

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)	Ian Colin
Surname	Wormleighton

3 Liquidator's address

Building name/number	156 Great Charles Street
Street	Queensway
	Birmingham
Post town	B3 3HN
County/Region	
Postcode	
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	100 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 2	^y 1				
To date	^d 0	^d 2	^m 1	^m 0	^y 2	^y 0	^y 2	^y 2				
7	Progress report											
<input checked="" type="checkbox"/> The progress report is attached												
8	Sign and date											
Liquidator's signature	Signature 								X			
Signature date	^d 3	^d 0	^m 1	^m 1	^y 2	^y 0	^y 2	^y 2				

**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 **Arjan Beghal**

Company name **Teneo Financial Advisory Ltd**

Address
156 Great Charles Street
Queensway

Post town **Birmingham**

County/Region

Postcode **B 3 3 H N**

Country

DX

Telephone
+44 121 619 0120

**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



The Global CEO Advisory Firm



Company Number: 00278576

Registered Office: c/o Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN

CGL Realisations Limited (formerly Comet Group Limited) (in Liquidation) (“the Company”)

Progress report to creditors for the 12 month period to 2 October 2022 pursuant to Section 104A of the Insolvency Act 1986 and Rule 18.7 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).






1 December 2022

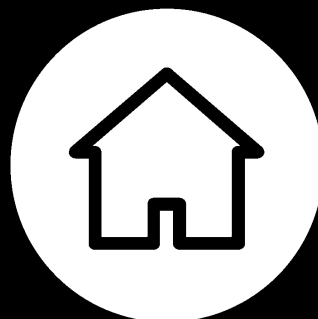
Neville Barry Kahn, Christopher James Farrington and Nicholas Guy Edwards of Deloitte LLP (“Deloitte”) were appointed Joint Liquidators of CGL Realisations Limited (formerly Comet Group Limited) following the cessation of the administration on 3 October 2013. Christopher James Farrington ceased to act 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. Pursuant to a court order dated 12 May 2021, Nicholas Guy Edwards was replaced by Ian Colin Wormleighton (“the Teneo Liquidator”).

All licensed Insolvency Practitioners of Deloitte LLP and Teneo 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.

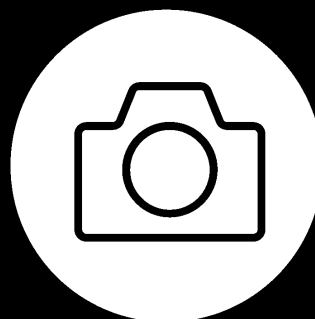
For the purposes of Section 231 of the Insolvency Act 1986 (as amended), (“the Act”), the Teneo Liquidator and Additional Liquidator confirm that they are authorised to carry out all functions, duties and powers by either of them severally.

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

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Key messages



Key messages

Teneo Liquidator

Ian Colin Wormleighton
Teneo Financial Advisory Limited
156 Great Charles Street
Queensway
Birmingham
B3 3HN

Additional Liquidator

Geoffrey Lambert Carton-Kelly
FRP Advisory Trading Limited
110 Cannon Street
London
EC4N 6EU

Contact details

Email: arjan.beghal@teneo.com
Website:
<https://www.ipsdocs.com/case/CO ME02L/TeneoTRL2021>
Tel: +44 121 619 0153



Progress of the liquidation during the report period

Costs

Outstanding matters

Dividend prospects

Teneo Liquidator

- The Teneo Liquidator has continued to carry out tasks relating to the fulfilment of statutory and compliance obligations in respect of the liquidation.

Additional Liquidator

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

Teneo Liquidator's Cost

- The Teneo Liquidator's fees have been fixed on a time costs basis.
- The Teneo Liquidator's time costs for the period of the report are £54,501.
- To date, the Teneo Liquidator has drawn remuneration totalling £3,501,392 plus VAT. Please refer to page 14 for further details.
- Category 2 disbursements of £5,251 plus VAT have been incurred in the report period. Please refer to page 17 for further details.
- Category 1 third party expenses of £38,349 plus VAT have been incurred in the report period. Please refer to page 7 for further details.

Additional Liquidator's costs

- The Additional Liquidator's fee basis has been fixed by the Court, on a time cost basis.
- The Additional Liquidator's time costs for the period of the report are £564,330.
- To date, the Additional Liquidator has drawn remuneration totalling £1,712,736 plus VAT from the estate. Please refer to page 18 for further details.
- Disbursements of £131 plus VAT have been incurred in the report period. Please refer to page 22 for further details.

