



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

1	Company details	
Company number	0 0 3 9 6 1 3 7	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	Hollander Hyams Limited	
2	Administrator's name	
Full forename(s)	Martha	
Surname	Thompson	
3	Administrator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Administrator's name ^①	
Full forename(s)	Colin	① Other administrator Use this section to tell us about another administrator.
Surname	Haig	
5	Administrator's address ^②	
Building name/number	55 Baker Street	② Other administrator Use this section to tell us about another administrator.
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		

AM10

Notice of administrator's progress report

6 Period of progress report

From date	^u 1	^d 8	^m 0	^m 2	^y 2	^y 0	^y 2	^y 0
To date	ⁿ 1	^d 7	^m 0	^m 8	^y 2	^y 0	^y 2	^y 0

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X

mege

X

Signature date

ⁿ 1	^d 4	^m 0	^m 9	^y 2	^y 0	^y 2	^y 0
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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 **Martha Thompson**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode

L	2		5	R	H		
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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

Hollander Hyams Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 18/02/2020 To 17/08/2020 £	From 18/02/2020 To 17/08/2020 £
	FIXED CHARGE ASSETS		
1,240,000.00	Berners Place, London	NIL	NIL
850,000.00	Faraday Drive, Bridgnorth	NIL	NIL
225,000.00	Coleford Road, Sheffield	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FIXED CHARGE COSTS		
	Holding Costs - London	480.00	480.00
	Holding Costs - Bridgnorth	2,752.00	2,752.00
	Holding Costs - Sheffield	4,914.00	4,914.00
		<u>(8,146.00)</u>	<u>(8,146.00)</u>
	ASSET REALISATIONS		
90,000.00	Book debts	87,564.32	87,564.32
	Insurance Refund	1,223.74	1,223.74
	Interest Gross	48.21	48.21
40,000.00	Motor Vehicles & Equipment	NIL	NIL
	Rates Refund	3,552.79	3,552.79
		<u>92,389.06</u>	<u>92,389.06</u>
	COST OF REALISATIONS		
	Agents' Fees & Disbs	1,100.00	1,100.00
		<u>(1,100.00)</u>	<u>(1,100.00)</u>
<u>2,445,000.00</u>		<u>83,143.06</u>	<u>83,143.06</u>
	REPRESENTED BY		
	Floating Current Account		81,351.46
	Vat Control Account		1,791.60
			<u>83,143.06</u>

TO ALL KNOWN CREDITORS

14 September 2020

Our Ref: MT/OC/00324937/C1

Please ask for Olivia Craven

T: 0151 237 4652

E: BRCMTLondonandSouthEast@bdo.co.uk

Dear Madams/Sirs

Hollander Hyams Limited - In Administration ('the Company')

It is now 6 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 18 February 2020 to 17 August 2020 ('the Period').

This report should be read in conjunction with the Joint Administrators' proposals ('the Proposals') uploaded to the creditor portal on 9 April 2020.

1 Statutory Information

The Joint Administrators are Martha Thompson (officeholder number: 8678) and Colin Haig (officeholder number: 7965) of BDO LLP, 55 Baker Street, London, W1U 7EU and they were appointed in respect of the Company on 18 February 2020. Under the provisions of paragraph 100(2) of Schedule B1 to the Insolvency Act 1986, the Joint 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 the directors of the Company, pursuant to Paragraph 22 of Schedule B1 to the Insolvency Act 1986. The Administration proceedings are dealt with in the High Court of Justice, Business & Property Courts of England & Wales, Insolvency & Companies List (ChD) and the court case number is CR-2020-001048.

The Company's registered office is situated at c/o BDO LLP, 55 Baker Street, London, W1U 7EU and the registered number is 00396137.

2 Progress of the Administration

The Company's principal assets are its three freehold properties in London, Bridgnorth and Sheffield.

The Bridgnorth and Sheffield sites were the operational sites where the Company processed animal skins and hides for export. Since the date of appointment both sites have been vacant.

