

# AM10

## Notice of administrator's progress report



Companies House

SATURDAY



A10 \*A81UAI28\* #263  
23/03/2019  
COMPANIES HOUSE

### 1 Company details

Company number 0 0 2 8 8 7 6 6

Company name in full JTB Realisations Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Stephen John

Surname Absolom

### 3 Administrator's address

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

### 4 Administrator's name ①

Full forename(s) William James

Surname Wright

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number 15 Canada Square

Street Canary Wharf

Post town London

County/Region

Postcode E 1 4 5 G L

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

AM10

Notice of administrator's progress report

**6** Period of progress report

From date	<sup>d</sup> 2	<sup>d</sup> 4	<sup>m</sup> 0	<sup>m</sup> 9	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 8
To date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9

**7** Progress report

☒ I attach a copy of the progress report

**8** Sign and date

Administrator's  
signature

Signature

X

*SA*

X

Signature date	<sup>d</sup> 2	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 3	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 1	<sup>y</sup> 9
----------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

# 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	Rosie Bostock
Company name	KPMG LLP
Address	15 Canada Square Canary Wharf
Post town	London
County/Region	
Postcode	E 1 4 5 G L
Country	
DX	
Telephone	Tel +44 (0) 20 7311 1000



### 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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)

## Continuation page

Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ❶  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

→ **Filling in this form**  
Please complete in typescript or in bold black capitals.  
  
All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☐ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

❶ You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14,
- WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

### 2 Insolvency practitioner's name

Full forename(s) Blair Carnegie  
Surname Nimmo

### 3 Insolvency practitioner's address

Building name/number 15 Canada Square  
Street Canary Wharf  
Post town London  
County/Region  
Postcode E 1 4 5 G L  
Country



Joint  
Administrators'  
final progress  
report for the  
period 24  
September  
2018 to 22  
March 2019

JTB Realisations Limited - in  
Administration

22 March 2019

## Notice to creditors

This progress report provides a final update on the administration of the Company.

We have included (Appendix 2) an account of all amounts received and payments made since our previous progress report.

We have also explained the exit route from the administration and the outcome for each class of creditors.

You will find other important information in the document such as the costs we have incurred.

A glossary of the abbreviations used throughout this document is attached (Appendix 6).

Finally, we have provided answers to frequently asked questions and a glossary of insolvency terms on the following website, <http://www.insolvency-kpmg.co.uk/case+KPMG+PH303A3644.html>. We hope this is helpful to you.

**Please also note that an important legal notice about this report is attached (Appendix 7).**

# Contents

1	Executive summary	1
2	Progress to date	2
3	Outcome for creditors	5
4	Other matters	6
5	Joint Administrators' remuneration and disbursements	7
6	Conclusion of the administration	8
Appendix 1	Statutory information	9
Appendix 2	Joint Administrators' receipts and payments account	10
Appendix 3	Schedule of expenses	13
Appendix 4	Joint Administrators' charging and disbursements policy	15
Appendix 5	Summary of Joint Administrators' proposals	20
Appendix 6	Glossary	22
Appendix 7	Notice: About this report	24

# 1 Executive summary

- This final progress report covers the period from 24 September 2018 to 22 March 2019.
- We have concluded the rent payment process in respect of the Company's remaining premises. We have finalised all remaining matters including VAT and the administration is now being drawn to a close. (Section 2 - Progress to date).
- The Secured Creditor will not be paid in full (Section 3 – Outcome for creditors).
- The preferential creditors have been paid in full (Section 3 – Outcome for creditors).
- The unsecured creditors were paid a dividend of 2.79p in the £, with payment being distributed on 3 August 2018 (Section 3 – Outcome for creditors).
- We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice. The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.
- Please note: you should read this progress report in conjunction with our previous progress report(s) and proposals issued to the Company's creditors.  
<http://www.insolvency-kpmg.co.uk/case+KPMG+PH303A3644.html>. Unless stated otherwise, all amounts in this progress report and appendices are stated net of VAT.



Steve Absolom  
Joint Administrator



## 2 Progress to date

This section provides a final update on the strategy for the administration and on the progress made. It follows the information provided in our previous progress report.

### 2.1 Strategy and progress to date

#### Background

As detailed in our proposals and in our previous progress reports, the sale of the Company's business and assets to Jones Bootmaker Limited ('the Purchaser') was completed on 25 March 2017.

As previously reported, the Purchaser entered into administration on 26 February 2018 and the Administrators of the Purchaser subsequently sold the business and certain associated assets to Pavers.