Teneo 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

- Resolve any outstanding matters at a consequential hearing following successful judgment against Darty Holdings SAS ("Darty") at trial.
- Prepare for any appeal proceedings brought by Darty.

- Secured creditors 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

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Receipts and payments	9



Progress of the liquidation

Teneo Liquidator - progress of the liquidation

Statutory Tasks

During the period the Teneo 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 Teneo Liquidator filed the Company's VAT returns with HM Revenue and Customs ("HMRC").

Tax

The Company's annual corporation tax computations were prepared, reviewed and submitted to HMRC.





Progress of the liquidation

Additional Liquidator - progress of the liquidation

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 continued 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 effected the sale of the Company to HAL in February 2012.

Darty Claim

As previously reported, the trial against Darty the Respondent was listed with the Court to commence in October 2022.

During the Period, the Additional Liquidator continued to progress the claim against Darty, including:

- Engaging with witnesses to prepare witness evidence;
- Instructing accounting experts to prepare an expert reports in respect of certain aspects of the claim; and
- Progressing the trial phase of the proceedings.

Post reporting period event

The trial took place between 11 October 2022 and 21 October 2022 (following two days of pre-reading) before Mrs Justice Sarah Falk DBE. Given the complex nature of the case, the judge did not pass judgment immediately but instead reserved her judgment to allow time to consider her decision.

On 17 November 2022, judgement was handed down in the Company's favour on all points, with damages of approximately £90m being awarded to the estate. Various matters following the judgment (including questions of costs, permission to appeal, the time limit for any appellant's notice(s) and any application for a stay of execution of the judgment) remain to be resolved, and will be the subject (as necessary) of a further consequential hearing to be listed shortly. Pending such resolution, the final amount due pursuant to the judgment is not known, but it is likely to be well in excess of £100m.

It is anticipated that the Respondent will seek to appeal the judgement.

Creditors should note that there will be no dividend distributions until the position in respect of any such appeal is fully known.

Updates will be provided to creditors once the matter concludes during the relevant future reporting periods.

Progress of the liquidation

Estimated future realisations

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 from the ongoing claim, as outlined above, the ultimate outcome to creditors is uncertain at present.

Third party costs incurred during the report period

Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate without creditor approval.

Teneo Liquidator's Expenses

The following third party expenses have been incurred during the report period:

Storage costs

	Incurred in the period (£)	Paid (£)	Unpaid (£)
Wood Group UK Limited	1,435	1,435	-
Iron Mountain (UK) Limited	36,914	32,315	4,599
	38,349	33,750	4,599

Additional Liquidator's Expenses

Legal Fees

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. The table below summarises the costs incurred and paid during the period from funds in the estate. Please note that third party funded costs will be disclosed following the conclusion of the Darty matter.

As advised in the last progress report, the Additional Liquidator entered into an agreement with the funder, LCM Funding UK Ltd to fund some of the costs of the proceedings against Darty.

Legal fees & disbursements

£ (net)	Period	
	Incurred	Paid
Legal Fees (Jones Day)	4,826	4,826
	4,826	4,826

Payment of Category 1 Expenses

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

Please refer to the tables opposite/above and the receipts and payments account on page 8 for details of Category 1 expenses paid to date.



Progress of the liquidation

Disbursements – Category 1

Category 1 disbursements are payments to third parties which are initially met by officeholders and then reimbursed out of the estate when funds become available, and for which no approval is required.

Teneo Liquidator's Category 1 Expenses:

As can be seen in the table below, the Teneo Liquidator has not incurred any Category 1 Expenses during the report period:

Category 1 Expenses				
£ (net)	Period		Cumulative	
	Incurred	Paid	Incurred	Unpaid
Catering	-	-	113	-
Accommodation	-	-	432	-
Travel & Parking	-	-	10,335	-
Land Registry Charges	-	-	1,419	102
Telephone Costs	-	-	359	54
Storage Costs	-	-	1,116	786
Postage and Couriers	-	-	13,127	-
Subsistence Costs	-	-	477	-
Legal Fees	-	-	303	-
Total Expenses	-	-	27,681	942

Category 2 Expenses

These are payments out of the estate either:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; or
- to our associates.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on pages 17 and 19.