The London site, referred to as Berners Place, is a mixed-use building with the Company's offices on the lower ground, ground and first floors. The second, third and fourth floors are each occupied under long residential leases.

I confirm that agents have been appointed to market the properties for sale.

The Bridgnorth and Sheffield sites are being handled by Lambert Smith Hampton LLP in their Birmingham and Sheffield offices.

Berners Place is being marketed on a joint agency basis by the London offices of Robert Irving Burns and Lambert Smith Hampton.

The marketing processes are in their early stages and we will provide further updates as appropriate.

3 Receipts and Payments

I enclose, for your information, a summary of my receipts and payments to date showing a balance in hand of £81,351.

Receipts

I would comment specifically on the following receipts in the Period.

Book Debts

The Company's Statement of Affairs detailed book debts with an estimated realisable value of £90k. During the Period, a total of £87,564 was received in respect of book debts. No further book debt realisations are expected.

Insurance Refund

An insurance premium refund of £1,224 was received from the Company's pre-appointment insurers.

Rates Refund

A rates refund of £3,553 was received in respect of the Company's property in Bridgnorth.

The remaining receipts are self-explanatory.

Payments

The payments during the Period are largely self-explanatory, however, I would comment on the below:

Holding Costs

Holding costs of £8,146 have been incurred in respect of the various costs of maintaining and securing the Company's three properties. Principally costs have been incurred in clearing and securing the properties in accordance with our insurers unoccupied buildings conditions. In addition to the ongoing security costs, further costs will be incurred in carrying out DEFRA-approved disinfection of the Bridgnorth and Sheffield sites.

Veritas Property Management Limited has provided the majority of the clearance and security services.

In addition to the above, insurance premiums of £36,976 will be payable in respect of 12 months cover. It is expected that holding costs across the three properties for the first 12 months will be in the region of £80,000.

Agents' Fees and Disbursements

In the period £1,100 was paid to ERA Solutions Limited. ERA Solutions Ltd provided employees' claims support services and employment rights advice.

4 Costs in the Administration

I provide a summary of the professional fees and other expenses which have been accrued and paid in the Period and any costs that are expected to be incurred.

Professional Fees and Expenses	Accrued £	Paid £	Expected £
ERA Solutions Limited	1,100	1,100	nil
Wyles Hardy	36,725	nil	nil
Veritas Property Management Limited	8,146	8,146	40,000
	67,051	67,051	40,000

ERA Solutions Limited

ERA Solutions Limited were engaged to assist employees in submitting their claims.

Wyles Hardy & Co. Limited ('Wyles Hardy')

Wyles Hardy were initially engaged by the Company in anticipation of the administration to assist with and advise on the disposal of the Company's remaining stock. The Joint Administrators retained Wyles Hardy's services after their appointment in order to handle the final clearance of the Sheffield and Bridgnorth sites. This included the sale of the Company's chattel assets which primarily comprised of commercial vehicles.

In the Proposals, Wyles Hardy's costs were estimated to be £40,000 and the post-appointment costs are £36,725. Included in this amount is a cost of £13,200 incurred in respect of the safe disposal of 36 tonnes of used preserving salt.

Wyles Hardy's post appointment costs have been agreed and are due to be paid from the chattel realisations.

Veritas Property Management Limited ('Veritas')

Veritas have provided and continue to provide property maintenance and security services in accordance with our insurer's unoccupied buildings conditions. Such services include fortnightly security visits and other ad-hoc visits to provide access for utilities or other parties. Veritas will also provide necessary disinfection works in order to comply with DEFRA regulations.

5 Pre-Administration Costs

The Proposals detailed the pre-appointment costs as categorised below.

- (1) fees incurred by the Joint Administrators.
- (2) expenses incurred by the Joint Administrators.
- (3) fees charged by any other person qualified to act as an insolvency practitioner.

