

AM10

Notice of administrator's progress report



Companies House

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

1	Company details	
Company number	0 0 2 8 0 1 3 3	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	G.W.Butler Limited	
2 Administrator's name		
Full forename(s)	James	
Surname	Stephen	
3 Administrator's address		
Building name/number	4 Atlantic Quay	
Street	70 York Street	
Post town	Glasgow	
County/Region		
Postcode	G 2 8 J X	
Country		
4 Administrator's name *		
Full forename(s)	William Matthew	* Other administrator Use this section to tell us about another administrator.
Surname	Tait	
5 Administrator's address *		
Building name/number	55 Baker Street	* Other administrator Use this section to tell us about another administrator.
Street	London	
Post town	W1U 7EU	
County/Region		
Postcode		
Country		

AM10

Notice of administrator's progress report

6 Period of progress report

From date	1	0	1	1	2	0	2	0
To date	0	9	0	5	2	0	2	1

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

0	4	0	6	2	0	2	1
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AM10

Notice of administrator's progress report



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 James Stephen

Contact name BDO LLP

Address 5 Temple Square
Temple Street

Post town Liverpool

County/Region

Postcode L 2 5 R H

Country

DX

Telephone 01512 374 500



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

G.W. Butler Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 10/11/2020 To 09/05/2021 £	From 10/05/2019 To 09/05/2021 £
	FIXED CHARGE ASSETS		
Uncertain	Leasehold Property	Nil	Nil
Uncertain	Book Debts	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
	FIXED CHARGE CREDITORS		
(119,554.54)	HSBC Invoice Finance (UK) plc	Nil	Nil
(2,676,120.73)	HSBC Bank plc	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
	REIT DEPOSIT		
Uncertain	Rent Deposit-Aviva Staff Pension Trust	Nil	Nil
Uncertain	Rent Deposit - AMOS Properties Limite	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
	HP ASSETS		
Uncertain	State Securities plc	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
	ASSET REALISATIONS		
Uncertain	Environment Agency Permits	300,000.00	505,000.00
Uncertain	Equipment fixtures and fittings	Nil	Nil
	Interest Gross	13.74	320.60
Uncertain	Motor Vehicles	Nil	Nil
Uncertain	Plant & Machinery	300,000.00	500,000.00
	Rent - Nottingham	12,848.59	141,334.49
	Rent for use of Nottingham equipment	7,500.00	57,500.00
		<u>620,362.33</u>	<u>1,204,155.09</u>
	COST OF REALISATIONS		
	Administrators' Disbursements	8,702.33	8,702.33
	Agents' Fees & Disbs	Nil	10,005.48
	Bank Charges	60.00	69.00
	Insurance	Nil	4,136.27
	Joint Administrators' Fees	131,650.00	256,650.00
	Legal Disbursements	Nil	12.00
	Legal Fees	10,785.78	40,227.98
	Rent (inc. Insurance & Service Charges	Nil	290,907.43
	Security Agents' Fees & Disbs	(510.00)	(1,595.94)
	Specific Bond	Nil	200.00
	Stationery & Postage	Nil	22.50
	Statutory Advertising	Nil	81.00
	Sundry Expenses	Nil	136.00
	Travel & Parking	Nil	67.53
		<u>(150,688.11)</u>	<u>(609,621.58)</u>
	FLOATING CHARGE CREDTS		
	HSBC UK Bank plc	200,000.00	200,000.00
		<u>(200,000.00)</u>	<u>(200,000.00)</u>
	UNSECURED CREDITORS		
(30,367.75)	Trade & Expense Creditors	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
	DISTRIBUTIONS		
(18,750.00)	Ordinary Shareholders	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
<u>(2,844,793.02)</u>		<u>269,674.22</u>	<u>394,533.51</u>
	REPRESENTED BY		

G.W.Butler Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 10/11/2020 To 09/05/2021 £	From 10/05/2019 To 09/05/2021 £
REPRESENTED BY CONTINUED		
Client		(38.36)
Floating Current Account		358,848.96
Funds due		12,297.78
Vat Control Account		23,425.13
		<u>394,533.51</u>

TO ALL CREDITORS AND MEMBERS

04 June 2021

Our Ref 00293792/C/JS/RT

Please ask for
Rebecca Thompson
0151 237 4472
BRCMTNorthandScotland@bdo.co.uk

Dear Madams/Sirs

G.W.Butler Limited - In Administration ('the Company')

It is now 24 months since my appointment in respect of the Company. In accordance with Rules 18.3 and 18.6 of the Insolvency (England and Wales) Rules 2016 I am now reporting the progress made in implementing the approved proposals and achieving the statutory purpose of the Administration for the period from 10 November 2020 to 9 May 2021 ('the Period').

This is a statutory report to creditors on the progress of the Administration of G.W.Butler Limited. This report should be read in conjunction with my previous reports and the Joint Administrators' proposals. A copy of this report will be submitted to the Court and Registrar of Companies.

The management of this case is being undertaken in our Glasgow office. Should you wish to discuss the progress report our contact details are as follows:

Office Address : BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX

Case Manager: David Reid
Email: david.reid@bdo.co.uk
Telephone : 0141 249 8422

1 Statutory Information

The Joint Administrators are James B Stephen (officeholder number: 9273) of BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX and William Matthew Tait (officeholder number: 9564) of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the above Company on 10 May 2019.

Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986 the

Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.

