 2HA
on the (b) 16 May 2011, 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) _____ the date that the company entered administration.

Full name ANDREW CHARLES ROBINSON

Signed 

Dated 24 6-11

A1 – Summary of Liabilities

	Estimated to realise £
Estimated total assets available for preferential creditors (carried from page A)	£1,990,555
Liabilities	
Preferential creditors:-	£6,098,806
Estimated deficiency/surplus as regards preferential creditors	£1,380,675
Estimated prescribed part of net property where applicable (to carry forward)	
Estimated total assets available for floating charge holders	£1,380,675
Debts secured by floating charges	
Estimated deficiency/surplus of assets after floating charges	£1,380,675
Estimated prescribed part of net property where applicable (brought down)	
Total assets available to unsecured creditors	£1,380,675
Unsecured non-preferential claims (excluding any shortfall to floating charge holders)	£4,486,429
Estimated deficiency/surplus as regards non-preferential creditors (excluding any shortfall to floating charge holders)	
Shortfall to floating charge holders (brought down)	£
Estimated deficiency/surplus as regards creditors	
Issued and called up capital	£9,320,316 £2,039,125
Estimated total deficiency/surplus as regards members	£7,281,191

Signature 

Date 24.6.11

COMPANY SHAREHOLDERS

Name of Shareholder	Address (with postcode)	No. of shares held	Nominal Value	Details of Shares held
	Please refer to Exrex Spreadsheets provided			
TOTALS				

Signature 

Date 24.6.11

COMPANY SHAREHOLDERS (C&G Concrete Ltd)

Name Of Shareholder	Address with Postcode	No of Shares Held	Nominal Value £	Details of Shares Held
Frank Egerton Gilman	Manor Barn, 1 Luffenham Lane, Pilton, Oakham, Rutland LE15 9NS	574	574	£1 Ordinary shares
F H Gilman & Co	Uffington Rd, Stamford, Lincs PE9 2HA	1023	1023	£1 Ordinary shares
Hanson Quarry Products Ventures Ltd	The Ridge, Chipping Sodbury, Bristol, BS37 6AY	490	490	£1 Ordinary shares
		2087	2087	

Hanson Aggregates	P O Box 1828	The Ridge	Chipping Sodbury	Bristol	BS37 6WD	29,425.17	
Hanson Cement	PO Box 1912	The Ridge	Chipping Sodbury	BRISTOL	BS37 0AB	787,116.54	
John Halifax & Sons Lim	Poplar Tree Farm	Sutton St James	Spalding	Lincolnshire	PE12 0HY	19.20	
Healthguard Ltd	Unit 1&2 82a High Street	Swinderby	Lincolnshire		LN6 9LU	1,653.16	
Hockmeyer Motors Ltd	Holdingham Garage	Holdingham	Sleaford		NG34 8NP	114.52	
H C Solicitors LLP	35 Thorpe Road	White Oaks	Cambridgeshire		PE3 6AG	9,732.76	
Jim Horwell	Holly Cottage	2 Markham Way	Wrawby Brigg	North Lincolnshire	DN20 8TE	1,456.39	
HBL Gately Wareing	Downham Road	Crimplesham	King's Lynn	Grimsby	DN36 5LB	3,656.64	
HLI Gately Wareing	City Gate East	Tolhouse Hill	Nottingham	Norfolk	PE33 9DU	732.85	
Imp Security Systems Li	Oak House	Waterside South	Lincoln		NG1 5FS	19,541.00	
Impact Test Equipment L	21 Stevenston Industrial Estate	Stevenston	Ayrshire	Scotland	LN5 7FB	244.00	
Inkwell Printing Limite	Unit 7a The Workshops	Barnwell	Oundle	Peterborough Camb	KA20 3LR	211.80	
ITS Trac Ltd	Unit A Tractor Spares Industrial Es	Strawberry Lane	Willenhall	West Midlands	PE8 5PL	1,105.20	
IPC	11 Beaver Lane	London			WV13 3RN	1,702.61	
Jackson Building Centre	Pelham House	Canwick Road	Lincoln		W6 9AR	827.82	
Jacksons Workwear Renta	Weir Street	Lincoln			LN5 8HG	82.42	
J.H.P. Storage Limited	Stirling House	Eisham Wold Industrial Estate	Eisham	Brigg	LN5 8DT	1,004.10	
Kemp Packaging Limited	Unit 8 Meridian Centre	Belvoir Way	Fairfield Ind.	Louth Lincolnshire	DN20 0NX	50.40	
KPMG LLP	Dept 791	58 Clarendon Road	Watford	Hertfordshire	LN11 0LQ	5,031.00	
Kocurek Excavators Ltd	Larchwood	Hadleigh Road	Ipswich	Suffolk	WD17 1DE	1,386.00	
Kings Lynn & Norfolk BC	PO Box 26	Kings Lynn			IP2 0DA	1,844.64	
Lanvess limited	Colour Works	Linchfield Road	Branston	Burton-On-Trent Sta	P30 1PX	8,920.00	
Lincol Oil Company	Scandinavian Way	Klin Lane Industrial Estate	Stallingborough	North East Lincolnsh	DE14 3WH	1,034.14	
Linatex Limited	Wilkinson House	Galway Road	Blackbushe Business Park	Hampshire	DN41 8DT	1,398.60	
Lincoln Safety	1 Pioneer Way	Doddington Road	Lincoln	Yateley	GU46 6GE	900.00	
Lincolnshire County Cou	County Offices	Newland	Lincoln		LN6 3DH	341.16	
Log-Star Ltd	4 Marina Court	Castle St	Hull		LN1 1YG	300.77	
Lowes Electrical (UK) L	Freeman Road	North Hykeham	Lincoln		HU1 1TJ	9,064.50	
Melton Hunt Club	Hall Farm	Stonesby	Melton Mowbray		LN6 9AP	6,896.04	
Mineral Audit Surveys L	11 Copdale Road	2 Vine Street	Billingborough	Lincolnshire	LE14 4PY	120.00	
Midland Engineering Sal	Marshalls Mono Limited	Leicester			NG34 0QE	1,440.00	
Mineral Products Associ	Gillingham House	Premier Way	Lowfields Business Park	Eland West Yorkshi	LE5 4FG	9,123.07	
Mineral Products Qualif	7 Regent Street	38-44 Gillingham Street	LONDON		HX5 9HT	2,954.79	
Middleton Aggregates Lt	Mill Drive	Nottingham			SW1V 1HU	8,120.17	
Mountain Distribution &	Quarrington	Blackborough End	King's Lynn	Norfolk	NG1 5BS	504.00	
MIX Telematics UK Limit	6180 Knight's Court	Solihull Parkway	Lincolnshire		PE32 1SL	21,593.98	
Newark Advertiser Co Lt	Depot Road	Newmarket	Birmingham Business Par	BIRMINGHAM	NG34 8RT	20.00	
Newflame Fire Equipment	Applingtongate	Newark-on-Trent	Suffolk		CB8 0AL	852.00	
Northcliffe Media	ABN Media Finance Services	18 Willow Road	Nottinghamshire	Peterborough	NG24 1JX	571.15	
North East Lincs Council	Civic Offices	PO Box 8667	Yaxley		PE7 3HS	586.64	
North Kesteven District Council	PO Box 10	Knoll St	Leicester		LE1 8BE	648.10	
North Lincolnshire Council	Pittwood House	District Council Offices	Cleethorpes	North East Lincolnsh	DN35 8LN	7,578.85	
Norstrom Group Ltd	13-14 Kingfisher Court	Ashby Rd	Kesteven St	Sleaford	NG34 7GL	85,105.60	
Neopost Limited	Neopost House	Bryn	Scunthorpe	North Lincs	DN16 1AB	28,062.00	
Office Friends Ltd	Wardle	South Street	Wigan	Lancashire	WN4 9DW	1,192.68	
OMVA UK	King Edward Street	Nantwich	Romford	Essex	RM1 2AR	84.00	
Barry Patchett Plant Hi	Omya House	Grimsby	Cheshire	North East Lincolnsh	CW5 6AF	24,055.92	
PDS Services	Firebeacon Farm	Firebeacon Lane	Wyvern Business Park	Chaddesden	DE21 6LY	2,808.82	
Price Waterhouse Coopers	42 Nettleton Road	Caister	Marshchapel	Louth Lincolnshire	LN11 7BE	1,800.00	
	Docklands	161 Marsh Wall	Lincs		LN7 6NJ	209.00	
			London		E14 9SQ	27,671.47	

