



***WR Refrigeration Limited  
(in administration)***

High Court of Justice, Chancery Division, Companies Court  
Case number 7316 of 2013

**Joint administrators' progress report for the period  
22 April 2014 to 21 October 2014**

20 November 2014

**[www.pwc.co.uk/wrrefrigeration](http://www.pwc.co.uk/wrrefrigeration)**

**PricewaterhouseCoopers LLP**

Benson House  
33 Wellington Street  
Leeds  
LS1 4JP

Telephone: 0113 289 4000  
Fax: 0113 289 4460

[www.pwc.com/uk](http://www.pwc.com/uk)

*When telephoning please ask for Leanne Wall*

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## These abbreviations are used in this report:

WR Refrigeration Limited	"WR" or "the Company"
Hurre Group OY	"the Group"
Hurre Services UK Limited and its subsidiaries	"the UK Group"
Eddie Williams and Rob Hunt	"the joint administrators" or "we"
Schedule B1 of the Insolvency Act 1986	"Sch.B1 IA86"
The Insolvency Act 1986	"IA86"
The Insolvency Rules 1986	"IR86"
Statement of Insolvency Practice 9	"SIP9"
PricewaterhouseCoopers LLP	"PwC"
HM Revenue and Customs	"HMRC"
Integral UK Holdings Limited	"Integral"
Kaupthing HF	"Kaupthing" or "the secured creditor" or "the Bank"

# 1. The joint administrators' second progress report

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## Introduction

We are pleased to provide our second report on the progress of the administration for the period 22 April 2014 to 21 October 2014 as required by Rule 2.47 IR86. Further background information and details of the events leading up to our appointment can be found in our proposals and first progress report which are still available to view on the Company's website at

<http://www.pwc.co.uk/wrrefrigeration>

We are required to provide certain statutory information, which is shown in Section 2 of this report.

As we believe the purpose of administration has now been achieved, in accordance with our proposals we sent a notice of move from administration to creditors voluntary liquidation to Companies House on 17 October 2014. At the time of writing, this has still not been registered. We are required to send this progress report out within one month of the anniversary of our appointment and so the final report on the administration will be sent out in due course.

## Outcome for creditors

We have provided below a summary of the estimated outcome for the various classes of creditors. Further information is included later in this report.

### *Estimated recovery for the secured creditor*

<b>What the secured creditor is owed by the UK Group*:</b>	<b>£31,000,000</b>	
	<b>% Recovery</b>	<b>Forecast Timing</b>
<b>What we think the secured creditor could recover:</b>	<b>19-22%</b>	<b>3 months</b>

\*The secured creditor's lending to the UK Group was cross guaranteed by all of the legal entities within the UK Group.

### *Estimated recovery for other creditors*

<b>For preferential creditors:</b> ie former employees (for unpaid wages up to £800 and holiday pay only) and unpaid pension contributions in certain circumstances:	<b>100%</b>	<b>Already paid</b>
<b>For unsecured creditors:</b> ie all other creditors who are neither secured nor preferential:	<b>Up to 1%</b>	<b>6 months</b>

Any preferential claims that would have arisen in the administration were paid in full during the ordinary course of trading.

The unsecured creditors will receive a dividend from the prescribed part. We have not yet completed the claims agreement process and as such cannot give a meaningful estimate of the likely dividend. However, based on the value of unsecured creditors given in the directors' statement of affairs, creditors can expect to receive a dividend of up to 1p in the £.

We do not expect unsecured creditors to receive a dividend other than from the prescribed part because it is highly unlikely the secured creditor will be paid in full.

# 1. The joint administrators' second progress report

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## Background information

For detailed background information on the administration, please refer to our proposals and first progress report. A summary is given below.

WR Refrigeration Limited is part of the Huurre Group OY. The Group specialises in refrigeration services and designs and builds professional food storage and distribution solutions.

The Company sits within the Group's refrigeration services area. With a head office in Leicester, the business operated from eight regional hubs with approximately 600 employees and a number of contractors.

Kaupthing are the shareholders of the Group and also provided secured debt facilities to the UK Group. WR had been experiencing difficult trading conditions and after pressure from HMRC, a winding up petition was issued but not served.

The Company required further funding support but was unable to secure it. That along with the existence of the winding up petition left the directors of the Company with no alternative but to invite Kaupthing, as secured creditor, to appoint administrators.

So on 22 October 2013, we were appointed joint administrators of the Company.

