



Vendside Limited - in liquidation (formerly in administration)

High Court of Justice
Chancery Division
Birmingham District Registry
The Priory Courts, 33 Bull Street
Birmingham, B4 6DS
Case No. 8465 of 2013

The former Joint Administrators' fourth and final progress report for the period from 17 January 2015 to 9 March 2015

23 March 2015

www.pwc.co.uk/vendside

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The following abbreviations are used in this report:

<i>“the Company” or “Vendside”</i>	Vendside Limited – in liquidation (formerly in administration)
<i>“the Liquidators” or “we”</i>	Rachael Wilkinson, Lyn Leon Vardy and David Matthew Hammond
<i>“the Administration”</i>	the administration of Vendside
<i>“PwC”</i>	PricewaterhouseCoopers LLP
<i>“LBG”</i>	Lloyds Banking Group
<i>“SBS”</i>	Skipton Building Society
<i>“the UDM”</i>	The Union of Democratic Mineworkers
<i>“EPSG”</i>	Efficient Property Services Group Limited
<i>“Select”</i>	Select Sales and Lettings Limited
<i>“Essential”</i>	Essential Health and Safety Training Limited
<i>“the Group”</i>	Vendside, EPSG, Select and Essential combined
<i>“our solicitors”</i>	DLA Piper UK LLP
<i>“Proposals”</i>	Statement of Proposals dated 28 October 2013
<i>“IA86”</i>	The Insolvency Act 1986
<i>“Sch.B1 IA86”</i>	Schedule B1 to the Insolvency Act 1986
<i>“IR86”</i>	The Insolvency Rules 1986
<i>“Energy Performance”</i>	Energy Performance and Sustainability Group Limited

1 The former Joint Administrators' progress report

Introduction

We write to provide an update to the conclusion of the Administration, covering the period from 17 January 2015 to 9 March 2015. Our first three progress reports covered the period from the date of our appointment to 16 January 2015.

Further background information on the Company and events leading up to our appointment can be found in our Proposals circulated to creditors on 28 October 2013, which are still available at www.pwc.co.uk/vendside. Our Proposals were approved, without modification, at the initial creditors' meeting on 14 November 2013.

Revision to Proposals/change of appointee

We were required to make a minor change to the statement of Proposals dated 28 October 2013, as stated in our previous report. The change is that now the Company has moved from administration to creditors' voluntary liquidation, in place of Edward Williams, Rachael Wilkinson became one of the liquidators together with David Matthew Hammond and Lyn Leon Vardy.

Actions taken by the Administrators

At the time of our last report, the Company's principal remaining assets were residential properties, inter-company book debts and loans to AD Limited and the UDM.

We have continued to let the Company's property portfolio whilst dealing with the litigation claims and pension deficit. We also continued to provide administrative support (on a nil cost basis) to the group companies EPSG and Essential up to 31 December 2014. As mentioned in our previous report, support was provided as it was likely to lead to a better outcome for creditors as it secured the repayment of £156,493 of book debts and provided contribution to the holding costs of Vendside.

A decision was made by the directors of EPSG and Essential to cease operations and therefore all remaining employees of Vendside were made redundant by 31 December 2014. Energy Performance, a company set up by a former employee of EPSG, was appointed to deal with the management of the property portfolio to ensure continuity of rent collection and avoid the set up costs of appointing a new agent.

The Company employed 16 staff at the date of our appointment. All employees were made redundant other than two employees who transferred from the Company to the UDM.

Following discussions with the pension scheme and solicitors of the litigation creditors, it was determined the Company could not be rescued as a going concern and, therefore, the Company moved to creditors' voluntary liquidation on 10 March 2015.

Asset realisation summary

Total realisations in the Administration to date are summarised as follows:

	£
Sale of freehold properties	240,000.00
Balance at bank	353,262.90
Book debts	156,493.24
Fixtures & fittings	5,850.00
Interest on loans	3,250.00
Interest received gross	850.90
Loans	230,000.00
Motor vehicles	350.00
Office equipment	284.34
Refunds	989.40
Trading account	(137,724.91)
Third party funds	2,320.50
Total	<u>855,926.37</u>

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Property portfolio

To date two of the 13 residential properties owned by the Company have been sold. We are continuing to let nine of the remaining properties which are now being managed by Energy Performance. Rental income of £122,244.53 has been received since the date of appointment on 12 September 2013.