Peterborough City Council	PO Box 9	Town Hall	Peterborough	PE1 1HQ	16,426.00
Premier Engineering Sup	Riverside	Bridge Street	Grantham	NG31 6EZ	466.71
Pearson Hydraulics Ltd	11 Cardinal Close	Lincoln		LN2 4SY	500.40
Peterborough Office Sup	25 Bakewell Business Park	Culley Court	Orton Southgate	PE2 6WA	229.79
PJR Pumps	Chiltons	Main Street	Coddington	NG24 2PP	1,74.28
Pro-Parts (Peterborough)	96 Papyrus Road	Werrington	Peterborough	PE4 5BH	33.00
Quorn Hunt point to point	c/o Mrs J Murriff	Manor Cottage	West Leake	LE12 5RF	100.00
Jonathan Potts Limited	Estate Road No 1	South Humberside Industrial Es	Grimby	DN31 2TB	58.50
Quadrant Security Group	3 Aftonborough Lane	Chilwell	Nottingham	NG9 5JN	302.40
Quarry Plant & Industry	Unit 14 Moore Road	High Leicester Ind Est	Ellistown	LE67 1EJ	763.20
OSRMC	1 Mount Mews	High Street	Hampton	TW12 2SH	2,000.44
The Road Haulage Associ	Roadway House	Bretton Way	Bretton	PE3 8DD	303.30
RDA Bulk Packaging Limit	7 Business Park Burma Road	BERKELEY	Glostershire	GL13 9UQ	10,788.00
A. Riddei Skip Hire	Hemingby Lane	Horncastle	Lincs	LN9 5PN	372.77
R Reid Electrical Distributors	Unit 18 Redstone Ind Est	Spalding Rd	Boston	PE21 8AL	17.63
Roythorns LLP	Enterprise Way	Pinchbeck	Spalding	PE11 3YR	2,162.00
Stable Hire Ltd	Portside North	Merseyton Road	Ellesmere Port	CH65 2HQ	351.57
Sewaco Limited	Norris Way	Rushden	Northamptonshire	NN10 9BP	1,097.11
N B Sanders (Trailers)	Eastgate House	Eastgate	Deepest St James	PE6 7PP	952.66
Selwood Limited	Werrington Bridge Road	Newborough	Peterborough	PE6 8HH	1,865.16
Shell UK Oil Products Ltd	Bourneouth Road	Chandler's Ford	Eastleigh	S053 3ZL	314.22
Speedy Asset Services L	Downstream Oil	Rowlandsway	Manchester	M22 5SB	32,226.64
Singelton Birch Limited	Chase House	16 The Parks	Newton Le Willows	WA12 0JQ	257.44
Screening Consultancy &	Melton Ross Quarries	Barnetby	North Lincolnshire	DN38 6AE	5,433.82
Sika Limited	56 Somers Road	Rugby	Warwickshire	CV22 7DH	984.00
Static Security Service	Watchmead	Welwyn Garden City	Hertfordshire	AL7 1BQ	712.80
South Kesteven District Council	Greetwell Place	2 Limekin Way	Lincoln	LN2 4US	324.00
South Holland District Council	Council Offices	St Peters Hill	Grantham	NG31 6PZ	15,942.00
SWALEC	PO Box 8	Priority Rd	Spalding	PE11 2XQ	8,247.75
South Notts Hunt Point to Point	Payment Centre	PO Box 17	Havant	PO9 5DD	24,727.48
Stamford Chamber of Tra	c/o Mrs M Cherry Downs	Quince Cottage	Thorpe nr Newark	NG23 5PX	80.00
Summit Drawing Office S	1 Grove Street	Stamford	Lincolnshire	PE9 1XN	1,500.00
J W Stanley Haulage	The Lilacs	Woodston	Peterborough	PE2 9AG	69.54
Stannah Lift Services L	Watt Close	77 Yarborough Road	Keelby Grimsby	DN41 8HT	14,267.25
Smartlift Bulk Packagin	Unit 22 East Coast Business Park	East Portway	ANDOVER	SPI0 3SD	172.87
SSE Metering	PO Box 6458	Clenchwarton Road	Kings Lynn	PE34 3LW	14,001.30
Systematic Print Manage	Centurion Way	Basingstoke		RG21 8GZ	420.00
Tracker Network (UK) Lt	3rd Floor The Wharf	Caistor	Lincolnshire	LN7 6QA	2,697.60
Tema Isenmann Ltd	4 Great Central Way	Neville Street	Leeds	LS1 4AZ	2,901.02
Trent Lifting Services	Brigg Road	Woodford Halse	Northamptonshire	NN11 3PZ	1,977.60
Tulip Healthcare Ltd	Unit 2 Pegasus Square	Scunthorpe	North Lincolnshire	DN16 1AP	104.21
Triscan Systems Ltd	Phoenix Park	Innovation Way	Grimby	DN37 9TJ	124.80
Total UK Ltd	40 Clarendon Rd	Blakewater Rd	Blackburn	BB1 5S1	82.25
Upper Witham Internal Drainage Board	J1 The Point	Watford	Herts	WD17 1TQ	33,495.06
UK Fuels Ltd	PO Box 262	Weaver Rd	Lincoln	LN6 3QN	25.31
Vehicle & Operator Services Agency	Spatialgate Test Station	Crewe	Blue Harbour	CW2 6GF	289.18
Versatile Industries Co	1 Pioneer Way	Spatialgate Airfield	Lincoln	NG31	580.19
Wedlake Bell LLP	52 Bedford Row	Doddington Road	LONDON	LN6 3DH	474.00
Wastore Cycle Ltd	Kings Cliffe Landfill Site	Stamford Rd	Kings Cliffe	WC1R 4LR	5,137.50
Western Power Distribut	Accounts Receivable	P O Box 231	Elliott Road	PE8 6XX	15.28
Westfield Shovels Limit	24-25 Queens Road		Immingham	PI4 0YU	432.00
West Lindsey District Council	PO Box 2	The Guildhall	Gainsborough	DN40 1QR	840.00
				DN21 2XG	28,548.24