Progress of the liquidation

Receipts and payments

Receipts and payments account
3 October 2021 to 2 October 2022

£	Notes	Period	To date
Receipts			
Cash received from Administration		-	18,420,767
Settlement monies received		-	6,329,475
Rates refunds		-	2,001,146
Sale of tax losses		-	1,843,927
Warranty Settlement		-	636,665
Marketing Costs' Rebate		-	504,000
License sales		-	436,594
Legal Fees - Litigation Refund		-	368,439
Insurance Refunds		-	317,342
Bank Interest	A	692	168,028
Cost Awards		-	97,250
Intellectual Property		-	86,000
Leasehold Property		-	48,200
Misc Income		-	37,034
Hold back release funds from Amex		-	33,601
Insurance Settlement		-	31,396
Sale of IT Assets		-	29,500
Other Refunds		-	28,713
Other Debtors		-	28,505
Book Debts		-	16,315
Legal Fees - General Refund		-	8,165
Shares & Investments		-	145
Total receipts		692	31,471,207

£	Notes	Period	To date
Administration costs			
Administration Rent Liability		-	900,082
Rates		-	608,199
Corporation Tax		-	83,541
Retail Consultants' Fees		-	75,000
Store Utility Costs		-	71,010
IT Maintenance		-	37,270
Sub-Contractor costs		-	22,648
Customer Refunds		-	4,480
Rent Deposit Return		-	4,000
IT Services		-	1,525
Other Property Expenses		-	95
Companies House Fees		-	10
Agents fees			
Agents' Fees - Litigation		-	714,762
Agents' Fees - Deloitte Real Estate		-	455,069
Agents/Valuers Fees		-	361,640

£	Notes	Period	To date
Payments (balance b/f)			
		-	3,339,330
Estate costs			
Storage Costs		33,750	394,312
Insurance of Assets		-	8,061
Bank Charges		33	1,418
Transfer to Admin Account for ISA Fee		-	26
Legal fees			
Legal Fees - General		-	3,662,490
Legal Fees - Litigation		-	2,612,108
Legal Fees - Third Party		-	165,000
Legal Expenses		-	487,683
Adverse Costs Order		-	300,000
Additional Liquidator - Legal Fees		4,826	2,339,078
Additional Liquidator - Legal Disbursements		-	511,983
Distributions			
Payment to Secured Creditor		-	4,593,927
Trade & Expense Creditors		-	219,491
Unsecured Unclaimed Dividends		-	281,856
Administrator/liquidator costs			
Joint Administrators' Fees		-	5,024,841
Teneo Liquidator's Fees	B	-	3,501,392
Additional Liquidator's - Fees	C	-	1,712,736
Additional Liquidator's - Expenses	C	-	42,383
Litigation insurance		-	280,000
Data Hosting Costs		-	52,851
Postage & Couriers		-	22,213
Travel and Parking		-	5,293
Deloitte Belfast Tax Team		-	1,662
Liquidator's Expenses		-	5,280
Land Registry Charges		-	1,317
Statutory Advertising		-	572
Accommodation		-	432
Telephone Costs		-	282
Mileage		-	199
Catering		-	113
Total payments		38,609	29,568,331
Balance			1,902,876
Made up of:			
Funds held in fixed charge account	A		475,238
Funds held in floating charge account	A		1,165,092
Trade Creditors	E		(64,404)
VAT Receivable	D		326,950
Balance in hand			1,902,876



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 2022 and all transactions since the date of our appointment.

Notes to receipts and payments account

- A. All funds are held in an interest bearing accounts. The associated corporation tax on interest received will be accounted for to HMRC.
- B. 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 Teneo 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.
- C. 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 18 of the report for more details.
- D. All sums shown in the receipts and payments account overleaf are shown net of VAT, which is recoverable and has been accounted for to HMRC in due course. This balance includes VAT on invoices issued to the Company which were settled outside of the estate.
- E. Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.
- F. Details of the third party funding arrangements, and associated payments settled from these funds, have not been disclosed in the receipts and payments account so as not to prejudice the ongoing legal proceedings.

Rounding note

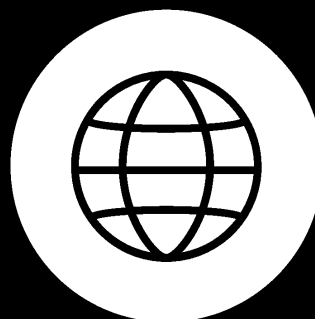
In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors



Information for creditors

Outcome for creditors

12



Information for creditors

Secured creditors

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

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 which may be made available to the Secured Creditor will be dependent on future realisations and costs incurred, the Additional Liquidator's investigations and any subsequent action taken. However, the Secured Creditor will not be repaid in full.