As we have now determined that the Company cannot be rescued, we have begun a programme to realise the property assets. Three properties are currently being marketed for sale. We expect the realisation process to take several months to complete.

Litigation progress

In our previous report, we outlined the background to ten claims against the Company where legal proceedings were ongoing. These claims are made by former miners with regard to the handling of their personal injury claims.

We are now in discussion with the solicitors representing the claimants to establish the levels of the claims, including further details regarding the costs associated with each claim, ahead of a formal claims agreement process.

In addition to the known litigation claims, the Company has had information requests from around 207 further potential claimants (of which 12 have been received since our appointment).

Prior to the appointment of administrators a further case had been settled and a cost order made in favour of the Company. During the administration we have progressed this to agree the quantum of costs, all of which has now been paid to the Company's pre appointment solicitors. The liquidators are currently seeking directions from the court on how this money should be distributed as there are competing claims on the funds.

Pension

Vendside was a participating employer in the Union of Democratic Mineworkers Officials and Permanent Staff Pension Scheme ("the Scheme"). At the last actuarial valuation date (31 December 2011), the Scheme had a deficit on a buyout basis of c£5.6 million, and we understand that c£1.7 million of this was in relation to Vendside.

As a consequence of the Company's insolvency, the Scheme is being assessed by the Pension Protection Fund ("PPF"). We have been in discussions with the Scheme to assess whether a scheme rescue was possible. These discussions have now been concluded and we have issued a notice under Section 122(2)(a) of the Pensions Act 2004 confirming that a scheme rescue is not possible.

Balance at bank

The Company's bank accounts were in credit on appointment. The bank balances held totalled £554,262 across Natwest and Lloyds Banking Group ("LBG"). LBG recovered £201,000 of its debt against these funds under its floating charge security but we have received the remaining bank balance of £353,262.

Book debts

The Company was owed £76,281 by Select, a group company. Select was no longer trading, and therefore was unable to pay the debt in full. Select's only asset was cash of £36,150 which was accepted in full and final settlement of this inter-company debt. Select has subsequently been struck off.

We have recovered £120,120 in relation to the other inter-company book debts. This relates to £319,491 and £620,438 owed by Essential and EPSG for services provided by the Company prior to the Administrators' appointment.

Both Essential and EPSG have now ceased to trade and we do not expect to make any further recoveries.

In addition to the above, we have received a small amount of other pre appointment book debts during the Administration, totalling £223.24.

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Fixtures & fittings

The Company owned a large ornamental wheel and plaque, which was located on the site of the previous office, which the Company leased from the UDM.

When the Company vacated the premises, it was agreed that the Company would sell these items, which could not be relocated, to the UDM for £500.

A number of assets used by Essential and EPSG were owned by Vendside. When Essential and EPSG ceased to trade these assets were sold along with the remaining fixtures and fittings located at Vendside's offices. The total amount received for these assets is £5,850.

Loans

AD Limited owed the Company £200,000 in respect of a pre-appointment loan. Following negotiations, we accepted £3,250 in respect of the interest owed and £130,000 in full and final settlement of the loan amount which was received on 11 July 2014.

At the time of our last report, there was a pre appointment loan of £100,000 outstanding from the UDM which was repayable on the sale of a UDM property. The UDM has now sold this property and we received the £100,000 repayment on 2 March 2015.

Receipts and payments account

An account of the final receipts and payments in the Administration for the period is set out in Section 4.

Expenses statement

A statement of the expenses incurred by the Administrators in the period 17 July 2014 to 9 March 2015 is included at Section 5.

To the extent that expenses were incurred but not paid in the Administration, they are charged on the funds transferred and will be paid in the subsequent liquidation.

Administrators' remuneration

Our remuneration was approved on a time costs basis by the unsecured creditors at the initial meeting of creditors held on 14 November 2013.

From appointment to 9 March 2015, we have incurred timecosts of £478,002.49. This represents 1,773.96 hours at an average hourly rate of £269.45.

As at 9 March 2015, we have drawn remuneration of £123,644.58. Further administration fees will be paid from funds in the liquidation when further assets are realised.

In accordance with the requirements of Statement of Insolvency Practice 9, a full analysis of our time costs and Category 2 disbursements for the period 17 January 2015 to 10 March 2015 is provided in Section 6.

Pre-administration costs

We incurred costs of £26,474.09 prior to our appointment, but with a view to the Company entering administration. Details of these were provided in the Proposals and previous reports. These costs were approved by the creditors at the meeting held on 14 November 2013 to be paid as an expense of the Administration. These costs have been drawn in full.

