



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

1 Company details

Company number 0 1 1 3 7 4 8 0

Company name in full BAS CASTINGS LIMITED

→ Filling in this form

Please complete in typescript or in
bold black capitals.

2 Administrator's name

Full forename(s) Ross David

Surname Connock

3 Administrator's address

Building name/number

Street 2 Glass Wharf

Post town Bristol

County/Region

Postcode B S 2 0 F R

Country England

4 Administrator's name ①

Full forename(s) Edward

Surname Williams

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number

Street One Chamberlain Square

Post town Birmingham

County/Region

Postcode B 3 3 A X

Country England

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

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date

^d 2	^d 9	^m 1	^m 0	^y 2	^y 0	^y 2	^y 3
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**Presenter information**

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

Contact name Maham Khan

Company name PwC

Address 8th Floor, Central Square

29 Wellington Street

Post town Leeds

County/Region West Yorkshire

Postcode

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Country England

DX

Telephone 0113 289 4000

**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

Joint Administrators' progress report from 30 March 2023 to 29 September 2023

Concord Limited

BAS Castings Limited

H.I. Quality Steel Castings Limited

(all in administration)

**High Court of Justice Business and Property Courts of England
and Wales Insolvency & Companies List (ChD)**

Concord Limited: Case no. 001512 of 2023

BAS Castings Limited: Case no. 001513 of 2023

H.I. Quality Steel Castings Limited: Case no. 001511 of 2023

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report:

Abbreviation or definition	Meaning
Bank	Barclays Bank Plc, a secured creditor
BAS	BAS Castings Limited
BSF	Barclays Sales Finance
the Companies	Concord Limited, BAS Castings Limited and H.I. Quality Steel Castings Limited
Concord	Concord Limited
Firm/PwC	PricewaterhouseCoopers LLP
Gordon Brothers	Gordon Brothers International LLC
HIQ	H.I. Quality Steel Castings Limited
HMRC	HM Revenue & Customs
IA86	Insolvency Act 1986
IR16	Insolvency (England and Wales) Rules 2016
Joint Administrators/we/our/us	Ross Connock and Edward Williams
LtO	Licence to Occupy
NOI	Notice of Intention to appoint Administrators
Ordinary preferential creditors	Creditors with claims defined in IA86 as ordinary preferential debts. These include claims for unpaid remuneration earned in the four months before the relevant date of the insolvency up to a maximum of £800, an unlimited amount of accrued holiday pay, and unpaid pension contributions in certain circumstances
P&M	Plant and machinery
Prescribed part	The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003
Proposals	The Joint Administrators' Proposals dated 25 May 2023
Protective Award	A Protective Award is compensation awarded by an employment tribunal due to an employer not consulting with an employee before they were made redundant
PPF	Pension Protection Fund, a secured creditor
Purchaser	Weardale Cast Products Limited and/or William Cook Properties Limited
R&P	Receipts and payments account

ROT claims	Claims to retention of title over goods supplied to BAS but not paid for before the Joint Administrators' appointment
Savills	Savills Commercial Limited
Secured creditors	Creditors with security in respect of their debt, in accordance with section 248 IA86
Secondary preferential creditors	HMRC in respect of taxes due from employees and customers that are withheld by the business and then paid over in one lump sum periodically to HMRC, such as VAT, PAYE and employees' National Insurance contributions
SIP	Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply
SIP 2	Statement of Insolvency Practice 2: investigations of an office holder in administration or insolvent liquidation
SIP 9	Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates
TUPE	Transfer of Undertakings (Protection of Employment) Regulations 2006
Unsecured creditors	Creditors who are neither secured nor preferential
VAT	Value added tax
WIP	Work in progress

This report has been prepared by Ross Connock and Edward Williams as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 on the progress of the administrations, 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 it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Companies.

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

Any persons choosing to rely on this report for any purpose or in any context other than under IR16 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Please note you should read this report in conjunction with the Joint Administrators' previous report issued to the Companies' creditors, which can be found at pwc.co.uk/concord. Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Ross Connock and Edward Williams have been appointed as Joint Administrators of the Companies to manage their affairs, business and property as their agents and act without personal liability. Both are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales. The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>

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Key messages

Why we've sent you this report

We're writing to update you on the progress of the administrations of the Companies in the six months since we were appointed on 30 March 2023.

