

LIQ03

Notice of progress report in voluntary winding up



Companies House

For further information, please
refer to our guidance at
www.gov.uk/companieshouse

1 Company details

Company number 0 0 2 7 8 5 7 6

Company name in full CGL Realisations Limited
(formerly Comet Group Limited)

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Liquidator's name

Full forename(s) Nicholas Guy

Surname Edwards

3 Liquidator's address

Building name/number 1 New Street Square

Street

Post town London

County/Region

Postcode E C 4 A 3 H Q

Country

4 Liquidator's name ①

Full forename(s) Geoffrey Lambert

Surname Carton-Kelly

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number 2nd Floor

Street 110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

② Other liquidator

Use this section to tell us about
another liquidator.

LIQ03

Notice of progress report in voluntary winding up

6 Period of progress report

From date	^d 0	^d 3	^m 1	^m 0	^y 2	^y 0	^y 1	^y 9
To date	^d 0	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 0

7 Progress report

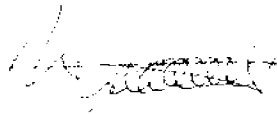
☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 3	^d 0	^m 1	^m 1	^y 2	^y 0	^y 2	^y 0
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**Presenter information**

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

Contact name	Dominic Criscione
Company name	Deloitte LLP
Address	1 New Street Square
Post town	London
County/Region	
Postcode	E C 4 A 3 H Q
Country	
DX	
Telephone	+44 121 632 6000

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

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

**Important information**

All information on this form will appear on the public record.

**Where to send**

You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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

**Further information**

For further information please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

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



**CGL Realisations Limited
(formerly Comet Group Limited)
(in liquidation) ("the Company")**

Company Number: 00278576

Registered Office:
c/o Deloitte LLP
Hill House
1 Little New Street
London
EC4A 3TR

Progress report to creditors for the 12 month period
to 2 October 2020 pursuant to Section 104A
Insolvency Act 1986 and Rule 18.7 of the Insolvency
(England & Wales) Rules 2016 ("the Rules").

Neville Barry Kahn, Christopher James Farrington and Nicholas Guy Edwards of Deloitte LLP ("Deloitte") were appointed Joint Liquidators of CGL Realisations Limited (formerly Comet Group Limited) following the cessation of the administration on 3 October 2013. Christopher James Farrington ceased to act as a Joint Liquidator of the Company by a court order dated 7 September 2017 in advance of his retirement from Deloitte LLP on 30 September 2017. Geoffrey Lambert Carton-Kelly of FRP Advisory Trading Limited ("the Additional Liquidator") was appointed as Additional Liquidator of the Company by the court with effect from 11 June 2018. Neville Barry Kahn ceased to act as Joint Liquidator of the Company on 2 August 2018 as part of a block transfer court order, in advance of his retirement from Deloitte LLP on 31 August 2018. Nicholas Guy Edwards ("the Deloitte Liquidator") continues to act with the Additional Liquidator.

All licensed Insolvency Practitioners of Deloitte LLP were/are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales. Geoffrey Lambert Carton-Kelly of FRP Advisory Trading Limited is licensed by the Insolvency Practitioners Association.

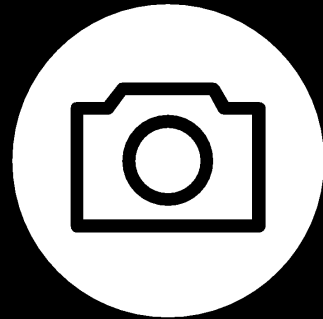
For the purposes of Section 231 of the Insolvency Act 1986 (as amended), ("the Act"), the Deloitte Liquidator and Additional Liquidator confirm that they are authorised to carry out all functions, duties and powers by either of them severally.

Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

30 November 2020



Key messages



Key messages

Deloitte Liquidator

Nicholas Guy Edwards
Deloitte LLP
1 New Street Square
London
EC4A 3HQ

Additional Liquidator

Geoffrey Lambert Carlton-Kelly
FRP Advisory LLP
110 Cannon Street
London
EC4N 6EU

Contact details

Email:
cometcreditors@deloitte.co.uk
Website:
www.deloitte.com/uk/comet
Tel: 020 7007 7007



Commentary

Deloitte Liquidator

- Funds of £674,667 have been received following a further settlement in respect of claims against third party suppliers. Please see page 5 for further details.
- Further rates refunds of £11,676 have been recovered during the period.

Additional Liquidator

- The Additional Liquidator is progressing a claim against Darty Holdings SAS (a successor to Kesa International Limited ("KIL")), having settled certain claims against a number of parties (see further page 6 below).

- The Deloitte Liquidator's fees have been fixed on a time costs basis.
- The Additional Liquidator's fee basis has now been fixed by the Court, on a time cost basis.

Deloitte Liquidator's costs

- The Deloitte Liquidator's time costs for the period of the report are £182,969.
- To date, the Deloitte Liquidator has drawn remuneration totalling £3,447,859. Please refer to page 13 for further details.
- Disbursements of £5,558 have been incurred in the report period. Please refer to page 16 for further details.