Preferential creditors

Preferential claims consist of amounts owed to employees for arrears of wages/salaries, holiday pay, and pension contributions.

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

Secondary Preferential Debts due to HMRC

As this appointment pre dates 1 December 2020, the Secondary Preferential Debt provisions do not apply.

Prescribed Part

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.

Unsecured creditors

The quantum and likelihood of any additional dividend to unsecured creditors is entirely 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.

Claims process

Subject to the outcome of the Additional Liquidator's investigations, the Teneo Liquidator believes there is currently no prospect of a further distribution for unsecured creditors. Accordingly, the Teneo Liquidator does not currently intend to undertake any further work to agree any creditor claims received at this time.

Post reporting period event

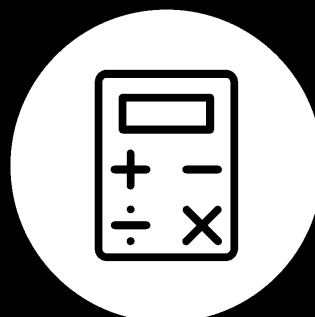
Given the successful outcome at first instance of the Additional Liquidator's claim against Darty, it is possible that there will be sufficient funds available for a dividend payment to be made to unsecured creditors. This will however depend on the outcome of any appeal that the Respondent might bring.





Remuneration and expenses

Teneo Liquidator's remuneration	14
Additional Liquidator's remuneration	18



Remuneration and expenses
Teneo Liquidator's remuneration

Teneo Liquidator's remuneration

"Liquidation Creditors' Guide to Fees" is available for download at <https://www.ips-docs.com/case/COME02L/TeneoTRL2021>. 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 Teneo Liquidator's remuneration was fixed on 10 April 2013 by creditors in the preceding Administration by reference to the time properly given by the Teneo Liquidator and their staff in attending to matters arising in the liquidation calculated at the prevailing hourly charge out rates used by Teneo at the time when the work is performed, plus VAT.

Time costs incurred

The Teneo Liquidator's time costs for the period are £54,150 made up of 88 hours at an average charge out rate of £620/hour across all grades of staff.

Since the date of our appointment to 2 October 2022, the Teneo Liquidator has incurred total time costs of £5,659,522 made up of 11,380 hours at an average charge out rate of £498/hour across all grades of staff.

Fees Drawn to Date

The Teneo Liquidator has not drawn any fees in the period. To date, the Teneo Liquidator has drawn remuneration of £3,501,392 as shown in the receipts and payments account on page 8.

Charge Out Rates

The range of charge out rates for the separate categories of staff is based on our 2021 national charge out rates as summarised below.

Teneo charge out rates (£/hour)	
Grade	From 1 June 2021
Directors*	1,100 - 1,195
Associate Directors	900
Managers	815
Assistant Managers	650
Other**	380

Directors* includes Senior Managing Directors, Managing Directors and Directors
Other** includes Senior Associate and Associate Consultants

Please note that prior to 29 May 2021 (when the Restructuring Services practice transferred from Deloitte LLP to Teneo Restructuring Limited) time was charged to the estate by specialists from other Deloitte departments (such as Tax/VAT, Financial Advisory or Deloitte Real Estate) and whose charge out rates may fall outside the bands quoted above.

Charge out rates increased on 1 June 2021. Details of charge out rates applicable to prior report periods were given in those reports, copies of which will be provided on request.



Teneo Liquidator's time costs for the period 3 October 2021 to 2 October 2022

All 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.