If you've got any questions or require passwords to access the reports, please get in touch via the respective email addresses as outlined below:

- uk_concord@pwc.com
- uk_bas_creditors@pwc.com
- uk_hiq_creditors@pwc.com

How much creditors may receive

The following table summarises the possible outcome for creditors, in relation to the Companies, based on what we currently know.

Concord

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditor: Bank	100	100
Secured creditor: PPF	11.1	4 - 7
First Ranking Preferential creditors	N/A	N/A
Secondary preferential creditors	0	0
Unsecured creditors	0	0

BAS

Class of creditor	Current estimate (p in £)	Previous estimate (p in £)
Secured creditor: Bank	100	100
First ranking Preferential creditors	58.9 - 100	30 - 100
Secondary preferential creditors	0 - 9.1	0 - 100
Unsecured creditors	0	0 - 1

HIQ

Class of creditor	Current estimate (p in £)	Previous estimate (P in £)
Secured creditor: Bank	100	100
First ranking Preferential creditors	N/A	N/A
Secondary preferential creditors	100	100
Unsecured creditors	1.8	Up to 2%

We explain below the variances since our Proposals dated 25 May 2023.

Secured creditors

As advised in the Proposals, the Bank has been repaid in full across all of the Companies. The Bank's charges for Concord were satisfied on 22 August and 29 August 2023, with the Registrar of Companies. The charges for BAS and HIQ remain outstanding with the Registrar of Companies.

The PPF is a secured creditor in Concord only and is owed £25,500,000. To 29 September 2023, the Joint Administrators have repaid the PPF £1,500,000. Our estimated return to the PPF has increased due to better than expected returns from the sale of the properties held by Concord.

As previously advised in the Proposals, the Bank had first ranking security of £700,000 over the property assets in Concord secured by a debenture dated 22 November 2004, providing fixed and floating charges over the assets of Concord. Concord paid the Bank £700,000 during the period of this report, from the funds realised following the sale of HIQ's business and assets to the Purchaser on 6 April 2023 (including HIQ's trading premises, which were owned by Concord).

The Bank has repaid the £700,000 paid by Concord into the pre appointment bank account of HIQ, which was one of the two lend accounts held by Barclays. This refund is due back to Concord as a result of the Bank's exposure under its invoice discounting facility being repaid in full from book debt collections in BAS and HIQ. Whilst the funds were subsequently paid back into the post appointment account for HIQ, the refund is not due into the administration estate of HIQ as Concord was the owner of the properties, therefore the funds will be repaid from HIQ to Concord following the period of this report.

Ordinary Preferential creditors

Concord

We don't think there will be any dividend for first ranking preferential creditors because all asset realisations received to date have been in respect of the fixed charge and as such, there will be no realisations beyond these for first ranking preferential creditors, as the PPF is expected to have a shortfall in their debt.

BAS

We think we'll be able to pay the first ranking preferential creditors a dividend of between 58.9p and 100p in the £ based on what we know currently. The dividend position will be finalised shortly, once final costs are confirmed. If you haven't already done so, please submit your claim in writing to Maham Khan at 8th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.

The estimated dividend is different from that which was provided in our Proposals. This is due to us having realised the majority of the assets, and being in a position to better estimate the return to creditors.

HIQ

There are no known employee preferential claims for HIQ as all employees of HIQ TUPE'd to the Purchaser on 6 April 2023.

Secondary Preferential creditors (HMRC)

Concord

We don't think there will be any dividend payable to the secondary preferential creditors based on what we know currently. All asset realisations received to date have been in respect of the fixed charge and as such, there will be no realisations beyond these for secondary preferential creditors, as the PPF is expected to have a shortfall in their debt.

BAS

At present, we cannot confirm if there will be a dividend to Secondary preferential creditors and if so, what the quantum will be as this is dependent on the final costs to be confirmed.

HIQ

We think we will be able to pay the secondary preferential creditors in full based on what we know currently.

Unsecured creditors

Concord

There will be insufficient funds available for the unsecured creditors of Concord as all asset realisations received to date have been in respect of the fixed charge. There will be no realisations beyond these for unsecured creditors, as the PPF is expected to have a shortfall in their debt.

BAS

There will be insufficient funds available for the unsecured creditors of BAS once the Bank and administration expenses have been paid.