## Actions we have taken since our appointment

### *Sale of business and assets*

We concluded a sale to Integral on 28 October 2013 for around 50% of the business including three of the largest customer contracts. Initial consideration of £1.8million was paid on completion. Additional consideration is payable on completion of contracts and collection of debts associated with these customers with a minimum further payment of £0.5m. To date we have received £3.9million in relation to this additional consideration.

Subsequent to the sale to Integral, we also negotiated the transfer of another two customer contracts to new providers and the sale of the assets relating to the Ipswich depot, realising £263,000 in total.

### *Book debts*

At the date of our appointment the book debts outstanding were around £13million. To date our negotiations have resulted in £7.8million being collected. We are currently pursuing the remaining balances and have instructed legal advisers to assist with the recovery of a number of material accounts.

### *Properties*

At the time of our previous report, all of the 36 leasehold properties that the Company had responsibility for at the date of our appointment (except for the Thurmaston head office) had been vacated. The head office is still currently being occupied by Integral prior to their move to new purpose built premises. Once Integral have vacated head office, the lease will be surrendered to the landlord.

### *Claims*

In accordance with our duties as administrators, we have continued to investigate the background to the financial position of the Company and the possibility of pursuing claims that may be of benefit to the creditors.

# 1. The joint administrators' second progress report

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## Asset realisations

During the period of this report we have received £11,181 in bank interest and collected book debts totalling £1.7million.

We engaged another firm to collect in refunds due on overpaid rates. Since our last report, additional amounts totalling £4,045 have been collected. Other miscellaneous refunds of £3,430 have been received, relating primarily to a pre-appointment insurance premium refund.

## Dividend prospects

### *Secured creditor*

We think it is highly unlikely the secured creditor will be repaid in full. The Bank's lending to the Group as at the date of our appointment was about £31million and is secured by a debenture dated 30 March 2004. This security gives the Bank fixed and floating charges over all the Company's assets.

At the moment we estimate that the Bank will recover 19-22% of its debt. This is dependent on future realisations and costs.

### *Preferential creditors (mainly employees)*

Amounts that would have become preferential claims were paid in full during the ordinary course of trading.

### *Unsecured creditors*

The prescribed part is a fund that has to be made available for unsecured creditors. It's 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.

The amount of the prescribed part is:

- 50% of net property up to £10,000; plus
- 20% of net property above £10,000; but
- Subject to a maximum of £600,000.

The prescribed part applies in this case as there is a floating charge created after 15 September 2003.

There will be a dividend for unsecured creditors under the maximum prescribed part. However due to the large amount of unsecured creditors, even if the maximum prescribed part of £600,000 is available, it will result in a minimal dividend.

If we think the costs of agreeing claims and paying a prescribed part dividend will be disproportionate to the benefits, we can apply for a court order not to pay the prescribed part to unsecured creditors. At the moment we do not plan to make such an application.

We are currently beginning the process of agreeing creditor claims. Due to the extremely high number of claims, this process is expected to continue until mid-2015. As we have not yet finished agreeing unsecured claims we cannot give a meaningful estimate of the likely dividend. However based upon the figure for unsecured creditors given in the statement of affairs, creditors can expect a likely dividend of up to 1p in the £.

We do not think the unsecured creditors will receive a dividend other than from the prescribed part because it is unlikely the secured creditor will be paid in full.

If you have not already submitted your claim please do so using the form at:

<http://www.pwc.co.uk/wrrefrigeration>

# **1. The joint administrators' second progress report**

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## **The fulfilment of our statutory duties**

### *VAT/Tax matters*

We have completed and submitted quarterly VAT returns. Our tax team is currently preparing the corporation tax returns for submission to HMRC.

### *Company Directors Disqualification Act*

We have a duty to review the conduct of everyone who has acted as a director of the Company and report to the Department of Business, Innovation and Skills on our findings. We can confirm that we have complied with this requirement, however for confidentiality reasons we can't give any further information.

All other statutory matters are being completed on an ongoing basis.

## **Receipts and payments account**

An account of the receipts and payments in the administration for the period of this report is set out in Section 3.

## **Expenses statement**

A statement of our expenses incurred in the period of this report is included at Section 4.

## **Administrators' remuneration and disbursements**

Our remuneration (on a time costs basis) and Category 2 disbursements were approved by the preferential creditors at a meeting held by correspondence on 22 January 2014, and by the secured creditor on 3 February 2014.