Creditors' rights

An explanation of your rights as a creditor with regards to our remuneration, can be found online at the following address:

www.pwc.co.uk/vendside

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Alternatively, a copy can be obtained free of charge by telephoning Ruth Turner on 0113 289 4326.

Statutory duties

During the period of this report, we have also been dealing with the statutory requirements of an administration appointment and closure. Section 6 provides more detail of these matters.

Secured creditors

At the date of our appointment, LBG was owed £201,000 secured by fixed and floating charges. As confirmed earlier, this was repaid in full from the credit balance in the account at the time.

SBS were owed £978,000 at the date of the Administration, secured by a number of mortgage charges against the Company's residential properties. To date we have made mortgage interest payments totalling £34,485. We intend to continue to pay the mortgage payments as they fall due which will be funded by the rental income from the properties. As we have now determined that the Company cannot be rescued, we will realise the Company's assets and we expect that the proceeds from the property sales will enable SBS to be repaid in full.

Estimated dividend prospects

Preferential creditors (mainly employees)

Preferential claims relate to arrears of wages, subject to statutory limits, and unpaid holiday pay. For commercial reasons, we decided to pay all arrears of wages which has reduced preferential creditor claims and maintained the support of the employees. As we are continuing to trade the Company, all arrears of wages have been paid. Future claims in respect of holiday pay are currently estimated to be in the region of £3,200.

Unsecured creditors

The Insolvency Act 1986 provides for a prescribed part fund to be made available for unsecured creditors. It is paid out of "net property". Net property is floating charge realisations after costs, and after paying - or setting aside enough to pay - preferential creditors in full. But it only has to be made available where the floating charge was created on or after 15 September 2003.

In this case the prescribed part does not apply because the floating charge was registered before 15 September 2003.

At this stage, the level of dividend that will be available for the unsecured creditors is unclear. As detailed above, the outcome to creditors will be determined by the result of the litigation claims along with future realisations and administration costs.

Discharge from liability

In accordance with a resolution of the general body of creditors, the Administrators shall be discharged from liability pursuant to Paragraph 98 (1) of Schedule B1 to the Insolvency Act 1986 in respect of any action of theirs as administrators 14 days after they cease to be joint administrators of the Company.

Exit from administration

In accordance with the proposals approved by creditors, the Company entered into creditors' voluntary liquidation on 10 March 2015. As there have been no alternative nominations, Rachael Wilkinson, Lyn Vardy and Matthew Hammond were appointed as Joint Liquidators.

Creditors' voluntary liquidation is being used as it will be more cost effective to deal with statutory matters and the distribution process.

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If you have any queries in relation to any of the matters discussed in this report, please do not hesitate to contact my colleague Ruth Turner on 0113 289 4326.

Yours faithfully



Rachael Wilkinson
Joint Liquidator and former Joint Administrator
Vendside Limited – in liquidation (formerly in administration)

Rachael Wilkinson, Lyn Leon Vardy and David Matthew Hammond are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The joint liquidators are Data Controllers of personal data as defined by the Data Protection Act 1998. PricewaterhouseCoopers LLP will act as Data Processor on their instructions. Personal data will be kept secure and processed only for matters relating to the administration.

2 Statutory and other information

Court details for the Administration:	High Court of Justice, Chancery Division Birmingham District Registry Case No. 8465 of 2013
Full name:	Vendside Limited
Trading name:	Vendside Limited
Registered number:	03367773
Registered address:	c/o PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS1 4JP
Company directors:	David McGarry Trevor Barker David Nettleship Michael Stevens Jeffrey Wood
Company secretary:	David McGarry
Shareholdings held by the directors and secretary:	David Nettleship – one £1 share – held in trust for UDM (Nottingham section)
Date of the Administration appointment:	12 September 2013
Administrators' names and addresses:	Lyn Leon Vardy of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS1 4JP and David Matthew Hammond of PricewaterhouseCoopers LLP, One Kingsway, Cardiff CF10 3PW
Additional administrators' appointment:	Rachael Wilkinson of PricewaterhouseCoopers LLP, One Reading Central, 23 Forbury Road, Reading, RG1 3JH
Administrators' resignations:	Eddie Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands DE74 2UZ on 29 December 2014
Appointor's / applicant's name and address:	The directors of the Company, Miners Office, Berry Hill Lane, Mansfield, Nottinghamshire NG18 4JU
Objective being pursued by the Administrators:	Objective (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)
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 act required or authorised under any enactment to be done together or any of the Administrators acting jointly or alone
End of the Administration:	Creditors' voluntary liquidation
Estimated dividend for unsecured creditors:	Unknown
Estimated values of the prescribed part and the company's net property:	Not applicable
Whether and why the Administrators intend to apply to court under Section 176A(5) IA86:	Not applicable
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.
Extensions to the period of the Administration	On 12 August 2014, the unsecured creditors granted a 6 month extension to the period of the Administration to 11 March 2015.