#### Leasehold Property

As previously reported, Pavers had a LTO in place for 12 properties expiring on 30 November 2018, all of which have either been assigned or an offer of surrender has been made to the landlord.

The Company is no longer in beneficial occupation of any property, and all leases have either been assigned, surrendered or an offer of surrender of a lease is yet to be accepted. Note that where an offer of surrender of a lease has not been accepted, the Company will cease to remain the counterparty to the lease once it has been dissolved.

Pavers agreed to contribute towards Administrator time costs associated with the LTO extension.

### 2.2 Asset realisations

Realisations during the period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant realisations during the period are provided below.

#### Property licence fee

During the final period, we have received LTO licence fees of £80,196. This covers rent, service charge and landlord insurance costs in respect of the remaining leasehold properties occupied by Pavers under the terms of the LTO.

#### Contribution to other property costs

We have received £1,963 from the Purchaser and £3,808 from Pavers towards public liability insurance costs.

#### Sundry debtor receipts

We have received £2,426 relating to various pre-appointment refunds owed to the Company.

#### LTO agent cost contribution

During the final period, we have received £1,760 from Pavers in respect of our agent costs relating to the rent management process during the administration.

#### Contribution towards Administrators' costs

As previously reported, Pavers agreed to cover our additional time costs incurred in respect of the LTO extension. We have received a contribution of £1,667 from Pavers in this regard.

In addition, a contribution towards the Administrators' additional time costs of £15,780 has been recovered from Purchaser funds held in line with the sale and purchase agreement in respect of assistance provided in connection with encumbered assets.

#### Legal fees reimbursed by the Purchaser

£20,297 of legal fees incurred in respect of Pinsent's advice on encumbered assets and the Purchaser's administration has been recovered from Purchaser funds held in line with the sale and purchase agreement.

#### Cash at bank / Third party funds in

Following conclusion of the reconciliation of Purchaser funds, £48,553 previously recorded under cash at bank related to the Purchaser. After the recovery of contribution towards Administrators' costs and legal fees reimbursed by the Purchaser (detailed above), the remaining £5,260 has been returned to the Purchaser.

## **2.3 Costs**

Payments made in this period are set out in the attached receipts and payments account (Appendix 2).

Summaries of the most significant payments made during the period are provided below.

#### Rent and rent advanced payments

In the final period we have paid rent of £280,203 to the landlords of the remaining premises occupied by Pavers.

#### Legal fees incurred on behalf of purchaser

We have paid Pinsents legal fees of £20,297 in respect of their advice on encumbered assets and the Purchaser's administration. These costs have been covered by the Purchaser in full.

#### Legal fees

During the final period, we have paid of £8,485 to Pinsents for their professional services and ad-hoc advice on matters arising during the course of the administration.

#### Insurance

We have paid £3,752 to JLT for insurance cover provided for the period 24 September 2018 to 22 March 2019.

#### LTO agent costs

During the period, we have paid PHD £1,500 in respect of rent management services. These costs have been recovered from the Purchaser in full.

#### Third party funds out

Following reconciliations of all Purchaser funds held, we have repaid £7,618 to the Purchaser. This consists of £2,357 in respect of the Worldline chargebacks (more details can be found in our previous progress report) and £5,260 in respect of cut-off reconciliations (see earlier comments).

## **2.4 Schedule of expenses**

We have detailed the costs incurred during the period in the schedule of expenses attached (Appendix 3).

## **3 Outcome for creditors**

### **3.1 Secured creditors**

As previously reported, Alteri Europe L.P. holds a fixed and floating charge in relation to four outstanding charges granted on 26 October 2015, 15 February 2016 and 22 October 2016.

During the period, we have distributed £144,292 to Alteri – relating to fixed and floating charge realisations.

There remains a shortfall to the secured creditor in regards to their lending provided to the group.

### **3.2 Preferential creditors**

The preferential claims have been agreed at £51,638 and the preferential creditors received a dividend of 100p in the £.

Preferential creditors should note that any dividend cheques that remain unrepresented on 19 August 2019 will be forwarded to the Insolvency Service unclaimed dividends fund.

Any preferential creditor who wished to reclaim their dividend after this date should contact the Insolvency Service directly. The relevant details will be provided at <http://www.insolvency-kpmg.co.uk/case+KPMG+PH303A3644.html>.

### **3.3 Unsecured creditors**

The unsecured claims have been agreed at £17,054,834.