In May 2014, the basis of our remuneration was revised after consultation with the secured creditor, and to reflect the nature and complexity of our ongoing work and future asset realisations. It was not necessary to consult with the preferential creditors as they had already been paid in full (and therefore had no ongoing financial interest in the administration).

Our remuneration is now to be determined on a combination of bases. The first £1.3million of our time costs are payable in full and a detailed analysis of this time is included in Section 5. Further remuneration is only payable once the projected final return for the secured creditor reaches £6million and is to be determined by a set fee and percentage of realisations (linked to the projected final return for the secured creditor and value of assets realised).

To date we have drawn remuneration of £1,300,000 in relation to the time costs basis.

The time cost charges incurred in the period covered by this report are £262,897. In accordance with SIP9, a full analysis of our time costs and Category 2 disbursements (for the period in which we are remunerated on a time costs basis) is provided in Section 5.

A statement of creditors' rights in relation to administrators' remuneration and expenses and the rights to request further information can be found on the Company's website at:

<http://www.pwc.co.uk/wrrefrigeration>

A copy may also be obtained free of charge by telephoning Leanne Wall on 0113 289 4917.

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## Pre-administration costs

Information regarding the approval of the pre-administration costs previously detailed in our proposals can be found at Section 6 of this report.

Payment of these costs was approved by the preferential creditors at a meeting held by correspondence on 22 January 2014, and by the secured creditor on 3 February 2014.

## Ending the administration

As we believe the purpose of administration has been achieved, in accordance with our proposals we filed the relevant notice with Companies House to place the Company into creditors' voluntary liquidation on 17 October 2014. At the time of writing, Companies House have not yet registered this notice but when it does, the Company will be placed into liquidation as of that date. The administration is automatically extended until the Company is in liquidation.

When all assets have been realised and distributed, the liquidation will end and the Company will be dissolved.

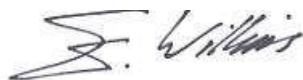
Our final report on the administration will be made available in due course.

## Discharge from liability

On 22 January 2014 and 3 February 2014, the preferential and secured creditors resolved that we will be discharged from liability in respect of any action of ours 14 days after the filing of our final progress report.

## Next report

We will circulate our next report to creditors when the Company has been placed into liquidation.



Eddie Williams  
Joint administrator  
WR Refrigeration Limited (in administration)

*Edward Williams and Robert Jonathan Hunt have been appointed joint administrators of the Company to manage its affairs, business and property as its agents. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.*

*The joint administrators 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

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<b>Court details for the administration:</b>	High Court of Justice, Chancery Division, Companies Court Case number 7316 of 2013
<b>Full name (and trading name):</b>	WR Refrigeration Limited
<b>Registered number:</b>	00594746
<b>Registered address:</b>	Benson House, 33 Wellington Street, Leeds, LS1 4JP
<b>Company directors:</b>	Mr Michael Nicholas
<b>Company secretary:</b>	Mr Philip Gunn
<b>Shareholdings held by the directors and secretary:</b>	None
<b>Date of the administration appointment:</b>	22 October 2013
<b>Extensions to the administration:</b>	As the notice of move from administration to liquidation has not yet been registered by Companies House but was sent prior to the anniversary date, the administration is deemed to be extended until such time that Companies House registers the notice.
<b>Administrators' names and addresses:</b>	Edward Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ and Robert Hunt of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT
<b>Appointor's / applicant's name and address:</b>	Kaupthing HF. of Borgatun 26, 105 Reykjavik, Iceland
<b>Objective being pursued by the administrators:</b>	(b) achieving a better result for the company's creditors as a whole than would be likely if the company was wound up (without first being in administration)
<b>Division of the administrators' responsibilities:</b>	Pursuant to paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 that during the period for which the joint administrators are appointed, any act required or authorised under any enactment to be done by the administrator may be done by all or any one or more of the persons for the time being holding that office
<b>Proposed end of the administration:</b>	Creditors voluntary liquidation
<b>Estimated dividend for unsecured creditors:</b>	Up to 1p in the £
<b>Estimated values of the prescribed part and the company's net property:</b>	Maximum prescribed part of £600,000
<b>Whether and why the administrators intend to apply to court under Section 176A(5) IA86:</b>	Unlikely
<b>The European Regulation on Insolvency Proceedings (Council Regulation(EC) No. 1346/2000 of 29 May 2000):</b>	The European Regulation on Insolvency Proceedings applies to this administration and the main proceedings.