The table below summarises the pre-appointment fees and expenses incurred, and the amounts paid or remaining unpaid in respect thereof.

Category	Incurred (£)	Paid (£)	Unpaid (£)
(1)	56,746.80	nil	56,746.80
(2)	15,555.45	nil	15,555.45
(3)	nil	nil	nil
	72,302.25	nil	72,302.25

Category (1) Fees Incurred by the Joint Administrators

As detailed in the Proposals, prior to the Date of Appointment the Company engaged the proposed Joint Administrators to assist them in preparing to place the Company into Administration. The engagement was by way of a formal engagement letter dated 23 January 2020 and by which it was agreed that fees would be incurred on a time cost basis. The engagement also provided for the proposed Joint Administrators to engage such advisors or specialists as they deemed appropriate.

In the lead-up to the Administration it was necessary to maintain a strong dialogue with the directors to ensure that the interests of the Company and its creditors were maintained. Similarly, ongoing updates were provided to the Bank in relation to the provision of the banking and overdraft facilities which enabled the orderly wind-down of the Company's business.

A total of 169 hours were spent in dealing with pre-appointment matters at a cost of £56,746.80.

No category (1) fees have been approved or drawn during the Period.

Category (2) Expenses Incurred by the Joint Administrators

TLT Solicitors LLP ('TLT')

Prior to the Appointment Date the Joint Administrators engaged TLT to provide advice on environmental risks, the appointment documentation and advice in relation to the effect of a rent deposit charge registered at Companies House but not shown as satisfied.

The pre-appointment costs incurred by TLT totalled £6,501.50. These fees have not been paid during the Period.

Wyles Hardy & Co Limited ('Wyles Hardy')

Prior to the administration Wyles Hardy were engaged by the Company to advise on the disposal of the Company's remaining stock. They also assisted the Company with and advised the Joint Administrators on various practical matters relating to the clean-up of the processing sites in order to avoid the possibility of hazardous waste remaining on site after appointment. Extensive efforts were required to clear these sites of biological waste.

Wyles Hardy's fees and expenses incurred in respect of the pre-appointment period totalled £9,053.95.

Category (3) Fees Charged by Any Other Person Qualified to Act as An Insolvency Practitioner

No category (3) fees or expenses were incurred.

Approval of Pre-Appointment Fees and Costs

Because there will be no funds available to make distributions to the preferential or unsecured creditors, in accordance with Rule 3.52(3)(b) it is for the secured creditor, Barclays Bank Plc, to approve the payment of pre-appointment fees and expenses.

We can confirm that on 24 August 2020 approval was given in respect of the category (2) pre-appointment fees and expenses and these will be paid in due course.

6 Joint Administrators' Remuneration and Disbursements

Remuneration

The Joint Administrators must fix their remuneration in accordance with Rule 18.16. This permits remuneration to be based on either:

- i. a percentage of the assets realised and distributed; and/or
- ii. by reference to the time the Joint Administrators and the staff have spent attending to matters in the Administration; and/or
- iii. a set amount; or
- iv. a combination of the above.

In this case Paragraph 52(1)(b) of Schedule B1 to the Insolvency Act 1986 applies and approval of the Joint Administrators' remuneration is to be approved by the secured creditor.

It is the Joint Administrators' intention to seek remuneration approval on basis ii, i.e. by reference to time properly spent in dealing with issues in the Administration.

The Joint Administrators have not yet sought the secured creditor's approval to draw any fees in respect of their remuneration.

I attach a schedule detailing the time costs incurred to date. This records time costs of £151,148, which represents 450 hours spent at an average charge out rate of £336 per hour.

Also attached is the original Fees Estimate annotated with a column showing the time costs accrued in respect of each activity. The time costs incurred are currently within the original fee estimate of £221,734.

For your information, I enclose a document that outlines the policy of BDO LLP in respect of fees and disbursements.