3 Summary of former Administrators' Proposals

Our proposals for achieving the purpose of administration are as follows.

- i) We'll continue to manage and finance the Company's business, affairs and assets from trading revenues and asset realisations as we consider appropriate. We'll do this with a view to rescuing the Company as a going concern or, failing that, 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) We may investigate and, if appropriate, pursue any claims the Company might have. We'll also do anything else we think appropriate, to achieve the purpose of the administration or to protect and preserve the Company's assets or to maximise realisations or for any other purpose incidental to these proposals.
- iii) If we think there will be money for unsecured creditors, we may (but we won't have to) agree in principle the claims of unsecured creditors for confirmation by a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement. The costs of doing this may be charged to the administration, as part of our fees. If we choose not to agree the claims in principle and there is money for unsecured creditors, a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement will agree the claims.
- iv) If we think there will be money for unsecured creditors, we may (but we won't have to) ask the court to allow us to pay dividends to those creditors. If we choose not to ask the court for such an order and there is enough money for unsecured creditors, a subsequent liquidator or supervisor of a company voluntary arrangement / scheme of arrangement will pay dividends to them.
- v) We are not seeking the election of a creditors' committee, but if a committee is formed we'll consult with the committee from time to time and where we think it's appropriate, we'll ask the committee for its views on a course of action rather than calling a creditors' meeting.
- vi) If we wish to extend the administration beyond the statutory one year, we'll ask any creditors' committee for its views before applying to the court or getting agreement from the appropriate classes of creditors if no committee is formed.
- vii) We may use one or more "exit route" strategies to end the administration, but we're likely to choose the following options as being the most cost effective and practical in this case:-
 - a) we'll apply to the court for permission to agree the claims of unsecured non-preferential creditors and to pay them a distribution. If this is granted, we'll end the administration by filing a notice with the Registrar of Companies (either to confirm the objective has been achieved or the Company should be dissolved). If we don't get permission we'll put the Company into creditors' voluntary liquidation or;
 - b) once we've disposed of all the assets, we'll put the Company into creditors' voluntary liquidation. If this happens, we propose that Rachael Wilkinson (previously Edward Williams), Lyn Leon Vardy and David Matthew Hammond are appointed as Joint Liquidators and that any act required or authorised to be done by the Joint Liquidators can be done by any or all of them. Creditors may, before these proposals are approved, nominate a different person or persons as Liquidator(s), in accordance with paragraph 83(7)(a) of schedule B1 to the Insolvency Act 1986 and Rule 2.117A(2)(b) of the Insolvency Rules 1986 or;
 - c) We'll put together a proposal for a company voluntary arrangement ("CVA") and put it to meetings of the Company's creditors and shareholders for approval. If the CVA is approved, we'll end the administration, once it's complete, by filing a notice with the Registrar of Companies and the Company will be returned to its directors or dissolved three months later or;
 - d) We'll put together a proposal for a scheme of arrangement and if the court orders us to, we'll put it to meetings of the various classes of creditors and shareholders. If the scheme is approved and sanctioned by the court, we'll end the administration, once it's complete, by filing a notice with the Registrar of Companies and the Company will be returned to its directors or dissolved three months later.
- viii) We'll be discharged from liability in respect of any of our actions as administrators 14 days after our appointment as administrators of the Company ends or at a time set by the court.

3 Summary of former Administrators' Proposals

ix) We propose that the unpaid pre-administration costs set out at Appendix A are approved for payment as an expense of the administration. The payment of unpaid pre-administration costs as an expense of the administration is subject to approval under rule 2.67A of the Insolvency Rules 1986 and is not part of the proposals subject to approval under paragraph 53 of Schedule B1 to the Insolvency Act 1986. If you elect a committee it will be up to that committee to approve payment of the unpaid pre-administration costs as an expense of the administration.