Westmoor Farm	North Kelsey Rd	North Kelsey	Caistor	Lincs	LN7 6SF	243.07	
Wrawby Services Ltd	8A Hillside Works	Whitehall Rd	Cleckheaton	West Yorkshire	BD19 4DN	35.04	
Wordsworth Crushing Ltd	Whaley Road	Barugh Green	Barnsley	South Yorkshire	S75 1HT	9,702.00	
Wolsley UK Ltd	P O Box 68	Boroughbridge Road	Ripon	North Yorkshire	HG4 1XY	288.00	
Xeretec Office Supplies	17 The Business Centre	Molly Millars Lane	Wokingham	Berks	RG41 2QY	71.08	
Yorkshire Electricity	PB XG2	Limewood Approach	Leeds		LS15 8TB	1,084.58	
F H Gilman & Co	F H Gilman & Co	Uffington Road	Stamford	Lincs	PE9 2HA	116,752.83	
F H Gilman & Co	F H Gilman & Co	Uffington Road	Stamford	Lincs	PE9 2HA	80,545.72	
F H Gilman & Co - Salaries & Pensions	F H Gilman & Co	Uffington Road	Stamford	Lincs	PE9 2HA	1,580,045.97	
Royal & Sun Alliance	St Marks Court	Chart Way	Horsham	West Sussex	RH12 1XL	300,219.00	
HMRC Agg Levy	Central Collection Unit (AL)	Alexander House	21 Victoria Avenue	Southend on Sea	SS9 1AA	44,084.00	
HMRC VAT	Central Collection Unit	Alexander House	21 Victoria Avenue	Southend on Sea	SS9 1AA	322,285.00	
HMRC PAYE / NI & NIA	Accounts Office	Cumbernauld	Glasgow		G67 1YZ	33,761.00	
			Total Unsecured Creditors			4,486,429.05	
Preferential Creditors							
HSBC Asset Finance	PO Box 5930	12 Calthorpe RD	Edgbaston		B15 1HX	34,369.00	Fixed Charges on HP agreements £35k
HSBC Bank	Level 16	8 Canada Square	Canary Wharf	London	E14 5HQ	6,064,437.40	Fixed Charges and floating charges Various £14.5m fixed charges
						6,098,806.40	

Appendix C Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

I The initial meeting of creditors and the creditors’ committee

Who will be at the meeting?