Disbursements

Where disbursements are recovered in respect of precise sums expended to third parties there is no necessity for these costs to be authorised. These are known as category 1 disbursements. Category 1 disbursements totalling £1,561 have accrued in the Period in respect of statutory advertising, travel and accommodation, bonding and postage.

Some Administrators recharge expenses, for example printing, photocopying and telephone costs, which cannot economically be recorded in respect of each specific case. Such expenses, which are apportioned to cases, require the approval of the creditors before they can be drawn, and these are known as category 2 disbursements. The policy of BDO LLP in respect of this appointment is not to charge any category 2 disbursements 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. No category 2 disbursements have been incurred or drawn to date.

Total disbursements of £1,561 have been incurred to date as detailed in the table below.

Expense	Category 1 £	Category 2 £	Total £
Bonding	200.00	-	200.00
Travel and Accommodation	1,258.16	-	1,258.16
Statutory Advertising	88.00	-	88.00
Postage	15.00	-	15.00
	1,561.16	-	1,561.16

7 Future of the Administration

Sale of the Freehold Properties

The Joint Administrators will market and sell the properties in accordance with the advice received from the appointed agents. With the UK economic outlook still uncertain due to COVID19 it is difficult to predict how the properties will be received by the market and the time it will take to achieve sales.

The administration cannot be concluded until all of the properties have been sold and it is expected that the Administration will need to be extended in order for the relevant geographic markets to be fully explored and sales achieved.

No values for the properties have been provided in this report as to do so could prejudice prospective buyers' offers.

Chattel Assets

At the time of preparing this report, Wyles Hardy have sold the Company's chattel assets for a total of £45,773. Their costs incurred in securing and selling those assets, as well as the costs incurred in clearing the sites exceed the total realisation and there will be no net benefit for the administration estate.

Distributions In Specie

I can confirm that there are no assets of a peculiar or special nature which cannot be sold. Consequently, there has been no distribution of unsold assets to creditors, as mentioned in Rules 18.10/14.13.

Extension and End of the Administration

The Administration is due to automatically expire 12 months from appointment unless an extension is sought. The Joint Administrators do anticipate that an extension will be required in order to complete the marketing and sale of the properties.

It will be for the secured creditor to agree to an extension and such agreement will be sought at the appropriate time.

Once the properties have been sold and the available funds disbursed, the Joint Administrators will file the requisite documents to dissolve the Company.

8 Prospects for Creditors

Secured Creditors

Barclays Bank Plc ('the Bank') is the Company's only secured creditor. A summary of the charges registered at Companies House is as follows:

Charge holder	Short Particulars	Registration Date
Barclays Bank Plc	Fixed and floating charges over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery.	16 November 1995
Barclays Bank Plc	Fixed and floating charges over the undertaking and all property and assets present and future including goodwill book debts uncalled capital buildings fixtures fixed plant and machinery.	9 February 1996
Barclays Bank Plc	Fixed charge over property known as 9 Berners Place, London	10 August 1998
Barclays Bank Plc	Fixed charge over property known as 3 Fernleigh, Bryn Street, Wrexham, Wales (This property was sold by the Company in October 2019).	26 September 2008
Barclays Bank Plc	Fixed charge over land and premises at Faraday Drive, Bridgnorth, Shropshire.	17 January 2017
Barclays Bank Plc	Fixed charge over land and premises at 315/317 Coleford Road, Darnall, Sheffield.	23 May 2018

The Company's total indebtedness to Barclays is £2,328,162.

It is expected after the costs of sale and the Administration Barclays will suffer a shortfall on their secured debt.

Preferential Creditors

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

ERA Solutions Limited have been engaged to assist employees in submitting their claims. It is estimated that the preferential claims will be in the region of £16k. Based on current information no distribution will be made to preferential creditors.

All former employees who were made redundant by virtue of the Company's insolvency will be entitled to claim for payment from the Redundancy Payments Office.