Additional Liquidator's costs

- The Additional Liquidator's time costs for the period of the report are £466,901.
- To date, the Additional Liquidator has drawn remuneration totalling £1,593,620. Please refer to page 17 for further details.
- Disbursements of £27,258.80 have been incurred in the report period. Please refer to page 21 for further details.

Third Party costs

- Third party costs of £1,782,553 have been incurred during the report period. Please refer to page 7 for further details.

Deloitte Liquidator's matters

- To assist the Additional Liquidator with his investigation as requested.
- Conclude the Company's tax affairs and VAT matters in preparation for closure.

Additional Liquidator's matters

- Progress claim against Darty Holdings SAS to trial (which has been provisionally listed for late 2021).

- The secured creditor will not be paid in full.
- Preferential creditors have been paid in full.
- Unsecured creditors have been paid a Prescribed part dividend of 0.18p/£. The quantum and likelihood of any additional dividend to unsecured creditors is dependent on the outcome of the litigation commenced by the Additional Liquidator and on the level of any unsecured claim which Hailey Acquisitions Limited ("HAL" or "the Secured Creditor"), may subsequently submit in the liquidation.

Progress of the liquidation

Summary

Settlement monies

During the period, the Deloitte Liquidator finalised a further settlement in respect of claims against third party suppliers resulting in £674,667 being received into the liquidation estate.

To date, realisations in respect of settlement monies received total £6,329,475. Tasks carried out to support this work included the review of the Company's books and records for the relevant parties, review and input to witness statements, settlement agreements and correspondence with solicitors including strategy meetings and tele-conferencing.

No further receipts are expected as all litigation has now concluded.

Business rates refunds

Further rates refunds of £11,676 were recovered in the period bringing the total rate refunds realised in the liquidation to £2,001,146.

No further rates refunds are expected to be realised in the liquidation.

Statutory tasks

During the period the Deloitte Liquidator has carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- Case management actions including the maintenance of an insolvency website for the case, case filing and maintaining the Company's electronic filing systems and regular diary reviews to ensure compliance matters are dealt with accordingly;
- The last statutory report was prepared and issued to the Company's creditors, employees and filed with Companies House; and
- Cashiering functions including the preparation of monthly bank account reconciliations and issuing payments for the costs incurred.

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Case specific matters

VAT – During the period the Deloitte Liquidator filed the Company's VAT returns at HM Revenue and Customs.

Tax – The Company's annual corporation tax computations were prepared, reviewed and submitted to HM Revenue and Customs.



Progress of the liquidation Summary

As reported previously, paragraph 3(a) of the Court order for the appointment of the Additional Liquidator dated 7 June 2018, mandated the Additional Liquidator to:

- a) first, investigate any causes of action which the Company or the liquidators of the Company may have arising out of or connected in any way to the circumstances of and surrounding the sale of shares in the Company to HAL and the repayment on 3 February 2012 of the amount outstanding to KIL pursuant to the revolving credit facility agreement dated 6 July 2003 between KIL and the Company, and the advances by HAL of funds pursuant to the revolving loan agreement dated 3 February 2012 between HAL and the Company (as amended) (which was secured by a debenture dated 3 February 2012 in favour of HAL) (the "Reserved Matters"); and
- b) second, as a result of those investigations, and if so advised, to prosecute any causes of action arising out of or connected with the Reserved Matters, as the Applicant, as Additional Liquidator, considers appropriate.

Immediately upon appointment, the Additional Liquidator commenced his investigations into the Reserved Matters.

In October 2018, given that he was appointed in June 2018 (almost 6 years after the date of administration) and had not yet concluded the investigation into the Reserved Matters, the Additional Liquidator proceeded to issue certain claims on a protective basis against a number of parties involved in the transaction pursuant to which the shares in the Company were transferred to HAL. This was done one week prior to the sixth anniversary of the Company entering into administration in order to prevent a limitation defence being established to such of those claims (if any) that are ultimately pursued before the Additional Liquidator had the opportunity to investigate the merit of such claims.

During 2018, following extensive investigations and having taken legal advice, the Additional Liquidator agreed to the discontinuance of claims against HAL and related parties and the Company's former directors. The settlement agreement was made on a confidential basis. The Additional Liquidator continues to pursue a claim against Darty Holdings SAS (the "Respondent") in respect of the repayment by the Company of amounts outstanding to KIL as part of the sequence of events which affected the sale of the Company to HAL in February 2012.

During the Period, the Additional Liquidator:

- Issued a successful application for the confidentiality restrictions which previously applied to the Court file in respect of the Additional Liquidator's appointment to be lifted;
- Progressed and completed the pleadings phase of the litigation (including the issuance of requests for further information); and
- Issued a successful application to strike-out a number of elements of the Respondent's defence.