The Joint Administrators were appointed by HSBC Bank UK plc ('the Bank') being a Qualifying Floating Charge Holder, pursuant to Paragraph 14 of Schedule B1 to the Insolvency Act 1986. The Administration proceedings are dealt with in the Manchester High Court of Justice and the court case number is CR-2019-MAN-379.

The Company's registered office is situated at 55 Baker Street, London, W1U 7EU and the registered number is 00280133. The registered office prior to insolvency was Unit 1 Loscoe Close, Normanton Industrial Estate, Normanton, WF6 1TW.

2 Receipts and Payments

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £394,534, together with a copy of my summary account covering the Period, and report as follows:

Receipts

The following realisations were made in the Period:

Bank Interest

Bank interest of £13.74 accrued on the funds held.

Environment Agency Permits

A further £300,000 was realised in relation to the environment agency permit at Nottingham.

Plant & Machinery

A further £300,000 was realised in respect of the sale of the assets located at Nottingham.

Rent for rent use of Nottingham equipment

We received a further £12,848.59 from rent collections in respect of the Nottingham site along with a further £7,500 for the use of the equipment located therein.

Payments

The payments made in relation to Joint Administrators' fees and disbursements are mentioned later in my report in further detail. The following payments were made during the Period:

Bank Charges

We paid bank charges of £60 in the Period.

HSBC Bank

A payment of £200,000 has been made to HSBC Bank under its securities in the Period and is mentioned later in the report.

3 Costs in the Administration

I additionally provide a summary of the professional fees and other expenses which have been incurred and paid in the Period and in the Administration to date, together with anticipated future costs.

Professional Fees and Expenses	Incurred in Period £	Incurred cumulatively £	Paid in the Period £	Paid cumulatively £	Future costs £
Legal Fees and Expenses	10,785.78	40,227.98	10,785.78	40,227.98	£5,000
Security Agent Fees and Expenses	40.00	13,909.54	(510)	(1,595.94)	Nil

Legal Fees

We appointed CMS Cameron McKenna Nabarro Olswang LLP (“CMS”) as legal agents. They have been paid a total of £10,785.78 in the Period. During the period they assisted with the sale of the Nottingham site, assets and permit.

Security Agent Fees and Disbursements

Orbis Protect Limited were appointed as security agents across the sites operated by the Group. The security charges for rented sites were recharged to the renting party. A reconciliation of the security costs will be completed across the various sites to make sure all allowable recharges have been made. We expect the security costs to be within our original estimates as we have been able to mitigate these costs by renting some sites.

4 Future of the Administration

The following assets remain to be realised

- Environment Agency Permit at Bradford;
- Residual historic book debts secured to HSBC Invoice Finance.

We have completed the sale of the GBW sites, assets and permits at Rainham and Nottingham. The sale of the site at Bradford has still to complete, however we expect this to complete shortly. In addition we are still working towards a wider sale of the connected companies assets, sites and permits.

We have a number of reconciliation matters to address in relation to the renting of the various sites. This was caused due to a time difference in us issuing invoices and

receiving confirmation from the various suppliers and landlords of the monthly/quarterly charges. Once the reconciliations and final sale has been completed we will look to draft and complete VAT and Tax returns.

Due to the sales prices achieved it now looks like we will have sufficient funds to enable a small prescribed part dividend to be paid. If you have not already please submit your claim form to us. We will be looking to start the adjudication of creditor's claims following the completion of the Bradford sale and our submission of the VAT and Tax returns following this sale.

The Company had an amount of historic book debts due which were assigned to HSBC. We will explore the possibility of realising any sums above what the bank are owed for the benefit of all creditors if the bank are unable to collect these. Our understanding is these debts are historic and may have no realisable value to the estate.

5 Investigations

The Joint Administrators have a duty to investigate the affairs of the Company and also the conduct of the directors and in respect of the latter, to submit a confidential statutory report to the Secretary of State. We confirm that a report has been submitted.

If creditors wish to bring to our attention any matters that merit investigation they should contact the Joint Administrators at BDO LLP, 4 Atlantic Quay, 70 York Street, Glasgow, G2 8JX quoting 00293792.

6 Extension of Administration

In instructing solicitors to deal with a further extension of the administration it became apparent that, due to a procedural defect, the previous extension which proceeded on the basis of obtaining the consent of the secured creditors was potentially defective. This previous extension covered the period from 9 May 2020 to 9 May 2021. The joint administrators therefore made an application to the Court. The Court have retrospectively validated the previous extension and granted a further extension of the administration to 9 May 2022.

7 Prospects for Creditors

Secured Creditors

Type of Security	In Favour of	Date of Creation	Date Registered	Amount Owed/Held - £
Fixed and Floating Charge over all assets	HSBC Bank plc	19/01/2015	19/01/2015	£2,676,120.73

Fixed Charge over Company debts & Floating Charge over all property	HSBC Invoice Finance (UK) Ltd	20/01/2015	20/01/2015	£119,554.54
Legal Assignment of Contract Monies	HSBC Bank plc	09/05/2016	11/05/2016	Not Known
Rent Deposit	Amos Properties Limited	11/11/2009	14/11/2009	£Nil, As such are not a secured creditor
Rent Deposit	Aviva Staff Pension Trustee Limited	01/06/2009	06/06/2009	£Nil, As such are not a secured creditor

The primary secured creditor in the Administration are HSBC Bank who were owed circa £2.7m at the date of Administration. Any available funds after the costs and expenses of the Administration will be paid to the bank under their fixed and floating charges. The outcome to the secured creditor will be detailed after the sale as noted above has completed. A payment of £200,000 has been paid to the secured creditor HSBC Bank during the Period. Once all matters are complete we expect to make further distributions to the bank.