### 3. Receipts and payments account

Directors' statement of affairs	22 October 2013 to 21 April 2014	22 April 2014 to 21 October 2014	Total
£	£	£	£
<b>Trading account</b>			
<b>Receipts</b>			
Post appointment trading sales	271,034.40	-	271,034.40
	271,034.40	-	271,034.40
<b>Payments</b>			
Agents' fees	35,944.32	-	35,944.32
Duress payments	46,400.00	-	46,400.00
Employee expenses	36,535.67	-	36,535.67
Motor vehicle leases	69,019.66	-	69,019.66
Net wages	673,513.05	-	673,513.05
Other payroll deductions	9,695.77	-	9,695.77
PAYE and NIC	83,293.87	281,895.76	365,189.63
Professional fees	17,487.50	-	17,487.50
Purchases	31,998.54	-	31,998.54
Rent	26,732.03	20,599.68	47,331.71
Retention of title payments	2,500.00	-	2,500.00
Sundry expenses	1,174.83	-	1,174.83
	1,034,295.24	302,495.44	1,336,790.68
<b>Trading balance</b>	<b>(763,260.84)</b>	<b>(302,495.44)</b>	<b>(1,065,756.28)</b>
<b>Fixed charge</b>			
<b>Receipts</b>			
Assets under finance lease	-	-	-
	-	-	-
<b>Fixed charge balance</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Floating charge</b>			
<b>Receipts</b>			
Bank interest	6,834.02	11,181.02	18,015.04
Book debts	6,113,350.71	1,670,252.47	7,783,603.18
Cash in hand	1,422,781.94	-	1,422,781.94
Funding from chargeholder	500,000.00	-	500,000.00
Rates refunds	26,654.55	4,054.22	30,708.77
Refunds - miscellaneous	9,222.93	3,429.67	12,652.60
Sale of business	1,802,138.00	-	1,802,138.00
Sale of assets	273,832.00	-	273,832.00
Stock and work in progress	434,832.00	-	434,832.00
Third party funds	3,946,337.07	1,153,522.76	5,099,859.83
	14,535,983.22	2,842,440.14	17,378,423.36
<b>Payments</b>			
Agents' fees	66,442.59	6,617.08	73,059.67
Agents' disbursements	5,174.76	-	5,174.76
Bank charges	3,046.00	200.00	3,246.00
Cleaning and site clearance	862.90	149.50	1,012.40
Distribution to preferential creditors	-	-	-
Distribution to secured creditor	3,652.44	-	3,652.44
Distribution to unsecured creditors (prescribed part)	-	-	-
Duress payments	-	10,827.55	10,827.55
Employee expenses	42,112.66	-	42,112.66
Employee-related costs	6,799.55	-	6,799.55
Insurance	43,471.23	18,657.54	62,128.77
Legal fees	71,619.82	143,922.82	215,542.64
Legal fees (pre-appointment)	2,288.50	-	2,288.50
Legal disbursements	157.07	169.00	326.07
Office holder's fees (time costs basis)	975,512.00	324,488.00	1,300,000.00
Office holder's disbursements	14,820.00	1,787.68	16,607.68
Office holder's pre-appointment costs	-	102,364.00	102,364.00
Other payroll deductions	671.90	-	671.90
Loan interest	668.84	-	668.84
Professional fees	16,853.50	12,328.36	29,181.86
Return of funding from chargeholder	500,000.00	-	500,000.00
Third party funds	3,946,337.06	926,346.72	4,872,683.78
Storage costs	2,282.89	3,009.49	5,292.38
Sundry expenses	6,812.01	1,240.47	8,052.48
	5,709,585.72	1,552,108.21	7,261,693.93
<b>Floating charge balance</b>	<b>8,826,397.50</b>	<b>1,290,331.93</b>	<b>10,116,729.43</b>
VAT payable/(receivable)	(240,736.98)	190,995.70	(49,741.28)
<b>Balance on interest bearing current account</b>	<b>7,822,399.68</b>	<b>1,178,832.19</b>	<b>9,001,231.87</b>

## 4. Expenses incurred in the period

A statement of the expenses incurred in the period covered by this report is set out below.