The Respondent has subsequently sought, and obtained, permission to appeal the strike-out order and the hearing of that appeal is listed for March 2021. The proceedings are presently subject to a stay pending determination of that appeal. Prior to the Respondent obtaining permission to appeal, the parties had made some progress with the disclosure phase of proceedings however this is now stalled in line with the stay order.

The majority of the Company's assets have now been realised except for any prospective recoveries from the ongoing claim by the Additional Liquidator.

Whilst additional recoveries may be made, the ultimate outcome to creditors is uncertain at present.



Progress of the liquidation Summary (continued)

A number of professional firms instructed in the preceding administration have continued to work on the assignment during the liquidation. In particular:

Deloitte Liquidator:

- Freshfields Bruckhaus Deringer LLP continue to advise the Deloitte Liquidator in connection with various matters, including in relation to the ongoing investigations of the Additional Liquidator.

The following costs were incurred during the report period:

Legal Fees

Freshfields Bruckhaus Deringer LLP	23,592
Total incurred	23,592

Storage Costs

Wood Group Plc	862
Iron Mountain	31,329
Total incurred	32,191

Legal fees of Stewarts Law LLP and agents fees of Deloitte Anjin LLC incurred in the previous period have been paid during the period.

All costs have been paid, as shown in the receipts and payments account on page 8.

All professional costs are reviewed and analysed in detail before payment is approved.

Additional Liquidator:

Jones Day and counsel have been instructed by the Additional Liquidator in relation to the ongoing investigations and litigation being conducted by the Additional Liquidator. Gateley Plc were introduced to advise the Additional Liquidator on ancillary matters.

The table below summarises the costs incurred and paid during the period, those incurred cumulatively and those which remain unpaid.

Legal Fees and Disbursements

Legal Fees (Gateley Plc)	22,653	-	22,653	22,653
Legal Fees (Jones Day)	1,325,516	1,254,625	2,198,519	70,891
Legal Disbursements (Jones Day)	378,600	481,059	511,885	3,410
Total	1,726,769	1,735,685	2,733,057	96,953

The Deloitte Liquidator's and Additional Liquidator's remuneration and expenses are detailed on pages 13 to 21.

All professional costs are reviewed and analysed in detail before payment is approved.



Progress of the liquidation

Receipts and payments

Receipts and payments account 03 October 2019 to 02 October 2020

Receipts				Payments (balance b/f)			
					27,234	3,235,253	
Cash received from Administration	A	-	18,420,767	<i>Estate Costs</i>			
Settlement monies received		674,667	6,329,475	Storage Costs	35,380	318,429	
Rates refunds		11,676	2,001,146	Insurance of Assets	-	8,061	
Sale of tax losses		-	1,843,927	Bank Charges	685	1,372	
Warranty Settlement		-	636,665	Transfer to Admin Account for ISA Fee	-	26	
Marketing Costs Rebate		-	504,000	<i>Legal Fees</i>			
License Sales		-	436,594	Legal Fees - General	36,201	3,662,490	
Legal Fees - Litigation Refund		-	368,439	Legal Fees - Litigation	222,000	2,612,108	
Insurance Refunds		-	317,342	Legal Fees - Third Party	-	165,000	
Bank Interest	B	9,459	167,216	Legal Expenses	-	487,683	
Cost Awards		97,250	97,250	Adverse Costs Order	-	300,000	
Intellectual Property		-	86,000	Additional Liquidator - Legal Fees	1,254,987	2,127,629	
Leasehold Property		-	48,200	Additional Liquidator - Legal Disbursements	481,059	508,475	
Misc Income		-	37,034	<i>Distributions</i>			
Hold back release funds from Amex		-	33,601	Payment to Secured Creditor	750,000	4,593,927	
Insurance settlement		-	31,396	Trade & Expense Creditors	-	219,491	
Sale of IT Assets		-	29,500	Unsecured Undaimed Dividends	-	281,856	
Other Refunds		-	28,564	<i>Administrator/Liquidator Costs</i>			
Other Debtors		-	28,505	Joint Administrators' Fees	-	5,024,841	
Book Debts		-	16,315	Deloitte Liquidator's Fees	C	635,271	3,447,859
Legal Fees - General Refund		-	8,165	Deloitte Liquidator's Expenses	C	3,234	5,280
Shares & Investments		-	145	Additional Liquidator's Fees	D	713,440	1,593,620
Total receipts			793,052	Additional Liquidator's Expenses	D	24,810	36,247
			31,470,246	Litigation Insurance		280,000	280,000
<i>Administration costs</i>				Data Hosting Costs		52,851	52,851
Administration Rent Liability		-	900,082	Postage & Couriers		37	22,213
Rates		-	608,199	Deloitte Belfast Tax Team		-	20,492
Retail Consultants' Fees		-	75,000	Travel and Parking		170	5,293
Store Utility Costs		-	71,010	Land Registry Charges		-	1,317
IT Maintenance		-	37,270	Statutory Advertising		-	572
Sub-Contractor costs		-	22,648	Accommodation		-	432
Customer Refunds		-	4,480	Telephone Costs		-	282
Rent Deposit Return		-	4,000	Mileage		-	199
IT Services		-	1,525	Catering		-	113
Other Property Expenses		-	95	Total payments		4,517,360	29,013,413
Companies House Fees		10	10	Balance			2,456,833
Corporation Tax	B	2,995	2,995	Made up of:			
<i>Agents' Fees</i>				Funds held in an interest bearing account	B		1,646,374
Agents' Fees - Litigation		-	714,762	VAT Receivable	E		803,579
Agents' Fees - Deloitte Real Estate		-	436,239	Funds held on account - Metis Partners	F		6,880
Agents/Valuers Fees		24,229	356,937	Balance in hand			2,456,833