	Senior Managing Directors & Directors		Associate Directors		Managers		Consultants		Associate Consultants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning													
Cashiering and Statutory Filing	-	-	0.50	450.00	-	-	8.70	5,655.00	11.53	4,382.67	20.73	10,487.67	505.84
Case Management and Closure	-	-	5.00	4,500.01	10.10	8,231.50	-	-	19.25	7,315.00	34.35	20,046.51	583.60
Liaison with Other Insolvency Practitioners	-	-	1.00	900.00	-	-	-	-	-	-	1.00	900.00	900.00
	-	-	6.50	5,850.01	10.10	8,231.50	8.70	5,655.00	30.78	11,697.67	56.08	31,434.18	560.49
Investigations													
Investigations	-	-	5.90	5,310.00	0.80	652.00	-	-	-	-	6.70	5,962.00	889.85
	-	-	5.90	5,310.00	0.80	652.00	-	-	-	-	6.70	5,962.00	889.85
Realisation of Assets													
Other Assets (e.g. Stock)	0.60	717.00	1.00	900.00	-	-	5.17	3,358.33	4.30	1,634.00	11.07	6,609.33	597.23
	0.60	717.00	1.00	900.00	-	-	5.17	3,358.33	4.30	1,634.00	11.07	6,609.33	597.23
Creditors													
Secured	0.50	597.50	2.20	1,980.00	-	-	-	-	-	-	2.70	2,577.50	954.63
Unsecured	-	-	0.80	720.00	-	-	-	-	-	-	0.80	720.00	900.00
	0.50	597.50	3.00	2,700.00	-	-	-	-	-	-	3.50	3,297.50	942.14
Case Specific Matters													
VAT	-	-	-	-	1.00	815.00	0.80	520.00	2.60	988.00	4.40	2,323.00	527.95
Tax	1.20	1,339.00	0.40	360.00	3.00	2,445.00	-	-	1.00	380.00	5.60	4,524.00	807.86
	1.20	1,339.00	0.40	360.00	4.00	3,260.00	0.80	520.00	3.60	1,368.00	10.00	6,847.00	684.70
TOTAL HOURS & COST	2.30	2,653.50	16.80	15,120.01	14.90	12,143.50	14.67	9,533.33	38.68	14,699.67	87.35	54,150.01	619.92
AVERAGE RATE/HOUR PER GRADE		£ 1,153.70		£ 900.00		£ 815.00		£ 650.00		£ 380.00			



Teneo Liquidator's time costs for the period 3 October 2013 to 2 October 2022

All 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.

	Senior Managing Directors & Directors		Associate Directors		Managers		Consultants		Associate Consultants & Support		TOTAL		Average rate/h Cost (£)
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	
Administration and Planning													
Cashiering and Statutory Filing	6.10	5,742.75	69.10	49,299.68	109.12	60,386.81	215.17	90,322.80	397.41	79,827.41	796.89	285,579.45	358.37
Case Management and Closure	185.05	179,485.07	213.30	134,581.08	120.10	64,570.00	270.85	108,960.82	441.70	101,278.57	1,231.00	588,875.55	478.37
Initial Actions	14.90	14,305.00	2.80	2,000.00	10.00	4,928.57	18.00	6,942.86	1.00	460.00	46.70	28,636.43	613.20
Liaison with Other Insolvency Practitioners	6.50	6,595.00	1.00	900.00	1.50	1,222.50	-	-	-	-	9.00	8,717.50	968.61
General Reporting	36.17	31,722.54	109.80	78,091.00	27.65	15,827.11	48.65	21,543.11	146.60	31,711.75	368.87	178,895.51	484.98
	248.72	237,850.36	396.00	264,871.76	268.37	146,934.99	552.67	227,769.59	986.70	213,277.73	2,452.46	1,090,704.43	444.74
Investigations													
Investigations	297.45	287,040.50	169.80	136,062.50	327.50	229,108.11	378.30	172,280.39	292.45	84,870.79	1,465.50	909,362.29	620.51
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	171.10	136,991.07	327.50	229,108.11	380.30	173,051.82	292.45	84,870.79	1,469.80	912,012.29	620.50
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)	72.30	69,375.00	47.00	33,757.14	12.20	6,598.43	18.87	9,594.04	6.80	2,202.22	157.17	121,526.83	773.24
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
Sale of Business / Assets	-	-	-	-	0.50	305.00	-	-	-	-	0.50	305.00	610.00
	161.15	148,015.39	142.30	104,432.71	146.75	72,677.21	248.17	98,683.33	284.80	68,479.93	983.17	492,288.58	500.72
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	152.80	145,490.50	131.70	94,448.29	72.20	42,488.93	22.30	10,319.50	0.50	142.86	379.50	292,890.07	771.78
Unsecured	12.95	10,648.00	68.00	48,210.43	262.30	115,918.43	234.50	80,668.14	1,611.90	352,390.75	2,189.65	607,835.75	277.59
	470.75	437,166.57	283.90	202,801.57	463.65	219,486.14	804.75	303,058.93	1,762.40	395,091.25	3,785.45	1,557,604.46	411.47
Case Specific Matters													
Litigation	838.30	734,847.07	411.45	242,406.46	152.00	71,864.14	226.10	83,360.43	90.76	20,588.14	1,718.61	1,153,066.25	670.93
Pensions	-	-	-	-	-	-	7.20	3,318.00	-	-	7.20	3,318.00	460.83
VAT	50.69	46,895.16	37.15	30,033.96	32.80	18,959.57	52.20	21,836.07	229.60	58,270.18	402.44	175,994.95	437.32
Tax	34.18	35,250.64	22.70	18,068.64	43.30	24,319.00	130.25	50,676.14	150.99	20,719.10	381.42	149,033.52	390.73
	923.17	816,992.87	471.30	290,509.07	228.10	115,142.71	415.75	159,190.64	471.35	99,577.42	2,509.67	1,481,412.72	590.28
TOTAL HOURS & COST	2,208.34	2,024,591.34	1,480.10	1,010,393.54	1,434.37	783,349.17	2,434.13	974,290.02	3,822.70	866,897.48	11,379.65	5,659,521.56	497.34
AVERAGE RATE/HOUR PER GRADE		£ 916.79		£ 682.65		£ 546.13		£ 400.26		£ 226.78			