A first and final dividend to unsecured creditors of 2.79p in the £ was declared on 3 August 2018. As at 22 March 2019, the amount distributed to unsecured creditors was £476,134.

Unsecured creditors should note that any dividend cheques that remain unrepresented on 19 August 2019 will be forwarded to the Insolvency Service unclaimed dividends fund.

Any unsecured creditor who wished to reclaim their dividend after 19 August 2019 should contact the Insolvency Service directly. The relevant details will be provided at <http://www.insolvency-kpmg.co.uk/case+KPMG+PH303A3644.html>.

## **4 Other matters**

### **4.1 Taxation**

KPMG tax specialists were instructed to prepare the necessary returns in order to finalise the Company's tax position. The returns were submitted and HMRC has confirmed that it has no objection to the administration being concluded.

In addition, we have arranged for the Company to be de-registered for VAT purposes and submitted the final VAT return to HMRC, which resulted in a VAT repayment due to the Company.

## **5 Joint Administrators' remuneration and disbursements**

Approval for the basis of our remuneration and Category 2 disbursements was previously obtained from the Secured creditor based on time costs up to £864,223 in accordance with the revised fees estimate provided in our second progress report.

### **Time costs**

From 24 September 2018 to 22 March 2019, we have incurred time costs of £125,434. These represent 352 hours at an average rate of £356 per hour.

### **Remuneration**

During the period, we have drawn fixed and floating charge remuneration totalling £239,189, all of which relates to our time costs incurred in prior periods. No further remuneration will be drawn on account of our outstanding time costs.

### **Disbursements**

During the period, we have incurred disbursements of £536, which have been paid.

### **Additional information**

We have attached (Appendix 4) an analysis of the time spent, the charge-out rates for each grade of staff and the expenses paid directly by KPMG for the period from 24 September 2018 to 22 March 2019. We have also attached our charging and disbursements policy.

## **6 Conclusion of the administration**

We have filed a copy of this final progress report with the Registrar of Companies together with the requisite notice.

The administration will cease to have effect when the Registrar of Companies registers these documents. The Company will be dissolved three months after that date.

We will be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

## Appendix 1 Statutory information

### Company information

Company name	JTB Realisations Limited
Date of incorporation	4 June 1934
Company registration number	00288766
Present registered office	KPMG LLP, 15 Canada Square, London, E14 5GL

### Administration information

Administration appointment	The administration appointment granted in High Court of Justice, Chancery Division, 2418 of 2017
Appointor	Directors
Date of appointment	24 March 2017
Joint Administrators' details	Steve Absolom, Will Wright and Blair Nimmo
Functions	The functions of the Joint Administrators have been exercised by them individually or together in accordance with Paragraph 100(2).
Current administration expiry date	23 March 2019
Values of the Net Property and Prescribed Part	Net Property was £10,059,676. Prescribed Part was £600,000.
Prescribed Part distribution	The amount distributed to unsecured creditors during the administration by way of the Prescribed Part was £476,134 (net of costs).



## Appendix 2 Joint Administrators' receipts and payments account

### JTB Realisations Limited - in Administration

#### Abstract of receipts & payments

Statement of affairs (€)		From 24/03/2016 To 22/03/2019 (€)	From 24/03/2017 To 22/03/2019 (€)
<b>FIXED CHARGE ASSETS</b>			
1.00	Leasehold property	NIL	NIL
1.00	Shares and investments - Beghins	NIL	1.00
100,000.00	Goodwill and other intangibles	NIL	100,000.00
1.00	Leasehold premiums	NIL	20,000.83
	Cash in blocked account	NIL	1,181,343.00
		NIL	1,301,344.83
<b>FIXED CHARGE COSTS</b>			
	Administrators' fees	(22,791.00)	(85,091.80)
	Administrators' expenses	NIL	(564.31)
	Legal fees	NIL	(9,767.88)
	Legal fees-pre administration costs	NIL	(14,133.39)
	Agents'/Valuers' fees	NIL	(16,500.00)
	Administrators' pre administration costs	NIL	(8,502.05)
		(22,791.00)	(134,559.43)
<b>FIXED CHARGE CREDITORS</b>			
(8,630,000.00)	Fixed charge creditor - Alteri	(16,785.40)	(1,166,785.40)
(14,400,000.00)	Fixed charge creditor - Alteri (2)	NIL	NIL
		(16,785.40)	(1,166,785.40)
<b>ASSET REALISATIONS</b>			
	Contribution to other property costs	5,771.55	29,477.46
	Intercompany debtors	NIL	48,189.48
109,000.00	Furniture & equipment	NIL	109,000.00
	Crossrail compensation	NIL	71,543.38
10,322,685.00	Stock and WIP	NIL	10,415,085.00
	Book debts	NIL	18,703.56
	LTO agent cost contribution	1,760.00	72,710.00
	Property licence fee	80,196.35	6,784,507.98
	Contribution towards Administrators cost	17,446.97	45,280.30
107,116.00	Cash at bank	(48,553.42)	665,995.85
	Rates refund	NIL	36,836.68
	Rent and rates contribution	NIL	68,516.70
		56,621.45	18,365,846.39