But if there's no committee, we'll ask the general body of creditors to do so instead.

x) We propose that our fees be fixed based on the time we and our staff spend on the case at our normal charge out rates for this type of work. We also propose that disbursements for services provided by our firm (defined as Category 2 disbursements in Statement of Insolvency Practice No.9) are charged as per our firm's policy as set out in Appendix D.

It will be up to the creditors' committee to fix the basis of our fees and Category 2 disbursements. But if there's no committee, we'll ask the general body of creditors to do so instead. If creditors or the committee do not fix the basis of our fees and Category 2 disbursements, we may apply to the court to fix them no later than 18 months after the date of our appointment.

We'll ask you to vote upon the following matters at the creditors' meeting:-

- The approval of our proposals for achieving the purpose of administration.
- The formation of a creditors' committee
- If creditors don't form a committee, the approval for payment of the unpaid pre-administration costs as an administration expense.
- If creditors don't form a committee, the basis of our fees and Category 2 disbursements.
- If creditors don't form a committee, the timing of our discharge from liability.

4 Final receipts and payments account

Vendside Limited
(in liquidation and formerly in administration)
Former Joint Administrators' abstract of receipts and payments

Director's Statement of Affairs	12 September 2013 to 16 January 2015	Total from 17 January 2015 to 9 March 2015	Total from 12 September 2013 to 9 March 2015
£	£	£	£
	FIXED CHARGE REALISATIONS		
2,704,000.00	240,000.00	-	240,000.00
	240,000.00	-	240,000.00
	COST OF REALISATION / PAYMENTS		
	(3,600.00)	-	(3,600.00)
	(80,803.60)	-	(80,803.60)
	(3,527.00)	-	(3,527.00)
	(2.00)	-	(2.00)
	-	-	-
	(87,932.60)	-	(87,932.60)
	DISTRIBUTIONS TO FIXED CHARGE CREDITORS		
	(150,644.00)	-	(150,644.00)
	NET FIXED CHARGE REALISATIONS/(PAYMENTS)		
	1,423.40	-	1,423.40
	UNCHARGED REALISATIONS		
400,335.00	353,262.90	-	353,262.90
	156,493.24	-	156,493.24
	5,850.00	-	5,850.00
	3,250.00	-	3,250.00
	753.72	97.18	850.90
300,000.00	130,000.00	100,000.00	230,000.00
	-	350.00	350.00
	284.34	-	284.34
	989.40	-	989.40
	2,320.50	-	2,320.50
	(151,387.00)	13,662.09	(137,724.91)
	501,817.10	14,009.27	615,926.37
	COST OF REALISATION / PAYMENTS		
	(87.50)	-	(87.50)
	(28,318.07)	-	(28,318.07)
	(23,419.58)	-	(23,419.58)
	(14,969.60)	-	(14,969.60)
	(77,230.73)	(32,666.72)	(109,897.45)
	(123,644.58)	-	(123,644.58)
	(26,474.09)	-	(26,474.09)
	(150.73)	-	(150.73)
	(4,436.81)	(620.20)	(5,057.01)
	(298,731.69)	(33,286.92)	(332,018.61)
	PREFERENTIAL CREDITORS		
-	-	-	-
	UNSECURED CREDITORS		
(179,685.00)	-	-	-
	1,792.29	(3,038.89)	(1,246.60)
	206,301.10	77,783.46	284,084.56

Note 1: LBG had a floating charge of £201,000 at the date of appointment. This amount was repaid from the credit balance in the Company's account before the balance was paid to the Administrators' account.

Note 2: The Statement of Affairs figure for the Balance at Bank is the total of the amounts from Natwest and LBG accounts, less the floating charge of LBG.

Note 3: The duress payment principally relates to the release of information from the Company's solicitors in relation to the ongoing litigation.

Note 4: Property management charges of £2,232 and mortgage interest payments of £11,569.22 from the previous period have been moved into the trading account to more accurately reflect the nature of the payments.

Note 5: the balance held in the former Joint Administrator's account has now been transferred to the liquidation.