Progress of the liquidation

Receipts and payments

A receipts and payments account is provided on the previous page, detailing the transactions in the liquidation to 2 October 2020 and all transactions since the date of our appointment.

Notes to receipts and payments account

- A. Surplus funds from the administration account were transferred into the Liquidation. Certain costs incurred in the administration have been settled from liquidation funds.
- B. All funds are held in an interest bearing account. The associated corporation tax on interest received will be accounted for to HM Revenue & Customs.
- C. In accordance with Rule 4.127 of the Insolvency Rules 1986 (which were in force at the time of conversion to Liquidation) the basis of remuneration set in a proceeding Administration is applied to the Liquidation. Accordingly the Deloitte Liquidator is authorised to draw fees and expenses on a time costs basis as agreed by the secured and preferential creditors on 10 April 2013.
- D. The Additional Liquidator was authorised to draw his remuneration on a time costs basis by an order of the Court dated 6 June 2019. Please refer to page 17 of the report for more details.
- E. All sums shown opposite are shown net of VAT, which is recoverable and has been accounted for to HM Revenue & Customs in due course.
- F. Metis are holding funds of £6,880 following the sale of the Company's intellectual property. These funds will be remitted to the liquidation estate in due course.

Rounding note

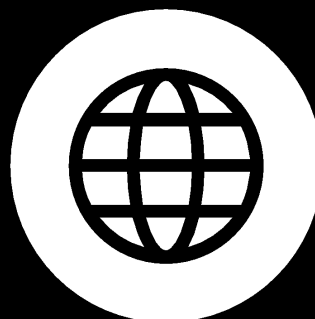
In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors



Information for creditors

Outcome

11



Information for creditors Outcome

The Directors' Statement of Affairs shows total debt owed to the Secured Creditor of c.£140,000,000.

During the period, a distribution of £750,000 was paid to the Secured Creditor. To date, the Secured Creditor has received distributions totalling £4,593,927 in the liquidation and £58,700,000 in the preceding administration.

The quantum and timing of any future distributions will be dependent on future realisations and costs incurred, the Additional Liquidator's investigations and any subsequent action taken. However, it is not expected the Secured Creditor will be repaid in full.

A preferential dividend of 100 pence in the £ was paid on 6 September 2013 to all known preferential creditors.

A Prescribed Part distribution of 0.18 pence in the £ was declared on 13 April 2017 and subsequently paid on 17 May 2017. Further details can be obtained from our previous report.

The quantum and likelihood of any additional dividend to unsecured creditors is dependent on the outcome of the litigation commenced by the Additional Liquidator, and on the level of any unsecured claim which the Secured Creditor may subsequently submit in the liquidation.

Subject to the outcome of the Additional Liquidator's investigations, the Deloitte Liquidator believes there is no prospect of a further distribution for unsecured creditors and accordingly we do not intend to undertake any further work to agree any creditor claims received.



Remuneration and expenses
Deloitte Liquidator’s remuneration

“A Creditors’ *Guide to Remuneration*” is available for download at www.deloitte.com/uk/comet.

Should you require a paper copy, please send your request in writing to us at the address on the front of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of the Deloitte Liquidator’s remuneration was fixed on 10 April 2013 by creditors in the preceding Administration by reference to the time properly given by the Deloitte Liquidator and their staff in attending to matters arising in the liquidation calculated at the prevailing hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT.

Time costs incurred

The Deloitte Liquidator’s time costs for the period are £182,969 made up of 396 hours at an average charge out rate of £462/hour across all grades of staff.

Since the date of our appointment to 2 October 2020, the Deloitte Liquidator has incurred total time costs of £5,527,991 made up of 11,140 hours at an average charge out rate of £496/hour across all grades of staff.

Fees drawn to date

To date, the Deloitte Liquidator has drawn remuneration of £3,447,859 as shown in the receipts and payments account on page 8.

The range of charge out rates for the separate categories of staff is based on our 2020 national charge out rates as summarised below.

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Financial Advisory or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

Charge out rates last increased on 1 June 2020.