**JTB Realisations Limited - in Administration****Abstract of receipts & payments**

Statement of affairs (£) From 24/09/2018 To 22/03/2019 (f) From 24/03/2017 To 22/03/2019 (f)

**OTHER REALISATIONS**

	Bank interest, gross	2,601.86	12,112.80
	Reimbursement of Legal Fees incurred	20,297.25	73,088.10
1.00	Commercial records	NIL	1.00
	W'hse & Transport costs-BRL contribution	NIL	276,631.29
	Sundry debtor receipts	2,426.31	124,246.78
	Third party funds in	5,260.36	6,520,467.03
	Funds received from merchant acquirers	NIL	358,588.50
	Sublet income received	NIL	18,738.08
	Payroll funding from purchaser	NIL	242,028.62
		30,585.78	7,625,902.20

**COST OF REALISATIONS**

	Legal fees incurred on behalf purchaser	(20,297.25)	(73,088.10)
	LTO agent costs	(1,500.00)	(66,000.00)
	Sublet income paid to purchaser/landlord	NIL	(18,738.08)
	Repayment of merchant receipts to GS	NIL	(2,240.00)
	Other property costs	NIL	(8,970.91)
	Rates recovery agent costs	NIL	(5,525.50)
	Non-LTO rent	NIL	(68,365.10)
	Administrators' pre-administration costs	NIL	(76,518.45)
	Administrators' fees	(216,398.28)	(777,105.48)
	Administrators' expenses	(717.99)	(5,796.77)
	ERA Solutions	NIL	(10,145.65)
	Agents'/Valuers' fees	NIL	(18,872.54)
	Professional fees	NIL	(6,250.00)
	Legal fees	(8,485.35)	(55,009.22)
	Legal fees - pre administration costs	NIL	(127,200.51)
	Force majeure creditor	NIL	(58,202.00)
	Warehousing costs under contract	NIL	(252,947.52)
	Transport costs	NIL	(62,373.59)
	Storage costs	(120.48)	(267.50)
	Statutory advertising	(71.00)	(140.00)
	LTO rent	(288,465.27)	(6,784,507.96)
	Rates	NIL	(1,253.16)

**JTB Realisations Limited - in Administration**
**Abstract of receipts & payments**

Statement of affairs (£)		From 24/01/018 To 22/03/2018 (£)	From 24/03/2017 To 22/03/2018 (£)
	Rent-advance payments (gross)	9,914.52	NIL
	Insurance of assets	(3,752.00)	(30,038.82)
	Wages & salaries	NIL	(665,580.54)
	Bank charges	(298.25)	(7,050.71)
	Payroll paid on behalf of purchaser	NIL	(242,028.62)
	Third party funds out	(7,617.64)	(6,520,467.03)
		(537,808.99)	(15,944,683.76)
	<b>PREFERENTIAL CREDITORS</b>		
	Employees' wage arrears & holiday pay	NIL	(51,637.67)
(287,000.00)	Employees' holiday pay	NIL	NIL
		NIL	(51,637.67)
	<b>FLOATING CHARGE CREDITORS</b>		
	Floating charge creditor-Alteri	(127,506.34)	(9,519,293.66)
		(127,506.34)	(9,519,293.66)
	<b>UNSECURED CREDITORS</b>		
(22,005,940.00)	Trade & expense	NIL	(299,580.64)
	Connected companies	NIL	(176,552.86)
		NIL	(476,133.50)
<b>(34,684,135.00)</b>		<b>(617,684.50)</b>	<b>NIL</b>
	<b>REPRESENTED BY</b>		
	Floating ch. VAT rec'able		1,495,428.63
	Floating charge current		NIL
	Fixed charge VAT rec'able		14,749.11
	Fixed charge VAT payable		(4,000.17)
	Floating ch. VAT payable		(1,494,641.72)
	Floating ch. VAT control		(1,086.74)
	Fixed charge VAT control		(10,449.11)
			<b>NIL</b>