One of the Administrators or a person nominated by them in writing will chair the meeting and answer creditors’ questions (Rule 2.36(1)). There is no obligation on the directors of the Company to attend unless they are required to do so by the Administrators (Rule 2.34(2)).

What will happen at the meeting?

It will be assumed that creditors will already have received and read the Administrators’ proposals. The meeting will give creditors an opportunity to put questions to the Administrators. The meeting will then consider and vote upon any modifications that individual creditors might put forward, following which a vote will be taken upon the whole proposals as modified.

Various other resolutions might be considered, in particular those dealing with the basis of the Administrators’ remuneration, unpaid pre-appointment costs and the appointment and composition of any creditors’ committee.

Am I obliged to attend the creditors’ meeting?

You are not obliged to attend the creditors’ meeting. The law recognises that creditors are not always able to attend in person and allows you to ask a representative to attend as proxy and vote on your behalf. You will not prejudice your claim and entitlement to dividend if you do not attend or appoint a proxy.

How do I ensure that my vote counts at the meeting?

In order to vote, a creditor must have submitted written details of his claim and the chairman must have admitted that claim for voting purposes following the guidelines below. These details need to be submitted to the Administrators no later than 12.00 noon on the business day before the meeting (Rule 2.38(1)). You might also need to lodge a proxy.

The chairman can admit a claim for voting purposes even though it was submitted late if he is satisfied this was due to reasons beyond the creditor’s control (Rule 2.38(2)).

Do I need to lodge a proxy form?

If you yourself are the creditor (and not a corporate body such as a limited company), you may vote by simply attending the meeting, provided you have lodged a claim as explained above.

If you do not want to attend the meeting, you may nominate someone else, or the chairman of the meeting, to vote for you. They can vote either on your instructions or at their discretion. Do, however, remember that the chairman will be one of the Administrators or their staff and you might wish to consider specifying clearly how he should vote.

You must do this by completing the enclosed proxy form or a substantially similar form. The form needs to be authenticated (e.g. signed) by the creditor or by someone authorised by him and the nature of the person’s authority to sign should be stated (Rule 8.2). If a company is the creditor, a director should normally sign. The proxy form must then be submitted at or before the meeting.

Where the chairman holds a proxy which includes a requirement to vote for a particular resolution and no other person proposes that resolution, the chairman must propose it unless the chairman considers that there is good reason for not doing so, and, if the chairman does not propose it, the chairman must as soon as reasonably practicable after the meeting notify the principal of the reason why not (Rule 2.36(3)).

Appendix C Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

Please remember that if the debt is owed to a limited company or other corporation and you wish to attend and vote at the meeting, you should complete and return the proxy form even if you are a director of the company. (Alternatively you can produce at the meeting a resolution of the directors authorising you to represent that company.) (Rule 8.7).

Who decides whether my claim ranks for voting purposes?

The chairman has the power to accept or reject the whole or any part of your claim (Rule 2.39(1)). If he is in doubt whether your claim should be admitted, he should mark it as objected to and allow you to vote. If however, the objection is sustained, then your vote will be declared invalid (Rule 2.39(3)). If your vote was critical to the outcome of the meeting, this could change the resolutions that were passed and/or result in a further meeting (Rule 2.39(4)).

What happens if I disagree with the chairman’s decision?

You are entitled to appeal to the court for an order reversing the chairman’s / Administrator’s decision on your claim provided you do so within 21 days of the meeting (Rule 2.39(5)). If the court does reverse the chairman’s / Administrator’s decision it can order that another meeting be held or make such other order as it thinks just (Rule 2.39(4)).

Creditors also have the right to appeal to the court if they believe that the administration unfairly harms their interests (Paragraph 74(1) Sch.B1 IA86). We recommend that you seek legal advice about the merits of taking these steps in any particular circumstances.

How do I calculate my claim for voting purposes?

Votes are calculated according to the amount of a creditor’s claim as at the date on which the Company entered administration, less any payments that have been made to him after that date in respect of his claim and any adjustments by way of set-off in accordance with Rule 2.85 as if that Rule were applied on the date that the votes were counted (Rule 2.38(4)).

What majorities are needed to approve resolutions?

A resolution to approve the proposals or any modification to them is passed at the creditors’ meeting if supported by a majority in excess of 50% in value of the creditors voting on the resolution (Rule 2.43(1)).

Any resolution is invalid if those voting against it include more than 50% in value of the creditors to whom notice of the meeting was sent and who are not, to the best of the chairman’s / Administrator’s belief, connected with the Company (Rule 2.43(2)).

What happens if I cannot yet quantify my claim with certainty?

A creditor cannot vote in respect of a debt for an unliquidated amount or any debt whose value is not ascertained, unless the chairman / Administrator agrees to put on the debt an estimated minimum value for voting purposes (Rule 2.38(5)).

What happens if my debt is wholly or partly secured?

A secured creditor whose debt is wholly or partly secured is entitled to vote only in respect of the balance (if any) of his debt after deducting the value of his security as estimated by him. However, if the Administrators have made a statement under Paragraph 52(1)(b) Sch.B1 IA86 and an initial creditors’ meeting has been requisitioned by creditors under Paragraph 52(2) Sch.B1 IA86, a secured creditor is entitled to vote in respect of the full value of this debt without any deduction for the value of his security (Rule 2.40).

What happens if I hold a negotiable instrument?