Remuneration and expenses

Teneo Liquidator's Expenses

Category 2 Expenses

These are payments to us (as officeholder) or to our associates. These expenses may initially be paid by us (for example, reimbursement to staff engaged on the case for their mileage costs) and may also include shared or allocated costs.

These expenses require creditor approval in the same manner as our remuneration

Teneo Liquidator's Category 2 Expenses (including disbursements)

The Teneo Liquidator's Category 2 expenses incurred to date are summarised below, from which it can be seen that we have not, to date, recovered our expenses in full.

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

As indicated on page 8 specific approval is required before these costs and expenses can be drawn from the liquidation estate and which was given in the earlier administration by the secured and preferential creditors on 10 April 2013 other than in relation to the Deloitte LLP costs which are discussed further below and in the column opposite.

As discussed on page 14, prior to the Transaction, the work delivered by other Deloitte service lines was included in our time costs and thus charged to the estate to be recovered out of our approved remuneration (from which an internal recharge would have then been made).

Following the Transaction, the services being delivered by Deloitte teams can no longer be charged to or form part of our time costs; they are instead being charged to the estate as Category 2 expenses, and thus subject to approval from the appropriate creditor body before payment of same can be made.

Category 2 Expenses				
£ (net)	Period		Cumulative	
	Incurred	Paid	Incurred	Unpaid
Mileage	-	-	199	-
Deloitte Belfast Tax Fee	-	-	1,662	-
Deloitte Anjin LLC	-	-	24,229	-
Data Hosting Costs	-	-	55,734	2,883
Deloitte Tax	-	-	2,050	2,050
Deloitte India	5,251	-	4,009	9,260
Total Expenses	5,251	-	87,883	14,193

Deloitte LLP services

A summary of the services being delivered by Deloitte is below:

Deloitte Global Financial Advisory India ("DJIV") were engaged to assist with case management and administration. Their work, which is no longer ongoing, was charged on a time costs basis, the charge out rates for which are provided below.

Please refer to the table opposite for details of their costs incurred. As can be seen, these costs remain unpaid, and we not intend at this time to seek approval for these costs to be recovered or paid out of the estate.

DJIV charge out rates (£/hour)	
Grade	Rate (£/hour)
Assistant Manager	345 - 400
Senior Associate	135 - 205



Remuneration and expenses Additional Liquidator's Disbursements

Additional Liquidator's remuneration

Any Further information can be found in the Creditors' Guide to Fees which you can access using the following link <http://www.frpadvisor.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 nondisclosure 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 opposite.

Initial Fee Estimate

	Total Hours	Total Fees	Average Hourly Rate (£)
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

	Total Hours	Total Fees	Average Hourly Rate (£)
Administration & Planning	532.56	245,304.25	460.61
Investigation	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 £564,329 made up of 1,106 hours at an average charge-out rate of £510/hour across all grades of staff.

Since the date of his appointment to 2 October 2022, the Additional Liquidator has incurred total time costs of £2,670,854 made up of 6,213 hours at an average charge out rate of £429/hour across all grades of staff.

Fees drawn to date

To date, the Additional Liquidator has drawn remuneration of £1,712,736 from the estate as shown in the receipts and payments account on page 8.