## Appendix 3 Schedule of expenses

### Schedule of expenses (24/09/2018 to 22/03/2019)

Expenses (£)	Incurred and paid in the period (£)	Incurred in the period not yet paid (£)	Total (£)
<b>Cost of realisations</b>			
Administrators' fees	0.00	125,433.55	<b>125,433.55</b>
Administrators' expenses*	535.90	-	<b>535.90</b>
Legal fees	8,485.35	-	<b>8,485.35</b>
Rent and other associated costs**	-	-	-
Legal fees incurred on behalf of Purchaser**	-	-	-
LTO agent costs**	-	-	-
Insurance of assets ***	-	-	-
Storage costs	120.48	-	<b>120.48</b>
Bank charges	297.25	-	<b>297.25</b>
<b>TOTAL</b>	<b>9,438.98</b>	<b>125,433.55</b>	<b>134,872.53</b>

\* Note: No further remuneration will be drawn on account of our outstanding time costs.

\*\* Note: any rental costs incurred in the administration in relation to the LTO properties are covered in full by the Administrators of the Purchaser or Pavers. These costs include LTO rent, rent-advance payments, LTO agent's costs and other property costs and amount to circa £287,474 as per the attached receipts and payments account.

\*\*\*Note: Insurance of assets costs were covered in full by the Administrators of the Purchaser.

## Requests for further information and right to challenge our remuneration and expenses

### Creditors' requests for further information

If you would like to request more information about our remuneration and expenses disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

Requests from unsecured creditors must be made with the concurrence of at least 5% in value of unsecured creditors (including, the unsecured creditor making the request) or with the permission of the Court.

### Creditors' right to challenge our remuneration and expenses

If you wish to challenge the basis of our remuneration, the remuneration charged, or the expenses incurred during the period covered by this progress report, you must do so by making an application to Court within eight weeks of receiving this progress report.

Applications by unsecured creditors must be made with concurrence of at least 10% in value of unsecured creditors (including the unsecured creditor making the challenge) or with the permission of the Court.

The full text of the relevant rules can be provided on request by writing to Rosie Bostock on KPMG LLP, 15 Canada Square, London, E14 5GL.

## Appendix 4 Joint Administrators' charging and disbursements policy

### Joint Administrators' charging policy

The time charged to the administration is by reference to the time properly given by us and our staff in attending to matters arising in the administration. This includes work undertaken in respect of tax, VAT, employee, pensions and health and safety advice from KPMG in-house specialists.

Our policy is to delegate tasks in the administration to appropriate members of staff considering their level of experience and requisite specialist knowledge, supervised accordingly, so as to maximise the cost effectiveness of the work performed. Matters of particular complexity or significance requiring more exceptional responsibility are dealt with by senior staff or us.

A copy of "A Creditors' Guide to Joint Administrators' Fees" from Statement of Insolvency Practice 9 ('SIP 9') produced by the Association of Business Recovery Professionals is available at:

<https://www.r3.org.uk/what-we-do/publications/professional/fees/administrators-fees>

If you are unable to access this guide and would like a copy, please contact Rosie Bostock on 020 73114316.

### Hourly rates

Set out below are the relevant charge-out rates per hour worked for the grades of our staff actually or likely to be involved on this administration. Time is charged by reference to actual work carried out on the administration; using a minimum time unit of six minutes.

All staff who have worked on the administration, including cashiers and secretarial staff, have charged time directly to the administration and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the administration but is reflected in the general level of charge-out rates.

### Table of charge-out rates

Charge-out rates (£) for: Restructuring		
Grade	From 01 Nov 2016 £/hr	From 01 Jan 2019 £/hr
Partner	625	655
Director	560	590
Senior Manager	510	535
Manager	425	445
Senior Administrator	295	310
Administrator	215	225
Support	131	140

Charge-out rates (£) for: Tax			
Grade	From 01 Nov 2016 £/hr	From 01 May 2017 £/hr	From 01 Mar 2018 £/hr
Partner	1000	1050	1100
Director	895	940	985
Senior Manager	740	775	815
Manager	525	550	575
Senior Administrator	365	380	400
Administrator	230	240	250
Support	315	330	345

#### Policy for the recovery of disbursements

We have recovered both Category 1 and Category 2 disbursements from the estate.

For the avoidance of doubt, such expenses are defined within SIP 9 as follows:

**Category 1 disbursements:** These are costs where there is specific expenditure directly referable to both the appointment in question and a payment to an independent third party. These may include, for example, advertising, room hire, storage, postage, telephone charges, travel expenses, and equivalent costs reimbursed to the officeholder or his or her staff.