<b>Expenses incurred</b>	<b>Expenses paid as at 21 April 2014</b>	<b>Expenses paid 22 April 2014 to 21 October 2014</b>	<b>Total expenses paid to 21 October 2014</b>	<b>Expenses outstanding at 21 October 2014</b>	<b>Expenses incurred in this period</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Agents' fees	102,386.91	6,617.08	109,003.99	-	<b>6,617.08</b>
Agents' disbursements	5,174.76	-	5,174.76	-	-
Bank charges	3,046.00	200.00	3,246.00	-	<b>200.00</b>
Cleaning and site clearance	862.90	149.50	1,012.40	-	<b>149.50</b>
Duress payments	46,400.00	10,827.55	57,227.55	-	<b>10,827.55</b>
Employee expenses	78,648.33	-	78,648.33	-	-
Employee related costs	6,799.55	-	6,799.55	-	-
Insurance	43,471.23	18,657.54	62,128.77	-	<b>18,657.54</b>
Legal fees	73,908.32	143,922.82	217,831.14	13,081.00	<b>157,003.82</b>
Legal disbursements	157.07	169.00	326.07	2.00	<b>171.00</b>
Loan interest	668.84	-	668.84	-	-
Motor vehicle leases	69,019.66	-	69,019.66	-	-
Net wages	673,513.05	-	673,513.05	-	-
Office holders' disbursements	14,820.00	1,787.68	16,607.68	1,558.32	<b>3,346.00</b>
Office holders' fees	975,512.00	324,488.00	1,300,000.00	1,000,000.00	<b>1,324,488.00</b>
Office holders' pre-appointment fees	-	102,364.00	102,364.00	-	<b>102,364.00</b>
Other payroll deductions	10,367.67	-	10,367.67	-	-
PAYE and NI	83,293.87	281,895.76	365,189.63	-	<b>281,895.76</b>
Professional fees	34,341.00	12,328.36	46,669.36	1,460.50	<b>13,788.86</b>
Purchases	31,998.54	-	31,998.54	-	-
Rent	26,732.03	20,599.68	47,331.71	-	<b>20,599.68</b>
Retention of title payments	2,500.00	-	2,500.00	-	-
Storage costs	2,282.89	3,009.49	5,292.38	493.22	<b>3,502.71</b>
Sundry expenses	7,986.84	1,240.47	9,227.31	-	<b>1,240.47</b>
<b>Total</b>	<b>2,293,891.46</b>	<b>928,256.93</b>	<b>3,222,148.39</b>	<b>1,016,595.04</b>	<b>1,944,851.97</b>

## 5. Our charging and disbursements policy

### Summary of legal and other professional firms

We have instructed the following professionals / subcontractors: -

Service provided	Name of firm / individual	Reason selected	Basis of fees
Debt collection	Barrie Green	Knowledge of the business	Time costs
Payroll services	Topsource Global Solutions Limited	Knowledge of the business	Fixed fee
Legal services	Olswang LLP	Knowledge of the business	Time costs
Legal services	Eversheds LLP	Knowledge & expertise	Time costs
Plant agents	GA Europe Valuations Limited	Knowledge of the business & expertise	Time costs
Consultancy services	C M Staniforth	Knowledge & expertise	Time costs
Waste collection	Bury Office Furniture Limited	Expertise	Fixed fee
Agency staff	Robert Half Limited	Specialities and knowledge of the business	Time costs
Agency staff	PGG Consultancy Limited	Specialities and knowledge of the business	Time costs
Agency staff	SF Group (SF Recruitment Limited)	Specialities and knowledge of the business	Time costs
Agency services	BSVA Limited	Expertise	Fixed fee
Agency services	GMS	Knowledge & expertise	Fixed fee
Debt collection	CAPA	Knowledge & expertise	Realisations
Legal services	Field Fisher Waterhouse LLP	Knowledge & expertise	Time costs

So that we can check the invoices submitted by third party professionals, we ask them to provide us with a breakdown of their time costs together with an explanation of the work they have done.

### Office holder's charging and disbursement policy

The following sections are applicable to 27 January 2014, being the date up to which our time costs were paid in full as per point a) of our remuneration agreement.

The time charged to the administration is by reference to the time spent by us in dealing with matters arising.

It is our policy to delegate tasks to appropriate members of staff. We take into account their level of experience and any specialist knowledge needed to maximise cost effectiveness. Where there are complex or important matters which need more responsibility, these are dealt with by senior staff or the administrators themselves.