Prescribed Part

Under the provisions of Section 176A of the Insolvency Act 1986 the Joint Administrators must state the amount of funds available to unsecured creditors in respect of the

prescribed part. This provision only applies where a company has granted a floating charge to a creditor after 15 September 2003.

The Company granted a floating charge to Barclays before 15 September 2003 and consequently there will be no prescribed part in this Administration.

Unsecured Creditors

The value of unsecured claims scheduled in the Statement of Affairs is £670,684. To date claims totalling approximately £907,164 have been received.

Based on current information there will be no available funds with which to make a distribution to the unsecured creditors. Investigations

9 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. I confirm that a report has been submitted.

I have completed my review of the Company's affairs and assets to establish whether there are any action that can be investigated for the benefit of the creditors and concluded there are no causes of action to be pursued.

If creditors wish to bring to our attention any matters that merit investigation, they should contact the Joint Administrators c/o of BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or via email at BRCMTLondonandSouthEast@bdo.co.uk.

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

Creditors with the concurrence of at least 10% of the creditors may apply to the court if they consider that the remuneration of the administrators, or the basis fixed for the remuneration of the administrator or expenses charged by the administrator 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.

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>.

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

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 Olivia Craven at BRCMTLondonandSouthEast@bdo.co.uk.

Yours faithfully
for and on behalf of
Hollander Hyams Limited

A handwritten signature in black ink, appearing to read 'Martha Thompson'.

Martha Thompson
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
- Fees Estimate to Accrued Time Comparison
- BDO LLP Policy in respect of fees and disbursements

Hollander Hyams Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 18/02/2020 To 17/08/2020 £	From 18/02/2020 To 17/08/2020 £
	FIXED CHARGE ASSETS		
1,240,000.00	Berners Place, London	NIL	NIL
850,000.00	Faraday Drive, Bridgnorth	NIL	NIL
225,000.00	Coleford Road, Sheffield	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	FIXED CHARGE COSTS		
	Holding Costs - London	480.00	480.00
	Holding Costs - Bridgnorth	2,752.00	2,752.00
	Holding Costs - Sheffield	4,914.00	4,914.00
		<u>(8,146.00)</u>	<u>(8,146.00)</u>
	ASSET REALISATIONS		
90,000.00	Book debts	87,564.32	87,564.32
	Insurance Refund	1,223.74	1,223.74
	Interest Gross	48.21	48.21
40,000.00	Motor Vehicles & Equipment	NIL	NIL
	Rates Refund	3,552.79	3,552.79
		<u>92,389.06</u>	<u>92,389.06</u>
	COST OF REALISATIONS		
	Agents' Fees & Disbs	1,100.00	1,100.00
		<u>(1,100.00)</u>	<u>(1,100.00)</u>
<u>2,445,000.00</u>		<u>83,143.06</u>	<u>83,143.06</u>
	REPRESENTED BY		
	Floating Current Account		81,351.46
	Vat Control Account		1,791.60
			<u>83,143.06</u>

Hollander Hyams Limited - In Administration
Detail of Time Charged for the Period From 18/02/2020 to 17/08/2020

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														
01. Review Appointment Validity			0.50	173.00									0.50	173.00
02. Statutory Documentation			3.30	1,253.40	1.05	137.55			6.40	842.90			10.75	2,233.85
09. Preparation of Proposals	2.00	1,566.00	3.10	765.70	0.20	26.20			4.00	336.00			9.30	2,693.90
12. Setting up Internal Files									1.15	195.50			1.15	195.50
Sub total -	2.00	1,566.00	6.90	2,192.10	1.25	163.75			11.55	1,374.40			21.70	5,296.25
B. Steps on Appointment														
C. Planning and Strategy														
02. Review Financial Position			4.90	1,695.40									4.90	1,695.40
05. Review Options Available			4.30	1,487.80									4.30	1,487.80
07. Strategy Planning	1.00	783.00	16.25	6,506.00									17.25	7,289.00
99. Other Matters			9.60	3,321.60									9.60	3,321.60
Sub total -	1.00	783.00	35.05	13,010.80									36.05	13,793.80
C. Planning and Strategy														
D. General Administration														
01. Insurance Matters			9.20	3,838.70					2.00	340.00			11.20	4,178.70
02. VAT			2.25	768.00					6.75	1,735.50			9.00	2,503.50
03. Taxation									1.60	341.00			1.60	341.00