**Category 2 disbursements:** These are costs that are directly referable to the appointment in question but not to a payment to an independent third party. They may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis, for example, business mileage.

Category 2 disbursements charged by KPMG Restructuring include mileage. This is calculated as follows:

Mileage claims fall into three categories:

- Use of privately-owned vehicle or car cash alternative – 45p per mile.
- Use of company car – 60p per mile.
- Use of partner's car – 60p per mile.

For all of the above car types, when carrying KPMG passengers an additional 5p per mile per passenger will also be charged where appropriate.

We have incurred the following disbursements (excluding VAT) during the period 24 September 2018 to 22 March 2019.

SIP 9 - Disbursements					
Disbursements	Category 1		Category 2		Totals (£)
	Paid (£)	Unpaid (£)	Paid (£)	Unpaid (£)	
Courier & delivery costs	37.62		NIL		<b>37.62</b>
Postage	498.28		NIL		<b>394.40</b>
<b>Total</b>	<b>535.90</b>		<b>NIL</b>		<b>535.90</b>

We have the authority to pay Category 1 disbursements without the need for any prior approval from the creditors of the Company.

Category 2 disbursements have been approved in the same manner as our remuneration.

Narrative of work carried out for the period 24 September 2018 to 22 March 2019

The key areas of work have been:

Statutory and compliance	<ul style="list-style-type: none"> <li>■ posting information on a dedicated web page;</li> <li>■ preparing statutory receipts and payments accounts;</li> <li>■ dealing with all closure related formalities;</li> <li>■ ensuring compliance with all statutory obligations within the relevant timescales.</li> </ul>
Strategy documents, Checklist and reviews	<ul style="list-style-type: none"> <li>■ formulating, monitoring and reviewing the administration strategy, including the decision to trade and meetings with internal and external parties to agree the same;</li> <li>■ regular case management and reviewing of progress, including regular team update meetings and calls;</li> <li>■ reviewing and authorising junior staff correspondence and other work;</li> <li>■ dealing with queries arising during the appointment;</li> <li>■ reviewing matters affecting the outcome of the administration;</li> <li>■ allocating and managing staff/case resourcing and budgeting exercises and reviews;</li> <li>■ complying with internal filing and information recording practices, including documenting strategy decisions.</li> </ul>
Reports to debenture holders	<ul style="list-style-type: none"> <li>■ providing written and oral updates to representatives of Secured Creditor regarding the progress of the administration and case strategy.</li> </ul>
Cashiering	<ul style="list-style-type: none"> <li>■ preparing and processing vouchers for the payment of post-appointment invoices;</li> <li>■ creating remittances and sending payments to settle post-appointment invoices;</li> <li>■ reconciling post-appointment bank accounts to internal systems;</li> <li>■ ensuring compliance with appropriate risk management procedures in respect of receipts and payments.</li> </ul>
Tax	<ul style="list-style-type: none"> <li>■ preparing tax returns relating to the periods affected by the administration;</li> <li>■ analysing VAT related transactions;</li> <li>■ dealing with post appointment tax compliance.</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>■ providing copies of statutory reports to the shareholders.</li> </ul>
General	<ul style="list-style-type: none"> <li>■ reviewing time costs data and producing analysis of time incurred which is compliant with Statement of Insolvency Practice 9;</li> <li>■ drawing remuneration in accordance with the basis which has been approved by the Secured Creditor;</li> <li>■ arranging ongoing storage of the Company's books and records.</li> </ul>
Asset realisations	<ul style="list-style-type: none"> <li>■ seeking legal advice in relation to LTO and other property matters;</li> <li>■ ongoing property management.</li> </ul>
Property matters	<ul style="list-style-type: none"> <li>■ reviewing the Company's leasehold properties, including review of leases;</li> <li>■ communicating with landlords regarding rent, property occupation and other issues.</li> </ul>
Open cover insurance	<ul style="list-style-type: none"> <li>■ liaising with the post-appointment insurance brokers to provide information, assess risks and ensure appropriate cover in place;</li> <li>■ assessing the level of insurance premiums.</li> </ul>



Creditors and claims	<ul style="list-style-type: none"> <li>■ arranging re-issue of unclaimed distributions to unsecured creditors;</li> <li>■ arranging distribution to the Secured Creditor;</li> <li>■ drafting our final progress report.</li> </ul>
----------------------	---