Originally State Securities PLC ('SSP') held a charge showing on Companies House, however, following our communications with them this charge has now been removed as no sums were due.

We have also received written and verbal confirmation that the rent deposits have been utilised and therefore we do not class either of these creditors as secured.

Preferential Creditors

Preferential claims are defined as monies owed to former employees in respect of arrears of wages and accrued holiday pay at the date of Administration.

To our knowledge, the Company did not have any employees at the date of our appointment and to date, no claims have been received. It is therefore anticipated that there will be no preferential claims in the Administration.

Unsecured Creditors

From the initial investigations, it was anticipated that there could be significant potential unsecured creditor claims arising from unpaid rent, rates and dilapidations due to landlords.

To date claims totalling £1,198,777 have been received.

We expect further claims to be received once we exit the rented premises and landlords quantify their owed rent and dilapidations. Where possible we have and will continue to attempt to find ways of mitigating these liabilities.

While we initially thought that no dividend would be payable to creditors we now anticipate that there may be the chance of a small recovery via the prescribed part due to the strategy adopted by the Joint Administrators'. Any recovery will be dependent on the wider sale and our final negotiations prior to completion. We will notify creditors once the position is final.

Prescribed Part

Under Section 176A of the Insolvency Act 1986 where after 15 September 2003 the Company has granted to a creditor a floating charge a proportion of the net property of the Company must be made available purely for the unsecured creditors.

Based on present information the Joint Administrators estimate that after allowing for costs the value of the Company's net property, after payment of preferential claims will be £257,200 and this means that the prescribed part should be £48,440.

The prescribed part in this case being calculated as follows:

Net Assets Available after Preferential Creditors	£257,200
Prescribed Part (50% first £10k, 20% thereafter to ceiling £600k)	£54,440
Costs to be borne by prescribed part to enable distribution	£6,000
Net distributable	£48,440

Any recovery via the Prescribed Part will be depended on realisations and the cost and expenses of the Administration.

8 Joint Administrators' Remuneration

The Joint Administrators were obliged to fix their remuneration in accordance with Rule 18.16. This permits remuneration to be fixed either:

- (1) as a percentage of the assets realised and distributed; and/or
- (2) by reference to the time the Joint Administrators and the staff have spent attending to matters in the Administration; and/or
- (3) as a set amount; and/or
- (4) as a combination of the above.

The Joint Administrators remuneration has been approved on the basis of time properly spent in dealing with issues in the Administration. To date, the Joint Administrators have drawn £256,650 of which £131,650 was drawn in the Period in respect of remuneration as shown on the enclosed Receipts and Payments account.

As previously reported, you will note that we have unfortunately exceeded the second Fees Estimate. I will now seek approval for revised fees. Where Paragraph 52(1)(b) applies and a distribution will not be available to the unsecured creditors, other than by virtue of the Prescribed Part, the approval of the Joint Administrator's remuneration will be sought from the secured and preferential creditors (if applicable).

As there are no preferential creditors in the matter, the Joint Administrators will seek approval of their revised fees from the secured creditors.

Time costs to date of £392,666 have been incurred over 1195 hours at an average rate of £329 per hour. During the Period, time costs of £73,894 were incurred over 249 hours at an average rate of £297.

BDO LLP changed its time recording system with effect from 17 April 2021, I therefore attach three detailed reports of the time incurred by the Joint Administrators.

The first report covers the Period up to 16 April 2021, the second from appointment up to 16 April 2021 and the third covers the Period from 17 April 2021 to 9 May 2021.

For guidance, I enclose a document that outlines the policy of BDO LLP in respect of fees and expenses.

9 Joint Administrators' Expenses

Where expenses relating directly to the Administration are incurred by an independent third party there is no necessity for these costs to be authorised. These are known as category 1 expenses. Since our last report no category 1 disbursements have been incurred.

Where expenses relating directly to the estate have been incurred by an associated party or have an element of shared costs creditor approval is required to pay these expenses from the Administration. These are known as category 2 expenses.

Expenses include disbursements (costs incurred which have been paid by the Joint Administrators and are recharged to the Administration).

The policy of BDO LLP in respect of this Administration is not to charge any category 2 expenses with the exception of mileage on the basis of the mileage scale approved by HMRC, being 45p per mile unless otherwise disclosed to the creditors. Since our last report no category 2 disbursements have been incurred.

Total disbursements of £212,608 have been incurred in this Administration as detailed below. These disbursements were required to maintain the value in the business and assets of the wider group.

Description	Category 1 £	Category 2 £
Site rent, insurance and service charges	199,727	
Security Costs	3,840	
Administrators Bond	200	
Courier Charges	22	
Statutory Advertising	81	
Parking	29	
Staff sustenance	7	
Mileage		77
Legal Fees and Disbursements	8,702	
Total	212,608	77

Joint Administrators have drawn £8,702 against Category 1 disbursements in the Period.

10 Creditors' rights and enquiries

Creditors with the concurrence of at least 5% in value of the unsecured creditors may within 21 days of this report request in writing further information regarding the remuneration and expenses set out in this report. In accordance with Rule 18.9(3) of the Rules within 14 days of a request we will provide further information or explain why further information is not being provided.

Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the Joint Administrators, or the basis fixed for the remuneration of the Joint Administrators or expenses charged by the Joint Administrators are excessive (Rule 18.34 of the Rules). Such an application must be made within 8 weeks of receiving this report. The text of Rules 18.9 and 18.34 are set out at the end of this report.

Creditors may access information setting out creditors' rights in respect of the approval of Joint Administrators' remuneration and on the rights, duties and functions of a creditors' committee at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this appointment. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency practitioners. In the event that you make a complaint to me but are not satisfied with the response from me then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

If you require any further information please contact me or my colleague Rebecca Thompson at BRMTNorthandScotland@bdo.co.uk.

Yours faithfully
for and on behalf of
G.W. Butler Limited



James B Stephen
Joint Administrator
Authorised by the Institute of Chartered Accountants in England & Wales in the UK

Enclosures

Receipts and payments account
SIP 9 Time Cost Report for the Period up to 16 April 2021
SIP 9 Time Cost Report from appointment up to 16 April 2021
SIP 9 Time Cost report for time accrued after 17 April 2021
Revised fees estimate
Statement of Creditors' Rights in respect of Fees and Disbursement

G.W.Butler Limited
(In Administration)
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Statement of Affairs £		From 10/11/2020 To 09/05/2021 £	From 10/05/2019 To 09/05/2021 £
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Uncertain	Book Debts	Nil	Nil
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(119,554.54)	HSBC Invoice Finance (UK) plc	Nil	Nil
(2,676,120.73)	HSBC Bank plc	Nil	Nil
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	REIT DEPOSIT		
Uncertain	Rent Deposit-Aviva Staff Pension Trust	Nil	Nil
Uncertain	Rent Deposit - AMOS Properties Limite	Nil	Nil
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	HP ASSETS		
Uncertain	State Securities plc	Nil	Nil
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	ASSET REALISATIONS		
Uncertain	Environment Agency Permits	300,000.00	505,000.00
Uncertain	Equipment fixtures and fittings	Nil	Nil
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	Agents' Fees & Disbs	Nil	10,005.48
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	Insurance	Nil	4,136.27
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	Sundry Expenses	Nil	136.00
	Travel & Parking	Nil	67.53
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	HSBC UK Bank plc	200,000.00	200,000.00
		<u>(200,000.00)</u>	<u>(200,000.00)</u>
	UNSECURED CREDITORS		
(30,367.75)	Trade & Expense Creditors	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
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(18,750.00)	Ordinary Shareholders	Nil	Nil
		<u>Nil</u>	<u>Nil</u>
<u>(2,844,793.02)</u>		<u>269,674.22</u>	<u>394,533.51</u>
	REPRESENTED BY		

**G.W. Butler Limited
(In Administration)
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Client		(38.36)
Floating Current Account		358,848.96
Funds due		12,297.78
Vat Control Account		23,425.13
		<u>394,533.51</u>

Detail of Time Charged and Rates Applicable for the Period From 10/11/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
C. Planning and Strategy														
99 Other Matters			1.55	166.20									1.55	166.20
sub total			1.55	166.20									1.55	166.20
C. Planning and Strategy														
D. General Administration														
01 Insurance Matters			0.25	63.50									0.25	63.50
02 VAT			0.35	214.20									0.35	214.20
03 Taxation			0.65	263.80	0.40	75.60							1.05	239.40
07 Receipts/Payments Accounts	0.30	177.30	2.13	270.80			0.70	46.90	5.43	374.93			8.60	369.93
08 Remuneration Issues			2.40	604.80									2.40	604.80
15 Gen Admin Correspondence			3.35	975.50	28.60	5,433.20			2.75	307.50			35.20	6,716.40
sub total	0.30	177.30	10.15	2,292.60	29.60	5,508.70	0.70	46.90	8.20	682.75			48.35	8,708.25
D. General Administration														
E. Assets Realisation/Dealing														
04 Agent Instruction/Leasing	1.200	7,075.00											1.200	7,075.00
06 Property Related Matters			1.60	608.40	1.00	192.00							2.60	503.00
10 HP Leasing Matters					1.30	349.90							1.30	349.90
14 Sale of Business Assets	43.00	21,199.00	33.20	8,480.90	2.20	2,040.20							82.40	50,010.40

Detail of Time Charged and Rates Applicable for the Period From 10/11/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
99 Other Matters			1.50	278.00									1.50	278.00
sub total -	57.00	28,277.00	37.35	9,427.30	7.80	1,491.00							102.15	39,195.30
E. Assets Realisation/Dealing														
H. Creditor Claims			4.50	1,134.00									4.50	1,134.00
04 Non-Preferential Creditors			0.85	214.20									0.85	214.20
99 Other Matters														
sub total -			5.35	1,348.20									5.35	1,348.20
H. Creditor Claims														
I. Reporting														
01 Statutory Reporting									0.35	18.90			0.35	18.90
04 Reporting to Creditors	1.25	985.00	8.75	2,289.50									10.00	3,274.50
sub total -	1.25	985.00	8.75	2,289.50					0.35	18.90			10.35	3,293.40
I. Reporting														
J. Distribution and Closure														
02 Distributions			1.50	278.00	3.00	567.00							4.50	945.00
sub total -			1.50	378.00	3.00	567.00							4.50	945.00
J. Distribution and Closure														

Detail of Time Charged and Rates Applicable for the Period From 10/11/2020 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
		1		1		1		1		2		1		1
Net Total														
53,950.35														
Secretarial Expense														
0.00														
Other Disbursements														
0.00														
Billed														
0.00														
Grand Total														
53,950.35														