4 Final receipts and payments account

Vendside Limited
(in liquidation and formerly in administration)
Former Joint Administrators' trading account

	12 September 2013 to 16 January 2015	17 January 2015 to 9 March 2015	Total from 12 September 2013 to 9 March 2015
	£	£	£
TRADING REALISATIONS			
Income from EPSG	262,507.13	17,888.47	280,395.60
Income from Essential	57,428.04	5,861.22	63,289.26
Income from UDM	12,173.79	-	12,173.79
Other trading income	351.67	-	351.67
Rental income	111,455.33	10,789.20	122,244.53
	443,915.96	34,538.89	478,454.85
TRADING PAYMENTS			
Cleaning and site clearance	(965.34)	-	(965.34)
Data Protection Act fees	(35.00)	-	(35.00)
Deposit returns	-	-	-
IT costs	(603.20)	-	(603.20)
Lease/hire charges	(8,478.71)	-	(8,478.71)
Mortgage interest payments (see Note 4 to R&P)	(30,646.90)	(3,838.12)	(34,485.02)
Net wages	(340,372.01)	-	(340,372.01)
Other payroll deductions	(1,197.55)	-	(1,197.55)
PAYE&NIC	(138,431.89)	(7,932.78)	(146,364.67)
Postage, stationery and printing	(2,466.18)	97.05	(2,369.13)
Consultancy fees	(15,200.00)	-	(15,200.00)
Property management charges (see Note 4 to R&P)	(14,002.03)	(3,225.31)	(17,227.34)
Rates	(2,228.43)	(2,123.85)	(4,352.28)
Rent	(3,150.00)	(300.00)	(3,450.00)
Repairs and maintenance	(4,325.96)	(2,577.55)	(6,903.51)
Telephone, fax etc	(6,588.78)	(49.80)	(6,638.58)
Transport & carriage	(8,743.11)	-	(8,743.11)
Utilities	(16,151.39)	(913.31)	(17,064.70)
Water rates	(1,716.48)	(13.13)	(1,729.61)
	(595,302.96)	(20,876.80)	(616,179.76)
NET TRADING SURPLUS/(SHORT FALL)	(151,387.00)	13,662.09	(137,724.91)

4 Expenses incurred in the period

A statement of expenses incurred by us as former administrators between 17 January 2015 and 9 March 2015 is shown below.

To the extent that expenses were incurred but not paid in the administration, they are charged on the funds transferred and will be paid in the subsequent liquidation.

Vendside Limited (in liquidation and formerly in administration) Expenses accrued and unpaid

	Unpaid expenses as at 16 January 2014	Estimated incurred in this period	Expenses paid in this period	Estimated unpaid expenses at 9 March 2015
PAYMENTS		£	£	£
FIXED				
Agent's fees	-	-	-	-
Balance held in client account for SBS	-	-	-	-
Legal fees	-	-	-	-
Legal disbursements	-	-	-	-
Management charges	-	-	-	-
Mortgage payments	-	3,838.12	(3,838.12)	-
Uncharged				
Bank charges	-	-	-	-
Duress payments	-	-	-	-
Insurance	11,940.59	-	-	11,940.59
Irrecoverable VAT	-	-	-	-
Legal fees	-	32,666.72	(32,666.72)	-
Office holders' fees	312,741.51	40,712.75	-	353,454.26
Office holders' expenses (see Note 1)	1,920.58	240.01	-	2,160.59
Pre-administration costs	-	-	-	-
Statutory advertising	-	-	-	-
Storage costs	53.87	620.20	(620.20)	53.87
Trading				
Cleaning and site clearance	-	-	-	-
Data Protection Act fees	-	-	-	-
IT costs	-	-	-	-
Lease/hire charges	374.06	-	-	374.06
Net wages	-	-	-	-
Other payroll deductions	-	-	-	-
PAYE & NIC	-	7,932.78	(7,932.78)	-
Postage, stationery and printing	-	(97.05)	97.05	-
Property management charges	-	3,225.31	(3,225.31)	-
Rates	-	2,123.85	(2,123.85)	-
Rent	-	300.00	(300.00)	-
Repairs and maintenance	-	2,577.55	(2,577.55)	-
Telephone, fax etc	-	49.80	(49.80)	-
Transport & carriage	-	-	-	-
Utilities	-	913.31	(913.31)	-
Water rates	-	13.13	(13.13)	-
	327,930.61	95,116.48	(54,163.72)	367,983.37

Note 1: Office holders' expenses were not included in the statement of expenses in the previous progress report. This has been corrected in this report.

5 Analysis of the former Administrators' time costs and Category 2 disbursements

Explanation of work undertaken for the period 17 January 2015 to 10 March 2015

Later in this Section, we include a table showing our time costs for the period, by grade of staff and area of work. This shows time costs of £40,712.75 in this period, the key elements of which are explained further below.