## Time costs

### SIP 9 –Time costs analysis (24/09/2018 to 22/03/2019)

	Hours	Time Cost (£)	Average Hourly Rate (£)
<b>Administration &amp; planning</b>			
Cashiering			
Fund management	<b>0.10</b>	51.00	510.00
General (Cashiering)	<b>34.90</b>	8,139.60	233.23
Reconciliations (& IPS accounting reviews)	<b>10.20</b>	3,649.70	357.81
General			
Books and records	<b>0.80</b>	344.00	430.00
Fees and WIP	<b>11.00</b>	2,762.00	251.09
Statutory and compliance			
Budgets & Estimated outcome statements	<b>4.80</b>	2,080.00	433.33
Checklist & reviews	<b>11.00</b>	3,108.00	282.55
Closure and related formalities	<b>38.10</b>	17,019.50	446.71
Strategy documents	<b>9.10</b>	4,164.00	457.58
Tax			
Post appointment corporation tax	<b>2.80</b>	1,281.50	457.68
Post appointment VAT	<b>41.50</b>	12,041.50	290.16
<b>Creditors</b>			
Creditors and claims			
General correspondence	<b>35.65</b>	12,022.75	337.24
Payment of dividends	<b>19.20</b>	4,513.00	235.05
Pre-appointment VAT / PAYE / CT	<b>2.40</b>	1,383.00	576.25
Secured creditors	<b>1.80</b>	583.50	324.17
Statutory reports	<b>22.70</b>	7,036.00	309.96
Employees			
Correspondence	<b>0.20</b>	45.00	225.00
<b>Realisation of assets</b>			
Asset Realisation			
Cash and investments	<b>1.50</b>	667.50	445.00
Debtors	<b>5.00</b>	1,075.00	215.00
Insurance	<b>1.25</b>	542.25	433.80
Leasehold property	<b>58.35</b>	23,686.25	405.93

SIP 9 –Time costs analysis (24/09/2018 to 22/03/2019)			
	Hours	Time Cost (£)	Average Hourly Rate (£)
Other assets	3.10	1,544.00	498.06
Rent	36.80	17,694.50	480.83
<b>Total in period</b>	<b>352.25</b>	<b>125,433.55</b>	<b>356.09</b>
Brought forward time (appointment date to SIP 9 period start date)	3,973.62	1,365,405.80	
SIP 9 period time (SIP 9 period start date to SIP 9 period end date)	352.25	125,433.55	
Carry forward time (appointment date to SIP 9 period end date)	4,325.87	1,490,839.35	

All staff who have worked on this assignment, including cashiers and secretarial staff, have charged time directly to the assignment and are included in the analysis of time spent. The cost of staff employed in central administration functions is not charged directly to the assignment but is reflected in the general level of charge out rates.

All time shown in the above analysis is charged in units of six minutes.

## Appendix 5      Summary of Joint Administrators' proposals

Despite the extensive marketing process, given the Company's debt levels and funding requirements, no parties came forward to purchase the Company's shares consequently rescuing the Company in accordance with Paragraph 3(1)(a) is not achievable.

Therefore our primary objective is to achieve a better result for the Company's creditors as a whole than would be likely if the Company were wound up, in accordance with Paragraph 3(1)(b).

In addition to the specific itemised proposals below, this document in its entirety constitutes our proposals.

We propose the following:

### General matters

- to continue to do everything that is reasonable, and to use all our powers appropriately, in order to maximise realisations from the assets of the Company in accordance with the objective as set out above;
- to investigate and, if appropriate, to pursue any claims the Company may have;
- to seek an extension to the administration period if we consider it necessary.

### Distributions

- to make distributions to the secured and preferential creditors where funds allow;
- to make distributions to the unsecured creditors if funds become available, and to apply to the Court for authority to do so, where applicable.

### Ending the administration

We might use any or a combination of the following exit route strategies in order to bring the administration to an end:

- apply to Court for the administration order to cease to have effect from a specified time and for control of the Company to be returned to the Directors;
- formulate a proposal for either a company voluntary arrangement (CVA) or a scheme of arrangement and put it to meetings of the Company's creditors, shareholders or the Court for approval as appropriate;
- place the Company into creditors' voluntary liquidation. In these circumstances we propose that we, Steve Absolom, Will Wright and Blair Nimmo, be appointed as Joint Liquidators of the Company without any further recourse to creditors. If appointed Joint Liquidators, any action required or authorised under any enactment to be taken by us may be taken by us individually or together. The creditors may nominate different persons as the proposed Joint Liquidators, provided the nomination is received before these proposals are approved;
- petition the Court for a winding-up order placing the Company into compulsory liquidation and to consider, if deemed appropriate, appointing us, Steve Absolom, Will Wright and Blair Nimmo, as Joint Liquidators of the Company without further recourse to creditors. Any action required or authorised under any enactment to be taken by us as Joint Liquidators may be taken by us individually or together;