Restructuring Services charge out rates (£/hour)

Partners & Directors	995 - 1,160	1,025 - 1,195
Assistant Directors	775 - 875	800 - 900
Managers	610 - 790	630 - 815
Assistant Managers	480 - 630	495 - 650
Assistants & Support	215 - 370	220 - 380



Deloitte Liquidators' time costs for the period 3 October 2019 to 2 October 2020

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Administration and Planning												
Cashiering and Statutory Filing	0.50	520.00	-	-	24.20	14,520.00	2.90	1,348.50	110.95	14,233.00	138.55	30,621.50
Case Management and Closure	2.20	2,222.00	-	-	13.80	8,418.00	0.50	232.50	12.50	3,176.00	29.00	14,048.50
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-	-	-	-
General Reporting	-	-	1.00	775.00	12.10	7,381.00	-	-	1.50	200.00	14.60	8,356.00
	5.20	5,267.00	1.00	775.00	50.10	30,319.00	3.40	1,581.00	124.95	17,609.00	184.65	55,551.00
Investigations												
Investigations	12.10	12,140.00	-	-	7.80	4,758.00	6.40	2,976.00	-	-	26.30	19,874.00
	12.10	12,140.00	-	-	7.80	4,758.00	6.40	2,976.00	-	-	26.30	19,874.00
Realisation of Assets												
Other Assets (e.g. Stock)	13.70	13,679.50	-	-	3.00	1,830.00	5.90	2,743.50	-	-	22.60	18,253.00
	18.45	18,285.75	-	-	3.50	2,135.00	5.90	2,743.50	-	-	27.85	23,164.25
Creditors												
Secured	11.50	11,558.00	-	-	43.30	26,413.00	9.50	4,417.50	-	-	64.30	42,388.50
Unsecured	-	-	-	-	-	-	-	-	-	-	-	-
	11.50	11,558.00	-	-	43.30	26,413.00	9.50	4,417.50	-	-	64.30	42,388.50
Case Specific Matters												
Litigation	9.20	9,224.50	-	-	1.50	915.00	-	-	-	-	10.70	10,139.50
Pensions	-	-	-	-	-	-	1.80	837.00	-	-	1.80	837.00
VAT	1.99	2,460.45	5.04	5,216.40	12.00	7,320.00	6.40	2,976.00	-	-	25.43	17,972.85
Tax	4.03	4,635.10	0.60	621.00	5.90	4,229.00	2.00	900.00	42.45	2,657.00	54.98	13,042.10
	15.22	16,320.05	5.64	5,837.40	19.40	12,464.00	10.20	4,713.00	42.45	2,657.00	92.91	41,991.45
TOTAL HOURS & COST	62.47	63,570.80	6.64	6,612.40	124.10	76,089.00	35.40	16,431.00	167.40	20,266.00	396.01	182,969.20
AVERAGE RATE/HOUR PER GRADE		£ 1,017.62		£ 995.84		£ 613.13		£ 464.15		£ 121.06		