The dividend outcome is different from that which was provided in our Proposals. This is due to us having realised the majority of the assets, and being in a position to better estimate the return to creditors.

HIQ

We think HIQ's Unsecured creditors totalling £27,556,161 per the director's Statement of Affairs will get a dividend of about 1.9% based on what we know currently. Whilst the prescribed part applies in this matter, as the Bank has been repaid in full, the dividend will be paid outside this.

What you need to do

Concord and BAS

This report is for your information and you don't need to do anything.

HIQ

Our preferred method for creditors to submit claims and supporting documents is via the Turnkey (IPS) online portal, as this is the most efficient and cost effective way for us to deal with your claim and also allows you to better track its status, so we recommend the use of the online portal for claim submission. Your unique login details will have been sent to you separately. If you have not received these, please contact Maham Khan at uk_hiq_creditors@pwc.com.

Overview of what we've done to date

You'll remember from our Proposals that when we were appointed, the position was as follows:

- Concord had been set up to sit above BAS and HIQ in the group structure, and was a property holding entity. BAS and HIQ traded as iron and steel foundries respectively.
- Creditors will recall that the Joint Administrators were appointed because the pension scheme trustee wrote to the Companies in November 2022 indicating they were considering using their powers to wind up the pension scheme which would put a debt of c.£25m on the Companies (the scheme's buy-out debt).
- In light of this threat, and the PPF's indication that they wished for the pension scheme to be resolved before 31 March 2023 to avoid the indexation relating to the scheme (known as PPF drift), the directors took the decision to explore an accelerated sales of the Companies to maximise value.
- On 17 March 2023, the pension trustees advised that the scheme had been wound up so the buy-out debt had crystallised. As such, the directors recognised that the Companies could not meet their liabilities and took the appropriate steps to appoint the Joint Administrators.

After an initial review, we decided the most appropriate strategy for each entity was as follows:

Concord

Concord was the owner of four properties, which were all leased to BAS and HIQ. They are as follows:

- 38 Brookhill Road, Wharf Road Industrial Estate, Pinxton, Nottingham, NG16 6LE (leased to BAS)
- 15-17 Brookhill Road, Wharf Road Industrial Estate, Pinxton, Nottingham, NG16 6LE (leased to BAS)
- Foundry Street, Whittington Moor, Chesterfield, S41 9AX (leased to HIQ)
- Pottery Lane East, Whittington Moor, Chesterfield, S41 9BH (leased to HIQ)

The Joint Administrators' main strategy for Concord was to achieve a sale of all four properties.

The two properties leased to HIQ, being Foundry Street and Pottery Lane East, were sold on 6 April 2023 to the Purchaser of HIQ for consideration of £1,125,000. Savills' valuation in March 2023 indicated potential values of £1,125,000 - £1,200,000 on a going concern basis or £850,000 - £950,000 on a break up. In the absence of any alternative offers, the sale to the Purchaser represented the best outcome for creditors of Concord and HIQ (as detailed below).

As a result of requiring the necessary release consents from the chargeholders in relation to the properties, sale contracts were exchanged on 6 April 2023 (being the date the sale of the HIQ business and assets completed), with completion on the property sales taking place on 14 April 2023. The Purchaser was granted a LTO for the period between exchange and completion.

BAS

The Joint Administrators reported in their Proposals that it was difficult to obtain funding from customers to trade the business in administration and as a result, it was apparent that any trade would not be possible. As such, no casting activity was undertaken so the immediate strategy was to realise value for the WIP. Any fettling / finishing activities were only carried out if customers had committed to purchase the goods, which were sold without warranties.

On appointment, we reviewed the existing health and safety policies and had numerous meetings with the employee who was the designated on-site health and safety representative. We ensured that health and safety compliance was maintained post appointment and engaged an insurer who had adequate in-house procedures, due to the high risk nature of the operations.

A thorough sales process had already been explored prior to appointment so the Joint Administrators retained the full BAS workforce for a short period to convert WIP and while they investigated whether any parties would be interested in a sale following the insolvency. However, this resulted in no new interest being generated and a sale of the business and assets could not be achieved.