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
		£		£		£		£		£		£		£
04. Instruct Liae Solicitors			0.50	230.00									0.50	230.00
06. Conduct Reports			7.25	2,508.50									7.25	2,508.50
07. Receipts Payments Accounts	0.25	127.75	5.20	1,055.50			0.55	24.20	21.15	1,706.20			27.15	2,913.65
09. Statutory Matters			3.65	1,051.30	0.40	52.40							4.05	1,103.70
13. General Meetings			3.00	1,038.00					1.40	238.00			4.40	1,276.00
14. General Discussions			0.40	216.80									0.40	216.80
15. Gen. Admin. Correspondence			4.45	1,738.15	0.65	85.15	0.10	29.10	34.30	2,813.65			39.50	4,666.05
16. Maintain Internal Files									1.70	289.00			1.70	289.00
sub total -														
D. General Administration	0.25	127.75	35.90	12,444.95	1.05	137.55	0.65	53.30	68.90	7,463.35			106.75	20,226.90
E. Assets Realisation Dealing														
04. Agent Instruction Liasing			11.60	4,526.60									11.60	4,526.60
06. Property Related Matters	29.00	22,707.00	129.10	49,542.10					7.85	1,334.50			165.95	73,583.60
07. Debt Collection	1.00	783.00	5.70	2,599.20									6.70	3,382.20
08. Dealing with Chattel Assets			1.00	460.00									1.00	460.00
09. Dealing with other Assets			1.50	519.00									1.50	519.00

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
		£		£		£		£		£		£		£
10 HP Leasing Matters									1.75	297.50			1.75	297.50
12 Retention of Title			2.10	716.70					0.10	17.00			2.20	733.70
99 Other Matters	1.00	783.00											1.00	783.00
Sub total - E. Assets Realisation Dealing	31.00	24,273.00	151.00	58,363.60					9.70	1,649.00			191.70	84,285.60
G. Employee Matters														
02 Dealing with Employees			1.30	534.10					0.30	51.00			1.60	585.10
04 Pension Issues			0.40	98.80					2.20	374.00			2.60	472.80
Sub total - G. Employee Matters			1.70	632.90					2.50	425.00			4.20	1,057.90
H. Creditor Claims														
02 Secured Creditors	1.00	783.00	17.50	6,112.00									18.50	6,895.00
04 Non-Preferential Creditors			5.75	1,946.40					9.05	1,408.10			14.80	3,354.50
06 Other Creditors									1.60	441.60			1.60	441.60
99 Other Matters									2.00	340.00			2.00	340.00
Sub total - H. Creditor Claims	1.00	783.00	23.25	8,058.40					12.65	2,189.70			36.90	11,031.10
I. Reporting														

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 £
01 Statutory Reporting			24.75	8,504.10					20.45	1,451.95			45.20	9,956.05
02 Reporting to Appointor	2.00	1,566.00											2.00	1,566.00
04 Reporting to Creditors	2.00	1,448.00	1.00	460.00					12.30	2,026.50			15.30	3,934.50
Sub total - I. Reporting	4.00	3,014.00	25.75	8,964.10					32.75	3,478.45			62.50	15,456.55
K. Work Work														
Sub total - K. Work				0.00										
Net Total													151,148.10	