Deloitte Liquidators' time costs for the period 3 October 2013 to 2 October 2020

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

Administration and Planning																
Cashiering and Statutory Filing	5.60	5,145.25	68.60	48,849.68	90.30	48,234.21	203.00	82,677.96	351.15	66,817.07	718.65	251,724.18	350.27			
Case Management and Closure	181.70	175,630.57	208.30	130,081.07	97.00	47,649.00	270.85	108,960.82	405.60	89,072.14	1,163.45	551,393.61	473.93			
Initial Actions	14.90	14,305.00	2.80	2,000.00	10.00	4,928.57	18.00	6,942.86	-	-	45.70	28,176.43	616.55			
Liaison with Other Insolvency Practitioners	6.00	6,060.00	-	-	-	-	-	-	-	-	6.00	6,060.00	1,010.00			
General Reporting	36.00	31,540.64	109.80	78,091.00	21.45	11,921.11	48.65	21,543.11	143.45	30,606.75	359.35	173,702.61	483.38			
	244.20	232,681.46	389.50	259,021.75	218.75	112,732.89	540.50	220,124.75	900.20	186,495.96	2,293.15	1,011,056.82	440.90			
Investigations																
Investigations	297.45	287,040.50	163.90	130,752.50	326.70	228,456.11	378.30	172,280.39	292.45	84,870.79	1,458.80	903,400.29	619.28			
Reports on Directors' Conduct	1.00	950.00	1.30	928.57	-	-	2.00	771.43	-	-	4.30	2,650.00	616.28			
	298.45	287,990.50	165.20	131,681.07	326.70	228,456.11	380.30	173,051.82	292.45	84,870.79	1,463.10	906,050.29	619.27			
Trading																
Ongoing Trading	-	-	-	-	-	-	-	-	0.50	157.50	0.50	157.50	315.00			
Closure of Trade	106.10	96,575.64	15.50	10,787.36	-	-	32.50	12,535.71	24.50	5,442.86	178.60	125,341.57	701.80			
	106.10	96,575.64	15.50	10,787.36	-	-	32.50	12,535.71	25.00	5,600.36	179.10	125,499.07	700.72			
Realisation of Assets																
Book Debts	0.80	760.00	44.80	32,000.00	-	-	-	-	-	-	45.60	32,760.00	718.42			
Other Assets (e.g. Stock)	71.70	68,658.00	46.00	32,857.14	12.20	6,598.43	13.70	6,235.71	2.50	568.21	146.10	114,917.50	786.57			
Chattel Assets	-	-	7.70	5,500.00	-	-	-	-	-	-	7.70	5,500.00	714.29			
Property - Freehold and Leasehold	88.05	77,880.39	42.80	33,175.57	134.05	65,773.79	229.30	89,089.29	278.00	66,277.71	772.20	332,196.75	430.20			
	160.55	147,298.39	141.30	103,532.71	146.75	72,677.21	243.00	95,325.00	280.50	66,845.93	972.10	485,679.25	499.62			
Creditors																
Employees	305.00	281,028.07	84.20	60,142.86	129.15	61,078.79	532.25	206,015.57	149.60	42,471.64	1,200.20	650,736.93	542.19			
Preferential	-	-	-	-	-	-	15.70	6,055.71	0.40	86.00	16.10	6,141.71	381.47			
Secured	151.30	143,823.00	129.50	92,468.29	67.70	39,598.43	22.30	10,319.50	0.50	142.86	371.30	286,352.07	771.21			
Unsecured	12.95	10,648.00	67.20	47,490.43	262.30	115,918.43	234.50	80,668.14	1,606.95	350,761.75	2,183.90	605,486.75	277.25			
	469.25	435,499.07	280.90	200,101.57	459.15	216,595.64	804.75	303,058.93	1,757.45	393,462.25	3,771.50	1,548,717.46	410.64			
Case Specific Matters																
Litigation	837.20	733,715.07	411.45	242,406.46	152.00	71,864.14	225.30	83,040.43	87.40	19,244.14	1,713.35	1,150,270.25	671.36			
Pensions	-	-	-	-	-	-	7.20	3,318.00	-	-	7.20	3,318.00	460.83			
VAT	48.39	44,123.66	37.15	30,033.96	30.30	17,199.57	51.40	21,316.07	218.75	54,147.18	385.99	166,820.45	432.19			
Tax	26.13	25,674.39	22.30	17,708.64	36.60	19,458.00	129.75	50,501.14	139.30	17,237.00	354.08	130,579.17	368.78			
	911.72	803,513.12	470.90	290,149.07	218.90	108,521.71	413.65	158,175.64	445.45	90,628.32	2,460.62	1,450,987.87	589.68			
TOTAL HOURS & COST	2,190.27	2,003,558.19	1,463.30	995,273.54	1,370.25	738,983.57	2,414.70	962,271.86	3,701.05	827,903.61	11,139.57	5,527,990.77	496.25			
AVERAGE RATE/HOUR PER GRADE	£ 914.75		£ 680.16		£ 539.31		£ 398.51		£ 223.69							



Remuneration and expenses

Deloitte Liquidator's Disbursements

The Deloitte Liquidator's disbursements to date are summarised below, from which it can be seen that we have not, to date, recovered our disbursements in full:

Category 1 Disbursements

These are payments made by us direct to third parties and for which no specific approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Specific approval is required before these costs and expenses can be drawn from the liquidation estate and was given by creditors on 10 April 2013.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Deloitte Forensics recharge a monthly cost for the hosting of data on a web-based review platform. Costs incurred in the period amount to £5,558, as shown in the table opposite.

Category 1 disbursements

Catering	-	-	113	-
Accommodation	-	-	432	-
Travel & Parking	411	3,681	10,335	-
Land Registry Charges	-	-	1,419	102
Telephone Costs	-	-	359	54
Storage Costs	-	330	1,116	786
Postage and Couriers	7	37	13,127	-
Subsistence Costs	-	7	477	-
Legal Fees	-	304	303	-
Total disbursements	418	4,358	27,681	942

Category 2 disbursements

Mileage	-	-	199	-
Deloitte Belfast Tax Fee	-	-	1,662	-
Deloitte Anjin LLC	-	24,229	24,229	-
Data Hosting Costs*	5,140	52,851	55,734	2,883
Total disbursements	5,140	77,080	81,824	2,883

* Data Hosting costs of £55,734 have been reallocated in the period to Category 2 Disbursements.



Remuneration and expenses

Additional Liquidator's remuneration

Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frapadvisory.com/fees-guide.html>. Alternatively, a hard copy of the relevant guide will be sent on request.

Basis of remuneration

The basis of the Additional Liquidator's remuneration was fixed on 6 June 2019 by the Court by reference to the time properly given by the Additional Liquidator and the Additional Liquidator's staff in attending to matters arising in the liquidation of the Company pursuant to Rule 18.16(2)(b) of the Insolvency (England & Wales) Rules 2016 (the "2016 Rules").

Fee Estimate

A fee estimate was circulated prior to the application to Court to those creditors with the top 100 claims by value (95% of total unsecured claims) who had signed up to a suitable non-disclosure undertaking.