A creditor shall not vote in respect of a debt on or secured by a current bill of exchange or promissory note unless he is willing: -

Appendix C Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

a) to treat the liability to him on the bill or note of every person who is liable on it antecedently to the Company and against whom a bankruptcy order has not been made (or in the case of a company, which has not gone into liquidation) as security in his hands; and

b) to estimate the value of the security and, for the purpose of his entitlement to vote (but not for dividend), to deduct it from his claim (Rule 2.41).

What happens if I am a creditor under a hire-purchase, conditional sale agreement or leasing agreement?

An owner of goods under a hire-purchase or chattel leasing agreement, or a seller of goods under a conditional sale agreement is entitled to vote in respect of the amount of the debt due and payable to him by the Company on the date the Company entered Administration. In calculating the amount of any debt for this purpose, no account shall be taken of any amount attributable to the exercise of any right under the relevant agreement, so far as the right has become exercisable solely by virtue of: -

- the making of an administration application
- a notice of intention to appoint an administrator or any matter arising as a consequence, or
- of the Company entering administration (Rule 2.42).

Am I bound by the Administrators' proposals if they are approved at the meeting?

The Administrators' proposals, when approved by the creditors' meeting, will dictate how the Company's affairs will be conducted in future and how creditors' claims will be addressed.

Once approved the proposals are binding on all creditors, including those not present or represented at the meeting. For this reason, it is important that creditors properly consider the proposals and decide whether and how they wish to vote.

What are the functions of the creditors' committee?

In addition to any functions conferred on the creditors' committee by any provision of the Insolvency Act 1986, the creditors' committee shall assist the Administrator in discharging his functions, and act in relation to him in such manner as may be agreed from time to time (Rule 2.52(1)).

In particular, it has the duty to agree the basis of the Administrator's remuneration (Rule 2.106(3) and approve the payment of unpaid pre-administration costs (Rule 2.67A)).

How is the creditors' committee formed?

The creditors' committee is established at a creditors' meeting. It is not obligatory but the creditors decide whether they wish to have one (Paragraph 57(1) Sch.B1 IA86). The committee must consist of at least three and not more than five creditors of the company elected at the meeting (Rule 2.50(1)).

Any creditor of the company is eligible to be a member of the committee, so long as his claim has not been wholly disallowed for voting purposes or wholly rejected for the purposes of distribution or dividend and the claim is not fully secured (Rule 2.50(2)). A body corporate may be a member of the committee, but it can only act as such through a properly appointed representative (Rule 2.50(3)).

No person may act as a member of the committee unless and until he has agreed to do so (Rule 2.51(2)). Unless the relevant proxy or authorisation contains a statement to the contrary, such agreement may be given by the creditor's proxy-holder or, in the case of a corporation, by its duly appointed representative present at the meeting establishing the committee (Rule 2.51(2)).

Appendix C Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

A person acting as a committee member's representative must hold a letter of authority entitling him so to act (either generally or specially) and authenticated by or on behalf of the committee-member (Rule 2.55(2)).

No member may be represented by:

- another member of the committee
- a person who is at the same time representing another committee member
- a body corporate
- an undischarged bankrupt
- a disqualified director, or
- a person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking (Rule 2.55(4)).

No person shall on the same committee act at one and the same time as representative of more than one committee-member (Rule 2.55(5)). The creditors' committee does not come into being, and accordingly cannot act, until the Administrator has issued a certificate of its due constitution (Rule 2.51(1)).

II A creditor's guide to administrators' fees (in accordance with Statement of Insolvency Practice No.9)

The following information about the Administrators' fees is from Statement of Insolvency Practice No.9 ("SIP 9") produced by the Association of Business Recovery Professionals, Appendix C: A Creditors' Guide to Administrators' Fees (England and Wales) (Revised with effect from 6 April 2010).

1 Introduction

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

2 The nature of administration

2.1 Administration is a procedure which places a company under the control of an insolvency practitioner and the protection of the court with the following objective:

- rescuing the company as a going concern, or
- achieving a better result for the creditors as a whole than would be likely if the company were wound up without first being in administration, or, if the administrator thinks neither of these objectives is reasonably practicable
- realising property in order to make a distribution to secured or preferential creditors.

3 The creditors' committee

3.1 The creditors have the right to appoint a committee with a minimum of 3 and a maximum of 5 members. One of the functions of the committee is to determine the basis of the administrator's remuneration. The committee is normally established at the meeting of creditors which the administrator is required to hold

within a maximum of 10 weeks from the beginning of the administration to consider his proposals. The administrator must call the first meeting of the committee within 6 weeks of its establishment, and subsequent meetings must be held either at specified dates agreed by the committee, or when a member of the committee asks for one, or when the administrator decides he needs to hold one. The committee has power to summon the administrator to attend before it and provide information about the exercise of his functions.

4 Fixing the administrator’s remuneration

4.1 The basis for fixing the administrator’s remuneration is set out in Rule 2.106 of the Insolvency Rules 1986, which states that it shall be fixed:

- as a percentage of the value of the property which the administrator has to deal with,
- by reference to the time properly given by the administrator and his staff in attending to matters arising in the administration, or
- as a set amount.

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

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

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

4.2 If there is no creditors’ committee, or the committee does not make the requisite determination (and provided the circumstances described in paragraph 4.3 do not apply), the administrator’s remuneration may be fixed by a resolution of a meeting of creditors having regard to the same matters as apply in the case of the committee. If the remuneration is not fixed in any of these ways, it will be fixed by the court on application by the administrator, but the administrator may not make such an application unless he has first tried to get his remuneration fixed by the committee or creditors as described above, and in any case not later than 18 months after his appointment.