Area of work	Work undertaken in the period includes:
Strategy and planning	<ul style="list-style-type: none"> • Progress updates with team • Strategy meetings regarding contingent creditors and administration exit • Case reviews with appointees and senior management
Trading	<ul style="list-style-type: none"> • Processing trading receipts and payments
Assets	<ul style="list-style-type: none"> • Property management • Handling insurance matters and ensuring adequate cover • Processing rent receipts and property related figures
Creditors	<ul style="list-style-type: none"> • Strategy planning on how to approach litigation claims • Liaising with own solicitors and appointees regarding claims • Handling contingent creditor enquiries • Dealing with creditor enquiries • Meetings held with Pension Scheme
Accounting and treasury	<ul style="list-style-type: none"> • Accounting for receipts and payments • Bank reconciliations
Statutory and compliance	<ul style="list-style-type: none"> • Preparing Administrators' progress reports • Arranging storage of Company books and records • Other statutory and compliance matters (such as bonding) • Handling requests for medical reports of claimants
Tax & VAT	<ul style="list-style-type: none"> • Obtaining VAT advice and deregistering for VAT • Obtaining tax advice
Employees & pensions	<ul style="list-style-type: none"> • Liaising with Redundancy Payment Service • Monthly payroll and wage payments • Researching pension scheme rescue options • Advice from pension specialists on strategy • Liaising with Pension Trustees and PPF
Closure procedure	<ul style="list-style-type: none"> • Assessing the best strategy to close the Administration • Drafting the final report

5 Analysis of the former Administrators' time costs and Category 2 disbursements

Vendside Limited - in liquidation (formerly in administration)

Analysis of time costs for the period from 17 January 2015 to 9 March 2015

Aspect of assignment	Senior Manager					Partner	Director	Senior Manager	Manager	Associate	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
	Partner	Director	Senior Manager	Manager	Associate											
Strategy & Planning	-	0.50	-	-	0.25	-	-	-	-	0.50	-	-	1.00	2.25	545.00	242.22
Secured creditors	-	0.75	-	-	0.40	-	-	-	-	1.30	-	-	-	2.45	668.00	272.65
Trading	-	-	-	-	0.85	-	1.80	-	-	5.00	-	-	-	7.65	1,547.00	202.22
Assets	-	1.50	-	-	-	-	28.05	-	-	1.00	-	-	-	30.55	10,136.50	331.80
Investigations	-	4.45	-	-	-	-	0.20	-	-	-	-	-	-	4.65	2,202.00	473.55
Creditors	-	3.25	-	-	-	-	-	-	-	-	-	-	-	3.25	1,560.00	480.00
Accounting and treasury	-	-	-	1.40	5.30	-	0.80	-	-	20.55	-	-	-	28.05	5,388.00	192.09
Statutory and compliance	-	4.10	-	3.30	3.70	-	10.20	-	-	32.55	-	-	-	53.85	12,829.50	238.25
Tax & VAT	-	1.00	-	0.50	3.50	-	0.45	-	-	4.25	-	-	-	9.70	2,264.75	233.48
Employees & pensions	-	2.50	-	0.30	-	-	-	-	-	1.10	-	-	-	3.90	1,500.50	384.74
Closure procedures	-	1.00	-	-	3.00	-	2.55	-	-	-	-	-	-	6.55	2,071.50	316.26
Total for the period	-	19.05	-	5.50	17.00	-	44.05	-	-	66.25	-	-	-	152.85	40,712.75	266.36
Brought forward at 16 Jan 2015														1,621.11	437,289.74	
Total														1,773.96	478,002.49	

Vendside Limited – in liquidation and formerly in administration
Former Joint Administrators' fourth and final progress report for the period from 17 January 2015 to 9 March 2015

5 Analysis of the former Administrators' time costs and Category 2 disbursements

Hourly charge-out rates

The charge-out rates applicable to this case during the period are set out below.

Grade	Administrators' staff £/hour	Specialist departments £/hour
Partner	575	1075
Director	480	1085
Senior Manager	415	915
Manager	330	600
Senior Associate - qualified	250	410
Senior Associate – unqualified	180	-
Associate	160	210
Support staff	85	120

It has been the former Joint Administrators' policy to delegate the routine administration of the Administration to junior staff in order to maximise the cost effectiveness of the work performed. These staff have been supervised by senior staff and the former Administrators. Any matter of particular complexity or significance that has required responsibility of an exceptional kind has also been dealt with by senior staff and the former Administrators.