Following some subsequent discussions with the Secured Creditor, an initial fee estimate, summarised below, was agreed. As anticipated, the initial fee estimate was exceeded (not least since costs relating to the litigation were estimated on a staged approach) and on 19 December 2019, the Additional Liquidator made an application to the Court seeking approval for a revision to the initial fee estimate in accordance with Rule 18.30(2)(c) of the 2016 Rules.

On 26 February 2020, the Court approved the revised fee estimate and permitted the Additional Liquidator to draw remuneration in an amount not exceeding this estimate without further approval. The Revised Fee Estimate is summarised below.

Initial Fee Estimate

Administration & Planning	132.71	48,902.75	368.49
Investigation	2,064.17	698,099.03	338.20
Litigation Costs	1,180.83	437,985.97	370.91
Asset Realisation	2.00	1,090.00	545.00
Creditors	201.45	87,803.75	435.86
Statutory Compliance	109.60	44,284.75	404.06
Total Costs	3,690.76	1,318,166.25	410.42

Revised Fee Estimate

Administration & Planning	532.56	245,304.25	460.61
Investigation/Litigation Costs	6,080.40	2,405,354.75	395.59
Asset Realisation	33.55	15,244.25	454.37
Creditors	357.70	167,719.00	468.88
Statutory Compliance	310.15	126,207.75	406.92
Total Costs	7,314.36	2,959,830.00	437.28

Time costs incurred

The Additional Liquidator's time costs for the period are £466,901 made up of 1,005.55 hours at an average charge-out rate of £464.32/hour across all grades of staff.

Since the date of his appointment to 2 October 2020, the Additional Liquidator has incurred total time costs of £1,645,205 made up of 4,177.11 hours at an average charge out rate of £393.86/hour across all grades of staff.

Fees drawn to date

To date, the Additional Liquidator has drawn remuneration of £1,593,620 as shown in the receipts and payments account on page 8.



Remuneration and expenses
Additional Liquidator’s remuneration

Time costs are maintained on computerised records of all time spent on the administration of each case. Matters dealt with during the assignment are dealt with by different members of staff depending on the level of complexity and experience required. Time is charged to the case in maximum of six minute units. Charge-out rates are based on individual expertise, qualification and grade. The costs of the firm’s support staff are not directly charged to the estate unless dealing with directly identifiable case specific matters. Charge-out rates are reviewed at least annually, details of FRP charge out rates applicable to this assignment are set out below.

Charge-out rates increased on 1 May 2019. The range of charge-out rates before and since that date for the separate categories of staff is summarised below.

Appointment taker/Partner	495-595	545-645	595-695
Managers/Directors	385-495	425-495	445-545
Other Professional	225-340	250-375	275-395
Junior Professional/Support	150-195	165-215	175-245

On occasions it may be necessary to change the rates applicable to the work undertaken and if this occurs during the period of the assignment this will be notified to creditors as part of the normal reporting procedures.

The Additional Liquidator reserves the right to change the above rates to take account of any amount of costs which may be required to be incurred on a contingent basis. Such change will be subject to Court approval.



Additional Liquidator's actual time costs for the period 3 October 2019 to 2 October 2020

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hourly Rate £
Administration and Planning	24.00	11.65	30.95	0.15	66.75	28,261.50	423.39
Admin & Planning		3.70	7.45	0.15	11.30	3,651.50	323.14
Case Accounting		1.60			1.60	680.00	425.00
Case Control and Review		0.20			0.20	85.00	425.00
General Administration	20.00	3.25	12.55		35.80	17,002.25	474.92
Fee and WIP		2.30	9.95		12.25	3,912.75	319.41
Strategy and Planning	1.50	0.10	1.00		2.60	1,230.00	473.08
Media	2.50	0.50			3.00	1,700.00	566.67
Asset Realisation	3.00				3.00	1,785.00	595.00
Legal-asset Realisation	3.00				3.00	1,785.00	595.00
Creditors	3.00	8.05	1.20		12.25	5,562.75	454.10
Unsecured Creditors	3.00	7.85			10.85	5,123.75	472.24
Legal-Creditors		0.20	1.20		1.40	439.00	313.57
Investigation	339.75	394.20	155.05		889.00	416,809.50	468.85
Investigatory Work	64.75	162.15	28.50		255.40	117,160.00	458.73
Legal - Investigations	275.00	197.70	94.50		567.50	277,103.50	488.29
Forensic- Relativity (Internal)			31.75		31.75	8,901.25	280.35
ETech - Relativity (External)		0.50			0.50	212.50	425.00
ETech - Project Management		12.15			12.15	5,077.75	417.92
ETech - Consulting		21.70			21.70	8,354.50	385.00
Statutory Compliance	9.75	10.50	14.30		34.55	14,482.25	419.17
Statutory Compliance - General	2.50	1.50			4.00	2,125.00	531.25
Statutory Reporting/ Meetings	4.50	8.50	14.30		27.30	10,508.50	384.93
Appointment Formalities		0.50			0.50	212.50	425.00
Pensions- Other	2.75				2.75	1,636.25	595.00
Total Hours	379.50	424.40	281.50	0.15	1,805.55	466,901.00	464.32