In the absence of funding and with no prospect of a sale, the Joint Administrators were required to make the majority of the workforce redundant on 6 April 2023, retaining a skeleton staff of 20 key employees to assist in bringing the

accounting records up to date, maintaining the payroll, dealing with BAS's books and records, adhering with health and safety requirements, selling WIP to customers, negotiating payment of debtor balances and arranging for customers' patterns to be identified and returned.

The Joint Administrators also instructed Gordon Brothers to produce a valuation of any P&M with the eventual aim of selling all assets.

With the assistance of Savills, the Joint Administrators marketed for sale the two Concord properties leased to BAS; being 38 Brookhill Road and 15-17 Brookhill Road. The two leasehold properties owned by third parties and occupied by BAS, being Unit 9 Dunsil Road, Brookhill Industrial Estate, Pinxton Nottingham and Unit 2, 1 Brookhill Road, Pinxton, Nottingham were cleared of their contents and the keys were handed over to their respective landlords.

Once the Joint Administrators had concluded the sale and collection of any WIP, customers' patterns and P&M (as detailed below), the two Concord properties leased to BAS were cleared and ready to be handed over to any buyer as soon as the property sale was completed. In this case, the property sales were completed within weeks of each other, between mid-August 2023 and early-September 2023.

As the business needs of the administration developed, individuals who had initially been retained were made redundant and the final employee left on 1 August 2023. Accordingly all employees in BAS have been made redundant.

We notified the environmental agency of our appointment and responded to their requests for information, wherever possible. Certain requests related to pre-appointment emission values were received but could not be answered due to the relevant employees having been made redundant. We informed the environmental agency about the sale of the freehold properties and provided the purchasers' names for decommissioning purposes.

HIQ

Prior to entering administration, a sales process was conducted to find buyers for HIQ, but no proceedable offers were received. An overseas customer of HIQ expressed interest in acquiring the business and assets and at the time of our appointment we were in receipt of an offer from this party, but there was uncertainty as to whether this was proceedable.

Immediately following our appointment, two additional expressions of interest in purchasing HIQ's business and assets were received. All parties were given a deadline of 31 March 2023 to provide best and final offers and confirm they would contribute £170,000 funding for overhead costs. The Purchaser submitted the highest offer and paid £170,000 plus VAT, gaining preferred bidder status but not exclusivity. Negotiations led to the sale of HIQ's business and assets to the Purchaser on 6 April 2023, for a total consideration of £1,600,000.

A summary of the £1,600,000 total headline consideration is detailed as follows:

- £1,125,000 being allocated to the two freehold properties owned by Concord: £500,000 to Foundry Street and £625,000 to Pottery Lane East;
- £475,000 was received for the business and assets of HIQ, as detailed in the table below:

Asset	Consideration (£)
Business intellectual property	1.00
Business records	1.00
Customer contracts	1.00
Customer list	1.00
Goodwill	1.00
Information technology	1.00
Plant and equipment	199,350.00
Stock	35,644.00
WIP	240,000.00

All 75 HIQ employees were retained and transferred to the Purchaser. The sale avoided the wind-down of operations and piecemeal disposal of assets in HIQ, as well as redundancies of all HIQ employees. Redundancies would have been on, or shortly after, appointment of the Joint Administrators, which would have increased claims in the HIQ estate. A cessation of trade may also have impacted debtor collections and incurred holding costs and agents' fees in respect of the properties.

Following the sale of the business and assets of HIQ, the Joint Administrators pursued realisation of HIQ's book debts in order to repay the Bank's lending in full.

Further information is provided below regarding the realisation of assets during the period of this report.

Progress since we last reported

Property

Concord

As advised in the Proposals the services of Savills were engaged by the directors of Concord prior to the insolvency to prepare a valuation report of the properties owned by Concord, and for any potential sale following our appointment as Joint Administrators.

Upon appointment, the Joint Administrators instructed Savills to market for sale the two freehold properties leased by Concord to BAS, being 38 Brookhill Road and 15-17 Brookhill Road. Savills provided property advice, updated valuations, dealt with all prospective buyers, negotiations and ensured that the offers progressed were in line with their valuation report prepared pre-administration.

Once buyers had been agreed in principle upon the advice of Savills the Joint Administrators reverted to the PPF as chargeholder in order to obtain their approval to proceed with the property sales. The properties were sold on 17 August 2023 for £1,247,500, and 4 September 2023 for £405,000 respectively.