Detail of Time Charged and Rates Applicable for the Period From 10/05/2019 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
B. Steps on Appointment														
02 Statutory Documentation	2.00	988.00											31.90	5,618.10
01 Meet Directors Deputies etc													2.00	988.00
06 Third Party Discussion	2.00	988.00											2.00	988.00
09 Preparation of Proposals			2.35	566.45	1.95	628.65	0.30	18.10	1.75	327.75			12.35	1,560.95
99 Other Matters			1.60	401.15			3.00	591.00					1.60	982.15
sub total -	4.00	1,976.00	21.05	5,410.60	4.95	628.65	5.35	952.95	17.00	1,173.00			52.85	10,147.20
B. Steps on Appointment														
C. Planning and Strategy														
02 Review Financial Position			2.90	748.35									2.90	748.35
07 Strategy Planning			0.50	127.00									0.50	127.00
08 Reporting					0.50	60.90							0.50	60.90
99 Other Matters			1.95	745.60	0.30	60.90							3.35	806.50
sub total -			6.35	1,620.95	0.60	121.50							6.95	1,742.75
C. Planning and Strategy														
D. General Administration														
01 Insurance Matters			4.90	1,247.85									4.90	1,247.85
02 VAL			1.95	863.10	0.90	182.10							3.85	1,040.40

Detail of Time Charged and Rates Applicable for the Period From 10/05/2019 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
03 Taxation			1.63	411.80	2.22	421.13							3.90	868.93
04 Intellectual Asset Solicitors			0.75	79.50	1.95	195.85							2.70	475.35
05 Investigations			3.75	1,056.00									3.75	1,056.00
06 Cashier Reports			1.20	304.80									1.20	304.80
07 Receipts/Payments Accounts	0.90	483.90	16.85	1,701.80			3.35	163.50	28.40	1,971.00	0.05	5.80	49.55	4,326.00
08 Remuneration Issues	0.20	102.20	4.70	932.20									3.90	1,034.40
09 Statutory Matters			1.15	256.55	1.30	419.60							3.45	576.15
14 General Discussions					1.35	274.05							1.35	274.05
15 Gen Admin Correspondence			20.00	6,299.67	116.95	23,258.95	4.00	788.00	20.45	1,045.50			162.80	52,290.10
16 Maintaining Internal Files			2.25	677.25									2.25	677.25
99 Other Matters			2.00	505.00									2.00	505.00
Sub total	1.10	586.10	60.75	14,638.10	125.70	24,882.30	7.35	651.50	48.85	3,016.50	0.05	5.80	243.80	44,680.10
D. General Administration														
E. Asset Realisation/Dealing														
01 Establishing Control			10.15	2,564.10									10.15	2,564.10
02 Evaluation Reconciliation	9.00	1,581.00											9.00	1,581.00

Detail of Time Charged and Rates Applicable for the Period From 10/05/2019 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
03 Asset Easing			12.00	3,018.95									12.00	3,018.95
04 Agent Instruction/Listing	55.00	17,877.00	3.35	907.65									58.35	18,784.65
05 Sales Info Preparation			1.00	301.00	6.50	1,319.50							7.50	1,620.50
06 Property Related Matters	9.00	4,581.00	35.70	9,289.85	8.95	1,808.45							53.65	15,679.30
07 Debt Collection			1.25	349.50									1.25	349.50
08 Dealing with Charge Assets			12.00	3,504.00									12.00	3,504.00
09 Dealing with other Assets			0.50	117.50									0.50	117.50
10 HP Leasing Matters					3.75	947.25							3.75	947.25
13 Environmental Issues					0.80	162.40							0.80	162.40
14 Sale of Business Assets	372.00	18,7983.00	12.65	32,659.75	40.75	6,112.25							529.40	220,817.00
99 Other Matters			3.13	797.10	5.05	1,025.15							8.18	1,822.25
Sub total	445.00	225,010.00	204.05	53,504.40	55.80	11,235.00							706.85	289,758.40
E. Assets Realisation/Dealing														
H. Creditor Claims														
01 Non Preferential Creditors	4.00	1,976.00	10.70	2,708.80	0.70	142.10			1.60	115.65			17.00	4,912.55
99 Other Matters			0.85	211.20									0.85	211.20

Detail of Time Charged and Rates Applicable for the Period From 10/05/2019 to 16/04/2021

Description	PARTNER		MANAGER		ASSISTANT MANAGER		SENIOR ADMINISTRATOR		ADMINISTRATOR		OTHER STAFF		GRAND TOTAL	
	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total	Hours	Total
		1		1		1		1		2		1		1
Grand Total													372,728.50	