## 5. Our charging and disbursements policy

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### Hourly rates

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

<b>Grade</b>	<b>Rate per hour (£) at 1 July 2013</b>
Partner	555
Director	465
Senior manager	405
Manager	320
Senior associate - qualified	240
Senior associate - unqualified	177
Associate	152
Support staff	82

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

<b>Grade</b>	<b>Rate per hour (£) at 1 July 2013</b>
Partner	1,075
Director	1,085
Senior manager	915
Manager	600
Senior associate	460
Associate	210
Support staff	120

In common with all professional firms, the scale rates used by the administrators 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.

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 by reference to actual work carried out on the assignment in 6 minute units. The minimum time chargeable is 3 minutes (i.e. 0.5 units).

## 5. Our charging and disbursements policy

### Disbursements

Our firm's expenses policy allows for all properly incurred expenses to be recharged to the case as set out in the table below covering the period 22 April 2014 to 21 October 2014 (and excluding VAT):

Category Policy	Costs £
1 All disbursements not falling under category 2 are recharged at cost	542.26
2 Photocopying is charged at 5 pence per sheet copied - only charged for circulars to creditors and other bulk copying	18.03
2 Mileage is charged at a maximum of 71 pence per mile (up to 2,000cc) or 93 pence per mile (over 2,000cc)	864.00
<b>Total to 21 October 2014</b>	<b>1,424.29</b>

Total expenses for the period of the administration to 21 October 2014 total £3,346.00

### Key areas of work carried out

The table below shows the key areas of our work from our appointment to date.

Area of work	Work undertaken includes:
Strategy and planning	<ul style="list-style-type: none"> <li>Case planning</li> <li>Ongoing strategy discussions</li> <li>Administrator overseeing of case progression</li> </ul>
Secured creditors	<ul style="list-style-type: none"> <li>Re-negotiation of our fees and reporting to the secured creditor around this</li> <li>Preparing reports for the secured creditor</li> <li>Ongoing liaison with the secured creditor around case progression</li> <li>Other ad hoc updates</li> </ul>
Assets	<ul style="list-style-type: none"> <li>Management and maintenance of the property portfolio</li> <li>Arranging for the closure and clearance of sites</li> <li>Surrendering property leases</li> <li>Liaising with Integral around additional sale consideration amounts</li> <li>Liaising with agents regarding disposal strategies</li> <li>Collecting in book debts and liaising with debt collection agents</li> <li>Apportionment of book debts to Integral</li> </ul>
Investigations	<ul style="list-style-type: none"> <li>Investigations into conduct of directors</li> <li>Submission of reports to Department of Business, Innovation and Skill</li> <li>Other matters which we cannot disclose due to the confidential nature of this work</li> </ul>
Creditors	<ul style="list-style-type: none"> <li>Dealing with creditor queries</li> <li>Management of incoming unsecured creditor claims</li> <li>Reviewing and agreeing creditor claims</li> </ul>
Accounting and treasury	<ul style="list-style-type: none"> <li>Bank reconciliations</li> <li>Analysing and recording receipts</li> <li>Making and recording payments</li> <li>Reviewing and reconciling the pre-appointment bank account</li> </ul>
Statutory and compliance	<ul style="list-style-type: none"> <li>Preparing and circulating the previous progress report and accompanying forms/letters</li> <li>Preparing this progress report</li> <li>Updating communications on the website</li> <li>Dealing with compliance issues</li> <li>Dealing with books and records</li> </ul>

## 5. Our charging and disbursements policy

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	<ul style="list-style-type: none"><li>• Dealing with a large amount of daily post following mail redirection from head office</li><li>• Monitoring case progression</li><li>• Filing</li><li>• Insurance and bonding</li></ul>
Tax and VAT	<ul style="list-style-type: none"><li>• Submission of two complex quarterly VAT returns</li><li>• Preparation of corporation tax returns</li></ul>
Employees and pensions	<ul style="list-style-type: none"><li>• Arranging payment of tax and NI</li><li>• Dealing with employee queries</li><li>• Liaison with HM Revenue &amp; Customs</li></ul>
Closure procedures	<ul style="list-style-type: none"><li>• Completion and submission of forms to Registrar to move Company into liquidation</li><li>• Other matters on converting to liquidation</li></ul>

## 5. Our charging and disbursements policy

**Time costs summary for the period 22 April 2014 to 27 January 2014 (the point up to which our time costs were payable in full)**