Fee and Disbursement Estimate Comparison

Comparison of Estimated Time Costs and Accrued Time Costs as at 17 August 2020

Post-Appointment Activity	Estimated Hours	Hourly Rate £	Estimated Fee £	Accrued Fee £
B. Steps on Appointment	15.00	190.81	2,862.15	5,296.25
C. Planning and Strategy	20.30	618.59	12,557.40	13,793.80
D. General Administration	107.90	219.65	23,700.51	20,226.90
E. Assets Realisation	309.15	427.29	132,095.43	84,285.60
F. Trading Related Matters	0.00	0.00	0.00	0.00
G. Employee Matters	27.00	177.5	4,792.63	1,057.90
H. Creditor Claims	28.45	161.72	4,600.90	11,031.10
I. Reporting	123.45	308.34	38,064.73	15,456.65
J. Distribution and Closure	8.00	382.49	3,059.95	0.00
	639.25		221,733.70	151,148.20

Comparison of Disbursements Estimate to Accrued Disbursements as at 17 August 2020

	Estimated £	Accrued £
Category 1 Disbursements	5,600.00	1,561.16
Category 2 Disbursements		
	5,600.00	1,561.16

The Joint Administrators have not exceeded the overall fees estimate but the fees incurred in some discrete activities have exceeded the estimate. These excesses are detailed below.

B. Steps on Appointment

Several unforeseen matters, including the disposal of the unwanted contaminated salt and the collection of a skip full of contaminated waste took more time that had originally been budgeted for.

C. Planning and Strategy

The Joint Administrators were appointed on 18 February 2020. At that time the COVID19 pandemic was already a matter of concern for the UK. By the time UK lockdown had been imposed it was clear that alternative strategies would be required to ensure that the properties were safeguarded and for an indeterminate amount of time. This required more time input from the administrators' team to deal with.

H. Creditor Claims

Because of the delays in appointing property agents more time has been spent in dealing with secured creditor matters than was anticipated.



BDO Fees and Expenses Policy

In accordance with best practice I provide below details of policies of BDO LLP in respect of fees and expenses for work in relation to the above insolvency.

The current charge out rates per hour of staff within my firm who may be involved in working on the insolvency, follows:

Grade	Rate £
Partner	665-873
Director / Principal	502-604
Assistant Manager / Manager	311-460
Senior Executive	236-291
Executive	170-213
Other Staff	44-131

This in no way implies that staff at all such grades will work on the case. The rates charged by BDO LLP are reviewed on a regular basis and are adjusted to take account of inflation and the firm's overheads.

Time spent on casework is recorded directly to the relevant case using a computerised time recording system and the nature of the work undertaken is recorded at that time. Units of time can be as small as 3 minutes. BDO LLP records work in respect of insolvency work under the following categories: -

Steps upon Appointment
Planning and Strategy
General Administration
Asset Realisation/Management
Trading Related Matters
Employee Matters
Creditor Claims
Reporting
Distribution and Closure
Other Issues.

Under each of the above categories the work is recorded in greater detail in subcategories. Please note that the 11 categories provide greater detail than the six categories recommended by the Recognised Professional Bodies who are responsible for licensing and monitoring insolvency practitioners.

Where an officeholder's remuneration is approved on a time cost basis the time invoiced to the case will be subject to VAT at the prevailing rate.

Where remuneration has been approved on a time costs basis a periodic report will be provided to any committee appointed by the creditors or in the absence of a committee to the creditors. The report will provide a breakdown of the remuneration drawn and will enable the recipients to see the average rates of such costs.

Other Costs

Where expenses are incurred in respect of the insolvent estate they will be recharged. Such expenses can be divided into two categories.

**Category 1**

This heading covers expenses where BDO LLP has met a specific cost in respect of the insolvent estate where payment has been made to a third party. Such expenses may include items such as advertising, couriers, travel (by public transport), land registry searches, fees in respect of swearing legal documents etc. In each case the recharge will be reimbursement of a specific expense incurred.

Category 2

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. Where costs are incurred in respect of mileage, approval will be sought in accordance with the Insolvency (England and Wales) Rules 2016 to recover this disbursement.

Where applicable, all disbursements will be subject to VAT at the prevailing rate.

BDO LLP

September 2020

Extract 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.