Transaction Date no earlier than 17/04/2021

Transaction Date no later than 09/05/2021

Activity	Partner	Director	Senior	Manager	Senior	Executive	Total	Time Costs	Av. Rate
Statutory Documentation	9.00						9.00	4,437.00	493.00
Applications to Court				2.40			2.40	604.80	252.00
STEPS ON APPOINTMENT	9.00			2.40			11.40	5,041.80	442.26
Review Financial Position	6.00						6.00	2,958.00	493.00
Strategy Planning				1.25			1.25	315.00	252.00
PLANNING AND STRATEGY	6.00			1.25			7.25	3,273.00	451.45
VAT				0.25			0.25	47.25	189.00
Taxation				0.25			0.25	63.00	252.00
Instruct/Liase Solicitors				11.10			11.10	2,097.90	189.00
Receipts/Payments					0.75	2.45	3.20	276.80	86.50
Accounts									
Statutory Matters				18.85			18.85	4,507.65	239.13
Gen. Admin/Correspondence			0.10	11.45	0.05		11.60	2,197.70	189.46
GENERAL ADMINISTRATION			0.10	41.90	0.80	2.45	45.25	9,190.30	203.10
Property Related Matters				0.40			0.40	75.60	189.00
Sale of Business/Assets				1.50			1.50	283.50	189.00
ASSETS				1.90			1.90	359.10	189.00
REALISATION/DEALING									
Statutory Reporting			0.75	1.00			1.75	396.00	226.29
Reporting to Appointor				3.95			3.95	995.40	252.00
Reporting to Creditors			0.20		4.35		4.55	581.55	127.81
Reporting to Court				0.40			0.40	100.80	252.00
REPORTING			0.95	5.35	4.35		10.65	2,073.75	194.72
Total	15.00		1.05	52.80	5.15	2.45	76.45	19,937.95	260.80



G.W. Butler Limited

Fees Estimate to Accrued Time Comparison

Below is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity.

Original Fees Estimate as at 1 July 2019 compared to accrued time and Revised Fees Estimate as at 9 May 2021

Joint Administrators' Fees	Total Hours	Blended Rate £	Estimated Fee £	Accrued Time £	New Estimate £
Summary Activity					
A. Pre Appointment Matters	0.00	0.00	0.00	0.00	0.00
TOTAL			0.00	0.00	0.00
B. Steps on Appointment	52.85	192.00	10,000	15189.00	19,000
C. Planning and Strategy	4.10	249.40	7,800	5,015.75	7,000
D. General Administration	123.95	184.74	25,000	53,870.60	64,500
E. Assets Realisation/Dealing	472.40	413.03	175,000	290,117.50	298,000
F. Trading Related Matters	0.00	0.00	0.00	0.00	0.00
G. Employee Matters	0.00	0.00	0.00	0.00	0.00
H. Creditor Claims	8.90	325.18	9,000	5,156.75	10,500
I. Reporting	36.50	219.74	22,950	22,371.85	30,000
J. Distribution and Closure	0.00	0.00	6,900	945	11,000
TOTAL			256,650	392,666.45	440,000

As advised in our previous report, you will note that we have unfortunately exceeded the second Fees Estimate.

The second Fees Estimate has been exceeded because of the complex nature of the waste clearance, increased complexity around the final sales process and having to complete a deferred options agreement and provide a licence to occupy the remaining sites. The licence to occupy the remaining sites was required to facilitate the waste clearance and allow time to finalise the wider sale of the remaining sites and assets. You will see the majority of the overrun has been in relation to asset management and realisation. In addition we have held the sites for longer than first envisaged resulting in increased administration of the sites and costs. We are pleased to advise that the majority of asset sales are complete and we expect the final site completion to happen in a timely manner before the end of July 2021.

We will now ask the secured creditors to consider approving my revised Fees Estimate totalling £440,000 which takes into account the unanticipated time that I have explained together with future estimated time I expect to incur.



1. Joint Administrators' Fees

Fees (remuneration) may be sought on four different bases and a guide for creditors is attached. The four bases are, a time costs basis; a percentage of the assets realised; fixed amount; or a combination of the first three bases. In this insolvency case we are seeking fees on a time cost basis and have estimated a fee of £440,000.00.

Where possible we will delegate work to my staff and by this expedient the work is conducted by suitably qualified and experienced members of staff at different hourly costs. The current charge out rates per hour of staff within my firm's GLASGOW office is below:

GRADE	£
Partner	591-788
Director	330-496
Senior Manager	276-413
Manager	151-302
Senior Executive	121-211
Executive	74-110

These rates are confirmed in an attached document which sets out my firm's policy on time costs and expenses. My firm's hourly time costs rate are normally reviewed in December and July each year and adjusted to take account of inflation and the firm's overheads. We have estimated the time we will spend in respect of the following areas of work in respect of this insolvency. Below we provide the primary work that will be undertaken by us.

Issues marked with an asterisk (*) will not contribute to the financial outcome for the creditors but are statutory or regulatory duties imposed on the office holder.

C Planning and Strategy (9.10 hours in period, time costs £3,729.20)

This area of work is led by me as partner in conjunction with a director or manager, with some support below manger level in documenting and recording proposed strategy. Although this work does not directly benefit creditors it does contribute to the efficient management of this insolvency appointment and contributes to reducing costs.

- Reviewing historic records and business performance;
- establishing the current financial position and reviewing the business processes and systems;
- General case strategy planning meetings and team catch ups';
- liaising with key stakeholders and any committee and engaging with specialists and planning overarching strategy.

D General Administration (93.60 hours in period, time costs £17,898.55)

The majority of this work requires a range of insolvency knowledge and experience, balanced with good accounting and administrative skills and is delegated largely to executives with suitable levels of experience, supervised by directors or managers. In the period the following was specifically dealt with:

- *Reviewing and regularising affairs regarding insurance, VAT, and taxation;
- *Undertaking investigation regarding the conduct of the Directors and reporting thereon;
- Investigations into the affairs and transactions of the entity (SIP 2);
- Attempting to recover and review of the Company's books and records;

- *Engaging and liaising with solicitors;
- Day to day management of the Company's assets including liaising with Landlords, asset agents and our security operatives;
- *All general banking tasks;
- *Completion of periodic case reviews;
- *Preparing reports on Receipts & Payments, ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates, dealing with statutory and regulatory matters;
- Managing formal contractual matters regarding the entity, including property leases, dealing with court hearings regarding the insolvency (excluding third party litigation);
- *General administrative matters, basic enquiries and discussions/meetings;
- *Dealing with creditor enquiries;
- Arranging payment of invoices in respect of property holding costs.