As previously advised, the Additional Liquidator entered into an agreement with the funder, LCM Funding UK Ltd to fund some of the costs of the proceedings against the Respondent. The total funding received to date in respect of the Additional Liquidators' fees is £916,148 plus disbursements of £5,584. LCM has also funded the legal and expert costs in the proceedings. Please note that funded costs are not incurred by the estate as it is a non-recourse funding agreement and that the only costs to the estate will be the cost of funding which is impacted by the amount drawn and the length of time it remains unpaid, all of which will depend on the outcome of any appeal.

Full details will be provided with the creditors' progress report following the conclusion of any appeal.



Remuneration and expenses
Additional Liquidator's Disbursements

Additional Liquidator's charge out rates

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, 1 November 2020 and 1 May 2022. The range of charge-out rates before and since that date for the separate categories of staff is summarised below.

Grade	From 1 May 2019	From 1 November 2020	From 1 May 2022
Appointment taker/ Partner	495 - 595	595 - 695	640 - 740
Managers / Directors	385 - 495	445 - 595	480 - 580
Other Professional	225 - 340	275 - 395	300 - 420
Junior Professional & Support	150 - 195	175 - 245	190 - 260

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 time costs for the period 3 October 2021 to 2 October 2022

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional / Support	Total Hours	Total Cost £	Average Hrrly Rate £
Administration and Planning	0.50	1.85	99.65		102.00	37,375.50	366.43
A&P - Admin & Planning			39.55		39.55	14,468.50	365.83
A&P - Strategy and Planning		1.60	7.30		8.90	3,398.00	381.80
A&P - Case Accounting			0.10		0.10	37.00	370.00
A&P - Case Control and Review			1.20		1.20	444.00	370.00
A&P - Fee and WIP		0.25	50.85		51.10	18,433.75	360.74
A&P - General Administration	0.50		0.65		1.15	594.25	516.74
Creditors			2.65		2.65	914.25	345.00
CRE - Unsecured Creditors			0.90		0.90	310.50	345.00
CRE - Legal-Creditors			1.75		1.75	603.75	345.00
Investigation	405.25	261.70	311.45	7.50	985.90	520,054.75	527.49
INV - FTech - Consulting		16.10	0.50		16.60	8,184.00	493.01
INV - Investigatory Work	40.65	174.20	201.25	7.50	423.60	190,072.50	448.71
INV - Legal - Investigations	364.60	12.20	69.90		446.70	279,920.75	626.64
INV - FTech - Project Management		50.50	33.20		83.70	35,561.00	424.86
Inv - Ftech - Data Processing Time		0.20	4.60		4.80	1,651.50	344.06
Inv - Ftech - Case Admin		1.50			1.50	722.50	481.67
Inv - Ftech - Data Capture Time			0.50		0.50	210.00	420.00
INV - Ftech - Data Tracking			1.50		1.50	617.50	411.67
Inv - Ftech - Analytics		6.25			6.25	2,781.25	445.00
Inv - Ftech - Relativity Maintenance		0.75			0.75	333.75	445.00
Statutory Compliance	2.35		13.15		15.50	5,985.00	386.13
STA - Statutory Reporting/ Meetings	2.35		10.00		12.35	4,848.25	392.57
STA - Creditors Committee Matters			3.15		3.15	1,136.75	360.87
Total Hours	408.10	263.55	426.90	7.50	1,106.05	564,329.50	510.22