Aspect of assignment	Partner	Director	Senior Manager	Manager	Senior Associate	Associate	Secretarial	Total hours	Time cost £	Average hourly rate £
1 Strategy & Planning	20.50	48.50	15.35	4.50	8.45	4.90	-	102.20	44,587.40	436.28
2 Administration	-	-	-	-	-	-	-	-	-	-
3 Trading	10.50	46.00	392.00	182.75	166.30	80.90	5.50	883.95	304,261.25	344.21
4 Assets	-	95.00	402.15	581.45	230.75	12.25	3.00	1,324.60	451,123.35	340.57
5 Investigations	-	10.00	17.00	17.90	-	-	-	44.90	17,263.00	384.48
6 Creditor claims/distributions	-	0.75	13.65	31.75	124.75	25.95	7.55	204.40	49,153.45	240.48
7 Accounting and treasury	-	1.50	14.28	1.20	57.50	33.60	0.25	108.33	22,178.35	204.73
8 Reporting to appointor/committee	-	-	31.35	-	5.80	-	-	37.15	13,723.35	369.40
9 Statutory and compliance	-	32.00	30.75	54.50	113.40	86.95	10.30	327.90	79,411.75	242.18
10 Tax/VAT/Pensions	-	-	12.20	52.10	16.80	54.90	-	136.00	40,592.80	298.48
11 Employees	-	1.75	60.30	611.40	132.50	249.60	30.25	1,085.80	279,840.75	257.73
12 Pre-appointment work	-	-	-	-	-	-	-	-	-	-
13 Closure procedures	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>31.00</b>	<b>235.50</b>	<b>989.03</b>	<b>1,537.55</b>	<b>856.25</b>	<b>549.05</b>	<b>56.85</b>	<b>4,255.23</b>	<b>1,302,135.45</b>	<b>306.01</b>

## 6. Pre-administration costs

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The following are costs which were incurred prior to our appointment as part of the Company entering administration.

Payment of these expenses was approved by the preferential creditors at a meeting held by correspondence on 22 January 2014, and by the secured creditor on 3 February 2014.

	<b>Unpaid amount</b> £	<b>Paid amount</b> £
Fees charged by the administrators	Nil	102,364
Expenses incurred by the administrators	Nil	2,288
Fees charged by other persons qualified to act as an insolvency practitioner	Nil	Nil
Expenses charged by other persons qualified to act as an insolvency practitioner	Nil	Nil
<b>Total</b>	<b>Nil</b>	<b>104,652</b>

We spent time on:

- Statutory and planning work in relation to the appointment, including internal compliance and risk procedures;
- Discussions with lawyers and advisors regarding legal issues and placing the Company into administration;
- Mobilisation and briefing of our team;
- Agreeing the communication strategy for stakeholders including employees, customers, suppliers and the media;
- Reviewing business operations to understand the most effective way to take control of the business;
- Analysis of headcount and property portfolio in preparation of the potential post appointment restructuring;
- Financial analysis and preparing short term trading forecasts;
- Progressing the sale of business discussions and holding meetings with interested parties; and
- Ongoing monitoring of cash position of the Company.

We needed to spend time on these matters so that the Company could be placed into administration in an orderly manner for the benefit of creditors.

Expenses incurred by the administrators relate to pre appointment legal fees. Before our appointment we engaged Eversheds LLP and they incurred fees of £2,288.50 as part of placing the Company into administration and work done around the funding agreement. These time costs have been paid.

The figures above are exclusive of VAT and disbursements.

A second firm of solicitors were engaged by Kaupthing. Therefore the pre-appointment legal fees incurred by this firm of solicitors are not fees incurred by the administrators and were paid by Kaupthing.



**Administrators' progress report****2.24B**

Name of Company WR Refrigeration Limited	Company Number 00594746
In the High Court of Justice, Chancery Division, Companies Court	Court case number 7316 of 2013

We, Edward Williams of PricewaterhouseCoopers LLP, Donington Court, Pegasus Business Park, Castle Donington, East Midlands, DE74 2UZ and Robert Jonathan Hunt of PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT

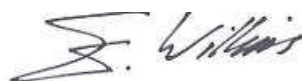
administrators of the above company attach a progress report for the period

from

22 April 2014

to

21 October 2014



Signed \_\_\_\_\_  
Joint administrator

Dated \_\_\_\_\_ 20 November 2014 \_\_\_\_\_