E Asset Realisation/Management (104.05 hours in period, time costs £39,554.40)

This area of work requires a greater level of commercial experience and insolvency knowledge, than the general administration category of work, together with decision-making skills. The work is led at director or manager level supported by executives with suitable competencies. Major decisions are escalated by Managers to the Joint Administrators. In the period the following was specifically dealt with:

- Identifying and controlling recorded assets;
- Evaluating strategy on realising assets and holding discussions with various stakeholders and interested parties;
- Asset tracing of assets revealed through investigation and third party information;
- Engaging and liaising with our property agents, CBRE chartered Surveyors;
- Engaging and liaising with our chattel asset agents, Lambert Smith Hampton;
- Physical and telephone meetings with stakeholders including Government, environment Agency, UKGI and NHS;
- Liaising with our security agents, Orbis Protect, in order to secure the leased site and maintain security;
- Agreeing strategies and monitoring implementation, dealing with leasehold property, including maintenance and securing the same;
- Dealing with plant, machinery, stock and intangible assets and consulting/liaising with and engaging specialist agents and solicitors and monitoring the same. Managing third party, HP and leased assets;
- Managing environmental & HSE matters including consultation with the Environment Agency, site inspections and associated meetings;
- Preparation of sale documentation and asset lists, undertaking and monitoring the sale process, liaising with multiple interested parties;
- Arranging drafting, signing and recording of Non-Disclosure agreements for interested parties;
- Arranging information upload to online data room for interested parties;
- Arranging access to data room for interested parties;
- Managing data room;
- Completing sale of Rainham site and assets;
- Dealing with failed sale;
- Further negotiations and agreeing heads of terms on second offer;
- Agreeing licence to occupy sites and arranging billings per agreement;
- Holding meetings and discussions with interested parties on multiple issues, arranging site visits with interested parties;
- Conference calls and meetings with internal forensic accountants regarding company sage records;
- Managing the licence to occupy invoicing and control;
- Reviews of options agreement and sale legal papers;
- Negotiations regarding ongoing sales;

- Reviewing and assessing bids from interested parties following the closing date of the sale processing. Selected and liaising with the preferred bidder;
- Undertaking a second sales/bids process after the initial preferred bidder withdrew from the sale;
- Meetings and lengthy discussions with the Landlords of the leased sites in respect of rent, maintenance issues and the ongoing sale process. Arranging meetings between all parties in order to agree terms for the ongoing lease of the sites.

H Creditor Claims (5.53 hours in period, time costs £1,348.20)

The work is led at manager level supported by executives with suitable competencies. In the period the following was specifically dealt with:

- *Dealing with creditor queries and issuing claim forms to creditors not initially notified;
- *Receiving and recording all creditor claims;
- *Identifying whether additional supporting evidence is necessary from the creditor;
- *Considering, checking and recording all unsecured creditor claims and identifying any claims which might be categorised as deferred claims.

I Reporting (21.00 hours in period, time costs £5,367.15)

These activities do not contribute to the financial outcome for creditors - they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf. In the period the following was specifically dealt with:

- *Preparation of progress report and filing agreed Proposals with Court and Registrar of Companies;
- *Statutory reporting to stakeholders including the secured creditors.

J Distribution and Closure (4.50 hours in period, time costs £945)

The work is supervised by directors and Senior Managers and final decisions and release of funds is authorised by the partner. The majority of these activities do not contribute to the financial outcome for the creditors (although the matters relating to payment of dividends will do so). The formalities of bringing an insolvency to a close are statutory requirements.

- Giving notice to relevant creditors to prove their claims;
- (*) establishing the distributable funds in the estate for the secured creditors;
- Arranging payment of funds to the secured creditors.

The foregoing estimate does not include any fees estimate provision for the company moving into liquidation which would be the subject of a further submission, if necessary, before the end of the Administration.

2. Expense Estimate

2.1 Category 1 Expenses

Our estimate in respect of this heading covers expenses relating directly to the case incurred by an independent third party, excluding the professional fees and expenses estimate detailed below. Such expenses may include items such as bonding, advertising, insurance, external printing costs, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents and storage of the Company's records.

Creditor approval is not required to pay category 1 expenses from the estate.

2.2 Category 2 Expenses - mileage

We propose to recover from the estate the cost of travel where staff use either their own vehicles or company cars in travelling connected with the insolvency. In these cases a charge of 45p per mile is raised which is in line with the HM Revenue & Customs Approved Mileage Rates (median - less than 10,000 miles per annum) which is the amount the firm pays to staff.

2.3 Category 2 Expenses - associates

Creditor approval is required to pay category 2 expenses from the estate.

3. Professional Fees and Expenses Estimate

3.1 Agents' Fees and Expenses

We do not expect any further agents fees.

3.3 Legal fees and Expenses

As stated above we have still to complete the sale of the Bradford site and permit. We expect to incur further legal fees in this regard. These will be on a time in line basis and we expect them to be in the region of £10,000.