4.3 There are special rules about creditors’ resolutions in cases where the administrator has stated in his proposals that the company has insufficient property to enable a distribution to be made to unsecured creditors except out of the reserved fund which may have to be set aside out of floating charge assets. In this case, if there is no creditors’ committee, or the committee does not make the requisite determination, the remuneration may be fixed by the approval of

- each secured creditor of the company; or
- if the administrator has made or intends to make a distribution to preferential creditors –
 - each secured creditor of the company; and
 - preferential creditors whose debts amount to more than 50% of the preferential debts of the company, disregarding debts of any creditor who does not respond to an invitation to give or withhold approval, having regard to the same matters as the committee would.

Note that there is no requirement to hold a creditors’ meeting in such cases unless a meeting is requisitioned by creditors whose debts amount to at least 10 per cent of the total debts of the company.

4.4 A resolution of creditors may be obtained by correspondence.

5. Review of remuneration

5.1 Where there has been a material and substantial change in circumstances since the basis of the administrator’s remuneration was fixed, the administrator may request that it be changed. The request must be made to the same body as initially approved the remuneration, and the same rules apply as to the original approval.

6. Approval of pre-administration costs

6.1 Sometimes the administrator may need to seek approval for the payment of costs in connection with preparatory work incurred before the company went into administration but which remain unpaid. Such costs may relate to work done either by the administrator or by another insolvency practitioner. Details of such costs must be included in the administrator’s proposals.

6.2 Where there is a creditors’ committee, it is for the committee to determine whether, and to what extent, such costs should be approved for payment. If there is no committee or the committee does not make the necessary determination, or if it does but the administrator, or other insolvency practitioner who has incurred pre-administration costs, considers the amount agreed to be insufficient, approval may be given by a meeting of creditors. Where the circumstances described in paragraph 4.3 apply, the determination may be made by the same creditors as approve the administrator’s remuneration.

6.3 The administrator must convene a meeting of the committee or the creditors for the purposes of approving the payment of pre-administration costs if requested to do so by another insolvency practitioner who has incurred such costs. If there is no determination under these provisions, or if there is but the administrator or other insolvency practitioner considers the amount agreed to be insufficient, the administrator may apply to the court for a determination.

7 What information should be provided by the administrator?

7.1 When seeking remuneration approval

7.1.1 When seeking agreement to his fees the administrator should provide sufficient supporting information to enable the committee or the creditors to form a judgement as to whether the proposed fee is reasonable having regard to all the circumstances of the case. The nature and extent of the supporting information which should be provided will depend on:

- the nature of the approval being sought;
- the stage during the administration of the case at which it is being sought; and
- the size and complexity of the case.

7.1.2 Where, at any creditors’ or committee meeting, the administrator seeks agreement to the terms on which he is to be remunerated, he should provide the meeting with details of the charge-out rates of all grades of staff, including principals, which are likely to be involved on the case.

7.1.3 Where the administrator seeks agreement to his fees during the course of the administration, he should always provide an up to date receipts and payments account. Where the proposed fee is based on time costs the administrator should disclose to the committee or the creditors the time spent and the charge-out value in the particular case, together with, where appropriate, such additional information as may reasonably be required having regard to the size and complexity of the case. The additional information should comprise a sufficient explanation of what the administrator has achieved and how it was achieved to enable the value of the exercise to be assessed (whilst recognising that the administrator must fulfil certain statutory obligations that might be seen to bring no added value for creditors) and to establish that the time has been properly spent on the case. That assessment will need to be made having regard to the time spent and the rates at which that time was charged, bearing in mind the factors set out in paragraph 4.1 above. To enable this assessment to be carried out it may be necessary for the administrator to provide an analysis of the time spent on the case by type of activity and grade of staff. The degree of detail will depend on the circumstances of the case, but it will be helpful to be aware of the professional guidance which has been given to insolvency practitioners on this subject. The guidance suggests the following areas of activity as a basis for the analysis of time spent:

- Administration and planning
- Investigations
- Realisation of assets
- Trading
- Creditors
- Any other case-specific matters

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

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

The explanation of what has been done can be expected to include an outline of the nature of the assignment and the administrator’s own initial assessment, including the anticipated return to creditors. To the extent applicable it should also explain:

- Any significant aspects of the case, particularly those that affect the amount of time spent.
- The reasons for subsequent changes in strategy.
- Any comments on any figures in the summary of time spent accompanying the request the administrator wishes to make.
- The steps taken to establish the views of creditors, particularly in relation to agreeing the strategy for the assignment, budgeting, time recording, fee drawing or fee agreement.
- Any existing agreement about fees.
- Details of how other professionals, including subcontractors, were chosen, how they were contracted to be paid, and what steps have been taken to review their fees.

It should be borne in mind that the degree of analysis and form of presentation should be proportionate to the size and complexity of the case. In smaller cases not all categories of activity will always be relevant, whilst further analysis may be necessary in larger cases.

7.1.4 Where the fee is charged on a percentage basis the administrator should provide details of any work which has been or is intended to be sub-contracted out which would normally be undertaken directly by an administrator or his staff.

Appendix C Common questions and answers (references to “Rules” are to the Insolvency Rules 1986)

7.2 After remuneration approval

Where a resolution fixing the basis of fees is passed at any creditors' meeting held before he has substantially completed his functions, the administrator should notify the creditors of the details of the resolution in his next report or circular to them. In all subsequent reports to creditors the administrator should specify the amount of remuneration he has drawn in accordance with the resolution (see further paragraph 8.1 below). Where the fee is based on time costs he should also provide details of the time spent and charge-out value to date and any material changes in the rates charged for the various grades since the resolution was first passed. He should also provide such additional information as may be required in accordance with the principles set out in paragraph 7.1.3. Where the fee is charged on a percentage basis the administrator should provide the details set out in paragraph 7.1.4 above regarding work which has been sub-contracted out.