- file notice of move from administration to dissolution with the Registrar of Companies if we consider that liquidation is not appropriate because (1) no dividend will become available to creditors, and (2) there are no other outstanding matters that require to be dealt with in liquidation. The Company will be dissolved three months after the registering of the notice with the Registrar of Companies.

Alternatively, we may allow the administration to end automatically.

Joint Administrators' remuneration and pre-administration costs

We propose that:

- our remuneration will be drawn on the basis of time properly given by us and the various grades of our staff in accordance with the fees estimate provided in Appendix 3 and the charge-out rates included in Appendix 5;
- disbursements for services provided by KPMG (defined as Category 2 disbursements in Statement of Insolvency Practice 9) will be charged in accordance with KPMG's policy as set out in Appendix 5;
- unpaid pre-administration costs be an expense of the administration.

*Discharge from liability*

We propose that we shall be discharged from liability in respect of any action of ours as Joint Administrators upon the filing of our final receipts and payments account with the Registrar of Companies.

## Appendix 6      Glossary

<b>Company</b>	JTB Realisations Limited (formerly A. Jones & Sons Limited) - in Administration
<b>EY</b>	EY LLP
<b>Gordon Scott</b>	GS Realisations Limited (formerly Gordon Scott Limited) – in Administration
<b>Group</b>	The Company together with GS Realisations Limited (formerly Gordon Scott Limited) – in Administration
<b>JLT</b>	JLT Speciality Limited
<b>Joint Administrators/we/our/us</b>	Steve Absolom, Will Wright and Blair Nimmo
<b>Jones Bootmaker/Purchaser</b>	JB Realisations Limited (formerly Jones Bootmaker Limited) – in Administration
<b>KPMG</b>	KPMG LLP
<b>LTO</b>	Licence to occupy
<b>Pavers</b>	Pavers Limited
<b>Pinsents</b>	Pinsent Masons LLP
<b>PHD</b>	PHD Property Advisory Limited
<b>Secured creditor/Alteri</b>	Alteri Europe L.P.
<b>TUPE</b>	Transfer of Undertakings (Protection of Employment) Regulations 2006.

Any references in this progress report to sections, paragraphs and rules are to Sections, Paragraphs and Rules in the Insolvency Act 1986, Schedule B1 of the Insolvency Act 1986 and the Insolvency Rules (England and Wales) 2016 respectively.

## Appendix 7      Notice: About this report

This report has been prepared by Steve Absolom, Will Wright and Blair Nimmo the Joint Administrators of JTB Realisations Limited – in Administration (the ‘Company’) solely to comply with their statutory duty to report to creditors under the Insolvency Rules (England and Wales) 2016 on the progress of the administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and is not suitable to be used, to inform any investment decision in relation to the debt of or any financial interest in the Company or any other company in the Group.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcomes for creditors.

Any person that chooses to rely on this report for any purpose or in any context other than under the Insolvency Rules (England and Wales) 2016 does so at its own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any responsibility and will not accept any liability in respect of this report to any such person.

Stephen John Absolom and William James Wright are authorised to act as insolvency practitioners by the Institute of Chartered Accountants in England & Wales.

Blair Carnegie Nimmo is authorised to act as an insolvency practitioner by the Institute of Chartered Accountants of Scotland.

We are bound by the Insolvency Code of Ethics.

The Officeholders are Data Controllers of personal data as defined by the Data Protection Act 2018. Personal data will be kept secure and processed only for matters relating to the appointment. For further information, please see our Privacy policy at – [home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html](https://home.kpmg.com/uk/en/home/misc/privacy-policy-insolvency-court-appointments.html).

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, KPMG LLP does not assume any responsibility and will not accept any liability to any person in respect of this report or the conduct of the administration.

**[www.kpmg.com](http://www.kpmg.com)**

© 2019 KPMG LLP, a UK limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity. All rights reserved.

For full details of our professional regulation please refer to 'Regulatory Information' at [www.kpmg.com/uk](http://www.kpmg.com/uk)

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

**The KPMG name and logo are registered trademarks or trademarks of KPMG International Cooperative.**