Statement from the Insolvency (England and Wales) Rules 2016 regarding the rights of creditors in respect of the Joint Administrators' fees and expenses:

Creditors' and members' requests for further information in administration, winding up and bankruptcy

18.9.—(1) The following may make a written request to the office-holder for further information about remuneration or expenses (other than pre-administration costs in an administration) set out in a progress report under rule 18.4(1)(b), (c) or (d) or a final report under rule 18.14—

- (a) a secured creditor;
- (b) an unsecured creditor with the concurrence of at least 5% in value of the unsecured creditors (including the creditor in question);
- (c) members of the company in a members' voluntary winding up with at least 5% of the total voting rights of all the members having the right to vote at general meetings of the company;
- (d) any unsecured creditor with the permission of the court; or
- (e) any member of the company in a members' voluntary winding up with the permission of the court.

(2) A request, or an application to the court for permission, by such a person or persons must be made or filed with the court (as applicable) within 21 days of receipt of the report by the person, or by the last of them in the case of an application by more than one member or creditor.

(3) The office-holder must, within 14 days of receipt of such a request respond to the person or persons who requested the information by—

- (a) providing all of the information requested;
- (b) providing some of the information requested; or
- (c) declining to provide the information requested.

(4) The office-holder may respond by providing only some of the information requested or decline to provide the information if—

- (a) the time or cost of preparation of the information would be excessive; or
- (b) disclosure of the information would be prejudicial to the conduct of the proceedings;
- (c) disclosure of the information might reasonably be expected to lead to violence against any person; or
- (d) the office-holder is subject to an obligation of confidentiality in relation to the information.

(5) An office-holder who does not provide all the information or declines to provide the information must inform the person or persons who requested the information of the reasons for so doing.

(6) A creditor, and a member of the company in a members' voluntary winding up, who need not be the same as the creditor or members who requested the information, may apply to the court within 21 days of—

- (a) the office-holder giving reasons for not providing all of the information requested; or
- (b) the expiry of the 14 days within which an office-holder must respond to a request.

(7) The court may make such order as it thinks just on an application under paragraph (6).

Remuneration and expenses: application to court by a creditor or member on grounds that remuneration or expenses are excessive

18.34.—(1) This rule applies to an application in an administration, a winding-up or a bankruptcy made by a person mentioned in paragraph (2) on the grounds that—

- (a) the remuneration charged by the office-holder is in all the circumstances excessive;
- (b) the basis fixed for the office-holder's remuneration under rules 18.16, 18.18, 18.19, 18.20 and 18.21 (as applicable) is inappropriate; or
- (c) the expenses incurred by the office-holder are in all the circumstances excessive.

(2) The following may make such an application for one or more of the orders set out in rule 18.36 or 18.37 as applicable—

- (a) a secured creditor,
- (b) an unsecured creditor with either—
 - (i) the concurrence of at least 10% in value of the unsecured creditors (including that creditor), or
 - (ii) the permission of the court, or
- (c) in a members' voluntary winding up—
 - (i) members of the company with at least 10% of the total voting rights of all the members having the right to vote at general meetings of the company, or
 - (ii) a member of the company with the permission of the court.

(3) The application by a creditor or member must be made no later than eight weeks after receipt by the applicant of the progress report under rule 18.3, or final report or account under rule 18.14 which first reports the charging of the remuneration or the incurring of the expenses in question ("the relevant report").

Applications under rules 18.34 and 18.35 where the court has given permission for the application

18.36.—(1) This rule applies to applications made with permission under rules 18.34 and 18.35.

(2) Where the court has given permission, it must fix a venue for the application to be heard.

(3) The applicant must, at least 14 days before the hearing, deliver to the office-holder a notice stating the venue and accompanied by a copy of the application and of any evidence on which the applicant intends to rely.

(4) If the court considers the application to be well-founded, it must make one or more of the following orders—

- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
- (b) an order reducing any fixed rate or amount;
- (c) an order changing the basis of remuneration;
- (d) an order that some or all of the remuneration or expenses in question is not to be treated as expenses of the administration, winding up or bankruptcy;
- (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
- (f) any other order that it thinks just.

(5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.

(6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration, winding up or bankruptcy.

Applications under rule 18.34 where the court's permission is not required for the application

18.37.—(1) On receipt of an application under rule 18.34 for which the court's permission is not required, the court may, if it is satisfied that no sufficient cause is shown for the application, dismiss it without giving notice to any party other than the applicant.

(2) Unless the application is dismissed, the court must fix a venue for it to be heard.

(3) The applicant must, at least 14 days before any hearing, deliver to the office-holder a notice stating the venue with a copy of the application and of any evidence on which the applicant intends to rely.

- (4) If the court considers the application to be well-founded, it must make one or more of the following orders—
- (a) an order reducing the amount of remuneration which the office-holder is entitled to charge;
 - (b) an order reducing any fixed rate or amount;
 - (c) an order changing the basis of remuneration;
 - (d) an order that some or all of the remuneration or expenses in question be treated as not being expenses of the administration or winding up or bankruptcy;
 - (e) an order for the payment of the amount of the excess of remuneration or expenses or such part of the excess as the court may specify by —
 - (i) the administrator or liquidator or the administrator's or liquidator's personal representative to the company, or
 - (ii) the trustee or the trustee's personal representative to such person as the court may specify as property comprised in the bankrupt's estate;
 - (f) any other order that it thinks just.
- (5) An order under paragraph (4)(b) or (c) may only be made in respect of periods after the period covered by the relevant report.
- (6) Unless the court orders otherwise the costs of the application must be paid by the applicant, and are not payable as an expense of the administration or as winding up or bankruptcy.