7.3 Disbursements and other expenses

There is no statutory requirement for the committee or the creditors to approve the drawing of expenses or disbursements, but there is provision for the creditors to challenge them, as described below. Professional guidance issued to insolvency practitioners requires that, where the administrator proposes to recover costs which, whilst being in the nature of expenses or disbursements, may include an element of shared or allocated costs (such as room hire, document storage or communication facilities provided by the administrator's own firm), they must be disclosed and be authorised by those responsible for approving his remuneration. Such expenses must be directly incurred on the case and subject to a reasonable method of calculation and allocation.

8 Progress reports and requests for further information

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

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

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

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

- the time and cost involved in preparing the information would be excessive, or
- disclosure would be prejudicial to the conduct of the administration or might be expected to lead to violence against any person, or
- the administrator is subject to an obligation of confidentiality in relation to the information requested, in which case he must give the reasons for not providing the information.

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

9. Provision of information – additional requirements

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

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

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

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

10 What if a creditor is dissatisfied?

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

10.2 Application may be made to the court by any secured creditor, or by any unsecured creditor provided at least 10 per cent in value of unsecured creditors (including himself) agree, or he has the permission of the court. Any such application must be made within 8 weeks of the applicant receiving the administrator’s progress report in which the charging of the remuneration or incurring of the expenses in question is first reported (see paragraph 8.1 above). If the court does not dismiss the application (which it may if it considers that insufficient cause is shown) the applicant must give the administrator a copy of the application and supporting evidence at least 14 days before the hearing.

10.3 If the court considers the application well founded, it may order that the remuneration be reduced, the basis be changed, or the expenses be disallowed or repaid. Unless the court orders otherwise, the costs of the application must be paid by the applicant and not as an expense of the administration.

11 What if the administrator is dissatisfied?

11.1 If the administrator considers that the remuneration fixed by the creditors’ committee is insufficient or that the basis used to fix it is inappropriate he may request that the amount or rate be increased, or the basis changed, by resolution of the creditors. If he considers that the remuneration fixed by the committee or the creditors is insufficient or that the basis used to fix it is inappropriate, he may apply to the court for the amount or rate to be increased or the basis changed. If he decides to apply to the court he must give at least 14 days’ notice to the members of the creditors’ committee and the committee may nominate one or more of

its members to appear or be represented on the application. If there is no committee, the administrator's notice of his application must be sent to such of the company's creditors as the court may direct, and they may nominate one or more of their number to appear or be represented. The court may order the costs to be paid as an expense of the administration.

12 Other matters relating to remuneration

12.1 Where there are joint administrators it is for them to agree between themselves how the remuneration payable should be apportioned. Any dispute arising between them may be referred to the court, the creditors' committee or a meeting of creditors.

12.2 If the administrator is a solicitor and employs his own firm to act on behalf of the company, profit costs may not be paid unless authorised by the creditors' committee, the creditors or the court.

12.3 If a new administrator is appointed in place of another, any determination, resolution or court order which was in effect immediately before the replacement continues to have effect in relation to the remuneration of the new administrator until a further determination, resolution or court order is made.

12.4 Where the basis of the remuneration is a set amount, and the administrator ceases to act before the time has elapsed or the work has been completed for which the amount was set, application may be made for a determination of the amount that should be paid to the outgoing administrator. The application must be made to the same body as approved the remuneration. Where the outgoing administrator and the incoming administrator are from the same firm, they will usually agree the apportionment between them.

13. Effective date

This guide applies where a company enters administration on or after 6 April 2010, except where:

- the application for an administration order was made before that date, or
- where the administration was preceded by a liquidation which commenced before that date.

Appendix D The Administrators' charging and disbursements recovery policy

Overview of the Administrators' strategy and objectives

Eddie Williams and Matthew Hammond were appointed Administrators of the Company on 16 May 2011 with the objective of:

- a) Primarily, rescuing the Company as a going concern, or failing that
- 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 finally
- c) Realising property in order to make a distribution to one or more secured or preferential creditors.

As stated earlier in the proposals, the Administrators have continued to trade the business whilst a buyer for the business is sought.

Summary of legal and other professional firms

The Administrators have instructed the following professionals: -

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal advice	DLA Piper LLP	Expertise	Time cost
Debt collection	Shakespeares Legal LLP	Expertise	Percentage of realisations
Chattel agents and valuers	GVA Grimley Limited	Expertise / Company knowledge	Time costs / Percentage of realisations
Property agents and others	GVA Grimley Limited	Expertise / Company knowledge	Time costs / Percentage of realisations

All third party professionals are required to submit time costs analyses and narrative (or a schedule of realisations achieved) in support of invoices rendered. We undertake to review professional firms' costs to ensure they are reasonable in the circumstances of the case.

Office holder's charging and disbursement policy

The time charged to the Administration is by reference to the time properly given by the Administrators and their staff in attending to matters arising.

It is the Administrators' policy to delegate tasks in the Administration to appropriate members of staff considering their level of experience and any requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or the Administrators themselves.

Set out below are the relevant maximum charge-out rates per hour worked for the grades of the Administrators' staff actually or likely to be involved on this assignment. Time is charged by reference to actual work carried out on the assignment. There has been no allocation of any general costs or overhead costs.