Additional Liquidator's actual time costs for the period 11 June 2018 to 2 October 2020

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hourly Rate £
Administration and Planning	119.50	78.60	93.26	3.10	294.46	127,012.50	431.34
Admin & Planning	1.00	7.50	23.45	0.15	33.10	10,934.75	330.35
Case Accounting		1.60	0.20		1.80	739.00	410.56
Travel		0.70	15.50		16.20	3,338.00	206.05
Case Control and Review		6.80			6.80	2,563.00	376.91
Case Accounting - General		4.65	0.30		4.95	2,058.75	415.91
General Administration	91.75	40.75	29.26	2.95	164.71	78,693.00	477.77
Insurance			0.60		0.60	165.00	275.00
Fee and WIP	6.00	7.60	20.05		33.65	12,401.75	368.55
Strategy and Planning	15.75	8.50	2.90		27.15	13,401.75	493.62
Media	4.00	0.50			4.50	2,517.50	559.44
IT - Admin / planning and acquisition			1.00		1.00	200.00	200.00
Asset Realisation	7.25	7.40	2.90		17.55	8,114.25	462.35
Asset Realisation	0.25		2.90		3.15	1,004.25	318.81
Legal-asset Realisation	7.00	7.40			14.40	7,110.00	493.75
Creditors	95.00	51.85	22.90		169.75	78,596.75	463.01
Unsecured Creditors	87.50	45.10	19.20		151.80	70,549.00	464.75
Secured Creditors	4.00	2.60			6.60	3,285.00	497.73
Legal-Creditors	3.50	4.15	3.70		11.35	4,762.75	419.63
Investigation	794.35	1,454.00	1,306.15		3,554.50	1,373,438.75	386.39
Investigatory Work	322.25	781.00	925.85		2,029.10	732,625.75	361.06
Legal - Investigations	461.60	383.05	153.05		997.70	473,078.00	474.17
IT - Investigations	4.50	14.25	5.25		24.00	9,215.00	383.96
Forensic	6.00	199.75	84.75		290.50	95,982.75	330.41
Forensic- Relativity (Internal)		18.45	74.45		92.90	24,786.50	266.81
FTech - Relativity (External)		2.15			2.15	791.00	367.91
FTech - Project Management		33.15			33.15	12,952.75	390.73
FTech - Data Capture			51.20		51.20	12,250.00	239.26
FTech - Forensic Data Analysis			11.60		11.60	3,190.00	275.00
FTech - Consulting		22.20			22.20	8,567.00	385.90
Statutory Compliance	41.25	69.10	30.50		140.85	58,042.75	412.09
Statutory Compliance - General	8.00	14.50	12.50		35.00	13,860.00	396.00
Statutory Reporting/ Meetings	7.00	9.00	17.50		33.50	13,038.50	389.21
Appointment Formalities	23.50	15.95			39.45	18,736.75	474.95
Creditors Committee Matters		29.65			29.65	10,633.75	358.64
Bonding/ Statutory Advertising			0.50		0.50	137.50	275.00
Pensions- Other	2.75				2.75	1,636.25	595.00
Total Hours	1,057.35	1,668.95	1,455.71	3.10	4,177.11	1,645,205.00	393.86



Remuneration and expenses Additional Liquidator's Disbursements

The Additional Liquidator's disbursements for the period are summarised below:

Category 1 disbursements:

These are payments to independent third parties where there is specific expenditure directly referable to the appointment in question, these include but are not limited to such items as case advertising, storage, bonding, searches, insurance, licence fees.

Category 1 disbursements can be drawn without prior approval.

Category 2 disbursements:

These are expenses that are directly referable to the appointment in question but not to a payment to an independent third party. With the exception of mileage FRP do not charge category 2 disbursements.

Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred, at the time of this report this is 45p per mile.

Category 2 disbursements require prior approval in the same manner as an office holder's remuneration.

Category 1 disbursements				
£ (m)	Period		Cumulative	
	Incurred	Paid	Incurred	Unpaid
Advertising	-	-	65.93	-
Company Search	-	-	1.00	-
Professional Services	7,540.00	7,797.68	10,576.56	-
Sundries/General	-	-	1,490.74	-
Travel	-	-	362.41	-
Storage	90.71	97.04	108.31	-
Bonding	-	-	17.50	-
Mobile Telephone	23.03	23.03	106.75	-
Legal	5,000.00	5,000.00	5,000.00	-
Computer Consumables	10,226.39	6,934.48	17,364.85	4,084.74
Consultancy	497.00	497.00	497.00	-
Electronic Storage	3,772.39	3,772.39	3,772.39	-
Subsistence	-	-	14.57	-
Marketing	-	665.00	875.00	-
Courier	-	14.55	14.55	-
Land Registry Charges	-	-	51.00	-
Secretarial	9.28	9.28	9.28	-
Total disbursements	27,258.80	24,810.45	40,331.64	4,084.74

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred.

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.



Deloitte

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