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

All staff who work on this assignment (including cashiers, support and secretarial staff) charge time directly to the assignment and are included within any analysis of time charged. Each grade of staff is allocated an hourly charge out rate which is reviewed from time to time. Work undertaken by cashiers, support and secretarial staff is charged for separately and is not included in the hourly rates charged by partners or other members of staff. Time is charged in units of not greater than six minutes. Time is charged by reference to actual work carried out on the assignment in six minute units. The minimum time chargeable is three minutes (i.e. 0.05 units)

In common with all professional firms, scale rates increase from time to time over the period of the administration of each insolvency case. PricewaterhouseCoopers LLP, or any successor firm, reserves the right to change the rates and grade structure.

Disbursements

The table below shows the approved policy for charging the different categories of expenses, together with the costs since appointment.

Category	Policy	£
1	All disbursements not falling under Category 2 are recharged at cost	642.92
2	Photocopying - At 5 pence per sheet copied, only charged for circulars to creditors and other bulk copying.	143.75
3	Mileage - At a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc).	1,373.92
Total from appointment to 9 March 2015		<u>2,160.59</u>

5 Analysis of the former Administrators' time costs and Category 2 disbursements

Legal and other professional firms

The following table lists the professional firms instructed in this case in relation to the period that the report covers

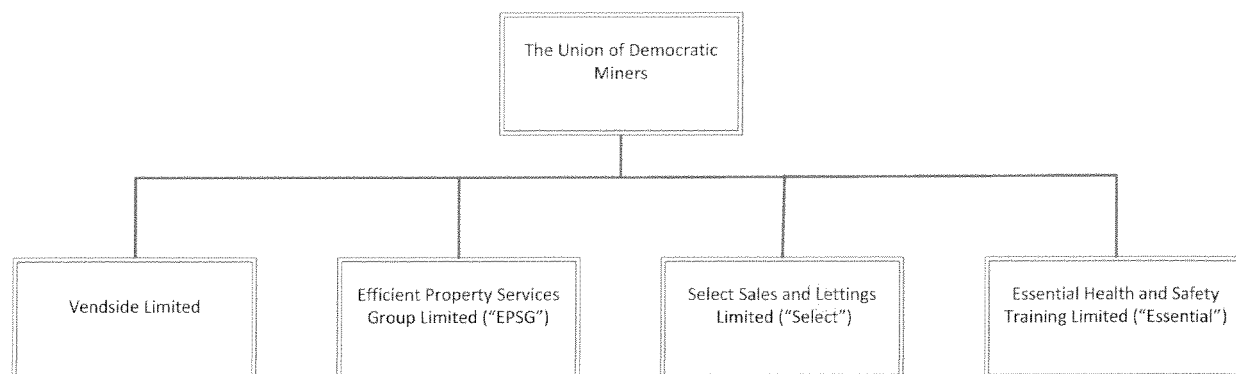
Service provided	Name of firm / organisation	Reason selected	Basis of fees	Fees paid between 17 January 2015 to 9 March 2015 (£)
Legal advice regarding the administration, property sales, debt collection and litigation claims against the Company	DLA Piper UK LLP	Expertise	Time costs	32,666.72
Marketing of property and liaising with buyer	Savills (UK) Limited	Expertise	Percentage of realisations	-
Managing agents for the property portfolio	Energy Performance and Sustainability Group Limited	Expertise	Set Fee	-

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

Appendix A Company background and group structure

The Union of Democratic Mineworkers (“the UDM”) established the Company in 1997 to handle the injury claims of miners and former miners, predominantly for vibration white finger, in accordance with a set process laid down by the courts. The Company assisted about 1,500 miners in making claims, all of which are now complete.

The Company subsequently invested its profits into a combination of residential property and establishing three sister companies, all owned by the UDM. The Company had continued to use its assets to support these companies until they reached profitability. A group company structure is shown below:



Administrators' progress report 2.24B

Name of Company

Vendside Limited

Company Number

03367773

In the

High Court of Justice, Chancery Division,
Birmingham District Registry

Court case number

8465 of 2013

We Rachael Wilkinson of PricewaterhouseCoopers LLP, One Reading Central, 23 Forbury Road, Reading, RG1 3JH, Lyn Leon Vardy of PricewaterhouseCoopers LLP, Benson House, 33 Wellington Street, Leeds LS1 4JP and David Matthew Hammond of PricewaterhouseCoopers LLP, One Kingsway, Cardiff CF10 3PW

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

from

17 January 2015

to

9 March 2015

Signed



Joint Administrator

Dated

23-03-2015