Appendix D The Administrators' charging and disbursements recovery policy

Grade	Rate per hour £
Partner	520
Director	436
Senior Manager	383
Manager	299
Senior associate – qualified / consultant	226
Senior associate – unqualified	168
Associate	142
Support staff	76

Specialist departments within the Administrators' firm such as Tax, VAT, Property and Pensions may charge a small number of hours if and when the Administrators require their expert advice. Such specialists' rates do vary but the figures below provide an indication of the maximum rate per hour.

Grade	Maximum rate per hour £
Partner	840
Director	793
Senior Manager	541
Manager	357
Senior Associate	268
Associate	221

In common with all professional firms, the scale rates used by the Administrators from PricewaterhouseCoopers LLP may periodically rise (for example to cover annual inflationary cost increases) over the period of the Administration. Any material amendments to these rates will be advised to the creditors and / or the creditors' committee in the next statutory report.

The Administrators' firm's expenses policy allows for all properly incurred expenses to be recharged to the case. Disbursements are charged to the assignment as follows: -

Disbursements for services provided by the Administrators' own firm(s) (Category 2 disbursements)

Photocopying	At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.
Mileage	At a maximum of 64 pence per mile (up to 2,000cc) or 81 pence per mile (over 2,000cc)

Narrative of work carried out for the period 16 May 2011 to 24 June 2011

The key areas of work have been:

- Strategy and planning issues;
- Negotiations for a sale of the business;
- Trading;
- Compliance and statutory matters;
- Realisation of book debts.

Appendix D The Administrators' charging and disbursements recovery policy

Charge-out rate summary for the period 16 May 2011 to 24 June 2011

	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Support Staff	Total Hours	Total Cost	Average Hourly
Statutory and Compliance	-	6,006.50	16,181.75	4,589.65	1,457.80	5,489.20	1,728.00	150.15	35,461.90	236.17
Accounting & Treasury	-	7,957.00	10,826.30	1,943.50	8,778.10	2,869.30	35.50	126.15	32,409.70	256.91
Strategy & Planning	6,760.00	12,426.00	24,856.70	5,112.90	1,084.80	596.40	-	132.50	50,836.80	383.67
Investigations (CDDA etc)	-	-	-	29.90	-	-	-	0.10	29.90	299.00
Reporting	2,860.00	10,573.00	3,810.85	2,018.25	452.00	85.20	270.00	51.55	20,069.30	389.32
Freehold/Leasehold Property	-	3,488.00	6,223.75	2,691.00	-	28.40	-	33.45	12,431.15	371.63
Realisation of Other Assets	-	2,398.00	1,570.30	897.00	-	-	-	12.60	4,865.30	386.13
Book Debts	-	218.00	34,087.00	18,388.50	-	-	-	151.00	52,693.50	348.96
Sale of Business	780.00	8,938.00	28,916.50	43,130.75	-	-	-	241.75	81,765.25	338.22
Trading	-	2,180.00	25,507.80	80,804.75	14,828.90	3,031.70	-	497.85	126,353.15	253.80
Creditors	-	327.00	1,876.70	15,533.05	2,111.00	2,037.70	-	87.45	21,885.45	250.26
Employees & Pensions	-	1,744.00	8,386.40	358.80	7,982.10	5,627.20	-	85.00	24,098.50	283.51
Tax & VAT	-	218.00	3,760.30	1,245.70	22.60	156.20	-	11.50	5,402.80	469.81
TOTAL	10,400.00	56,473.50	166,004.35	176,743.75	36,717.30	19,930.30	2,033.50	1,581.05	468,302.70	296.20

Notice of a meeting of creditors

Name of Company C. & G. Concrete Limited	Company Number 00613713
In the The High Court of Justice, Chancery Division, Birmingham District Registry <small>(full name of court)</small>	Court case number 8231 of 2011

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

Notice is hereby given by (a) Edward Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ and David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT.

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

that a meeting of the creditors of (b) C.&G. Concrete Limited, Uffington Road, Stamford, Lincolnshire, PE9 2 HA.

(c) Insert details of place of meeting

is to be held at (c) PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ.

on (d) 19 July 2011 at 10.00am.

(d) Insert date and time of meeting

The meeting is:

(1) an initial creditors' meeting under paragraph 51 of Schedule B1 to the Insolvency Act 1986 ("the Schedule");

*Delete as applicable

I invite you to attend the above meeting.

A proxy form is enclosed which should be completed and returned to me by the date of the meeting if you cannot attend and wish to be represented.

In order to be entitled to vote under Rule 2.38 at the meeting you must give to me, not later than 12.00 hours on the business day before the day fixed for the meeting, details in writing of your claim.

Signed 
Joint Administrator

Dated 30/6/2011

The Insolvency Act 1986

Statement of administrator's proposals

2.17B

Name of Company C. & G. Concrete Limited	Company Number 00613713
In the The High Court of Justice, Chancery Division, Birmingham District Registry (full name of court)	Court case number 8231 of 2011

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

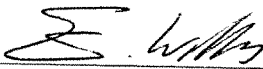
We (a) Edward Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ and David Matthew Hammond of PricewaterhouseCoopers LLP, Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT.

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

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

(b) Insert date

(b) 30 June 2011

Signed 
Joint Administrator
Dated 30/6/2011

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

Donella Machen	
PricewaterhouseCoopers LLP, Benson House, Wellington Street, Leeds, LS1 4JP	
Tel 0113 289 4864	
DX Number	DX Exchange

Companies House receipt date barcode

When you have completed and signed this form please send it to the Registrar of Companies at:

Companies House, Crown Way, Cardiff, CF14 3UZ

DX 33050 Cardiff