Additional Liquidator's time costs for the period 11 June 2018 to 2 October 2022

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional / Support	Total Hours	Total Cost £	Average Hrry Rate £
Administration and Planning	125.20	86.65	217.56	3.10	432.51	178,983.25	413.82
A&P - Admin & Planning	2.50	11.10	65.05	0.15	78.80	27,997.00	355.29
A&P - Strategy and Planning	17.75	10.35	10.20		38.30	18,313.50	478.16
A&P - Case Accounting - General		4.65	0.40		5.05	2,093.25	414.50
A&P - Case Accounting		1.60	0.30		1.90	776.00	408.42
A&P - Case Control and Review		6.80	2.70		9.50	3,512.00	369.68
A&P - Fee and WIP	6.45	8.55	86.60		101.60	36,813.75	362.34
A&P - General Administration	94.50	42.40	35.21	2.95	175.06	83,257.25	475.59
A&P - Travel		0.70	15.50		16.20	3,338.00	206.05
A&P - Insurance			0.60		0.60	165.00	275.00
A&P - Media	4.00	0.50			4.50	2,517.50	559.44
A&P - 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
ROA - Asset Realisation	0.25		2.90		3.15	1,004.25	318.81
ROA - Legal-asset Realisation	7.00	7.40			14.40	7,110.00	493.75
Creditors	96.00	51.85	26.45		174.30	80,498.50	461.84
CRE - Secured Creditors	4.00	2.60			6.60	3,285.00	497.73
CRE - Unsecured Creditors	88.50	45.10	20.10		153.70	71,554.50	465.55
CRE - Legal-Creditors	3.50	4.15	6.35		14.00	5,659.00	404.21
Investigation	1,499.10	1,985.80	1,915.70	7.50	5,408.10	2,327,508.50	430.37
INV - FTech - Consulting		56.40	0.50		56.90	24,593.50	432.22
INV - IT - Investigations	4.50	14.25	5.25		24.00	9,215.00	383.96
INV - Investigatory Work	385.00	1,098.60	1,259.15	7.50	2,750.25	1,054,083.75	383.27
INV - Legal - Investigations	1,103.60	452.85	373.30		1,929.75	1,017,597.75	527.32
INV - FTech - Project Management		133.60	36.90		170.50	74,276.25	435.64
Inv - Ftech - Data Processing Time		0.20	4.60		4.80	1,651.50	344.06
Inv - Ftech - Case Admin		2.25	0.30		2.55	1,153.75	452.45
INV - Forensic	6.00	199.75	89.35		295.10	97,552.25	330.57
INV - Forensic - Relativity (Internal)		18.75	79.45		98.20	26,428.75	269.13
INV - FTech - Relativity (External)		2.15			2.15	791.00	367.91
INV - FTech - Forensic Data Analysis			13.60		13.60	3,940.00	289.71
INV - FTech - Data Capture - Unit			51.20		51.20	12,250.00	239.26
Inv - Ftech - Data Capture Time			0.50		0.50	210.00	420.00
INV - Ftech - Data Tracking			1.50		1.50	617.50	411.67
Inv - Ftech - Analytics		6.25			6.25	2,781.25	445.00
Inv - Ftech - Relativity Maintenance		0.75	0.10		0.85	366.25	430.88
Statutory Compliance	51.85	74.85	54.15		180.85	75,750.25	418.86
STA - Appointment Formalities	23.50	15.95			39.45	18,736.75	474.95
STA - Bonding - Statutory Advertising			0.50		0.50	137.50	275.00
STA - Pensions - Other	2.75				2.75	1,636.25	595.00
STA - Statutory Compliance - General	9.25	14.50	12.50		36.25	14,728.75	406.31
STA - Statutory Reporting - Meetings	16.35	14.75	35.25		66.35	27,791.75	418.87
STA - Creditors Committee Matters		29.65	5.90		35.55	12,719.25	357.78
Total Hours	1,779.40	2,206.55	2,216.76	10.60	6,213.31	2,670,854.75	429.86



Remuneration and expenses
Detailed information

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				
£ (net)	Period		Cumulative	
	Incurred	Paid	Incurred	Unpaid
Accommodation/ Room Hire (External)	-	-	-	-
Accounts Filing	-	-	1,309	-
Advertising	-	-	70	-
Bonding	-	-	18	-
Company Search	-	-	1	-
Computer Consumables	-	-	23,378	-
Consultancy	-	-	497	-
Courier	-	-	15	-
Electronic Storage Costs	-	-	3,772	-
Land Registry Charges	9	9	60	-
Legal	-	-	60	-
Marketing	-	-	875	-
Mobile Telephone	-	-	107	-
Photo copying	-	-	-	-
Prof. Services	-	-	10,577	-
Scanning	-	-	-	-
Secretarial	-	-	9	-
Storage	122	103	430	19
Subsistence	-	-	15	-
Sundries/General	-	-	1,491	-
Travel	-	-	362	-
Total disbursements	131	112	43,045	19

Teneo Liquidator and Additional Liquidator

Creditors’ right to request information

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.

Creditors’ right to challenge remuneration and/or expenses

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.





This document is confidential and prepared solely for your information. Therefore you should not, without our prior written consent, refer to or use our name or this document for any other purpose, disclose them or refer to them in any prospectus or other document, or make them available or communicate them to any other party. No other party is entitled to rely on our document for any purpose whatsoever and thus we accept no liability to any other party who is shown or gains access to this document.

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