Wind down of business and sale of remaining assets

Book Debts (BAS and HIQ)

As previously reported, the debtor ledgers for both BAS and HIQ were secured by the Bank under facility agreements dated April 2003 and amendment letters dated June 2020.

The sales ledger opening balances at appointment totalled £3,728,284, made up of £2,077,520 on BAS and £1,650,764 on HIQ.

Against the total opening ledger position of £3,728,284, book debt realisations to date total £3,307,842 (£1,886,497 on BAS and £1,421,345 on HIQ). Barclays' principal lend of £2,232,012 (£1,587,227 in BAS and £644,785 in HIQ) plus £166,432 of associated costs which accrued across the facilities to date (£114,719 on the BAS facility and £51,713 on the HIQ facility) have been repaid in full from the debtor realisations.

As part of the Joint Administrators' work, the Bank has agreed a debtor collection commission of 4% of realisations up until the Bank was repaid in full. As a result, the Bank has agreed that we can invoice £19,005 plus VAT for BAS and £47,739 plus VAT for HIQ, which is to be drawn against the fixed charge book debt realisations. These will be drawn after the period of this report. This 4% fee will not be taken on any debtor collections received after the date the Bank was repaid.

As the Bank has been repaid in full, the Bank has now released its security and re-assigned the debtor book along with the surplus of debtor funds held to HIQ and BAS. This has been reflected within the receipts and payments accounts provided at Appendix A.

There are no further collections expected on the HIQ ledger, with us continuing to pursue customer balances of £15,880 on the BAS ledger.

The remaining uncollectible balance across the ledgers of £404,562 relates to inter-company balances of £179,106, quality disputes, customer and supplier contras as well as incorrect pricing on invoices making up the remaining £225,456.

WIP (BAS)

As advised in the Joint Administrators' Proposals dated 25 May 2023, any trade was not possible however WIP was sold to customers who were willing to take it in its current state and without warranties, to enable them to finalise the remaining processes with an alternative third party supplier.

A limited workforce was retained to assist with the in-house processing of WIP and other activities as mentioned previously. Each order was reviewed and evaluated to ensure that it could be progressed at a profit, meeting the

overheads and realising additional funds for the estate. This exercise is now complete, with WIP to the value of £613,516 plus VAT sold, far exceeding the scrap value and thus maximising the return for creditors.

The director's statement of affairs stated the estimated to realise value of stock was £60,000. Creditors should note that WIP and stock are combined on the Joint Administrators' R&P at Appendix A, and shown as 'sales' under the trading account.

Customer Patterns (BAS)

As advised in the Joint Administrators' Proposals, BAS held a significant quantity of customer patterns and tooling that required returning to the respective owners. Some of the customers with tooling held at BAS no longer exist and some patterns had been held for an extensive number of years without being used. We sought advice from our lawyers with respect to the pattern return process and our obligations. We concluded that we would contact customers who had used their patterns within the last 6.5 years (exceeding the statute of limitations) and invite them to collect their patterns by 31 July 2023, being the date that the rent was paid up to on the leasehold property where the patterns were being held.

Due to the increased overheads incurred to run this exercise (rent, utilities, salaries), we asked customers to make a contribution should they wish to collect their patterns. We received £55,500 net in contributions from customers.

We also ensured that the customers cleared their book debts prior to collecting their patterns or tooling. This protected the debtor ledger (discussed earlier) and reduced claims whilst maximising returns for creditors.

All customers who expressed a desire to collect their patterns were given an opportunity to do so. We moved a number of patterns from the leasehold property where they were being held to the freehold property leased to BAS by Concord. This provided us with more time to arrange pattern collections following the leasehold property being handed back to the landlord but prior to the freehold property being sold.

There were a number of patterns remaining when the freehold property was sold, however the customers were informed that these would be deemed abandoned should they not be collected prior to the deadline.

Retention of title (BAS)

The Joint Administrators received 16 ROT claims during the period of this report, all of which have now been concluded. No claims were formally accepted however various collections and one settlement were arranged where commercially beneficial to the administration.

Of the 16 claims received, the Joint Administrators reached a settlement in relation to one claim. A payment of £1,050 relating to a pattern that had been made by a supplier and not paid for by BAS, was paid. This pattern was easily identifiable and was unique to one customer, and they had already been invoiced for it. As the Joint Administrators settled the claim with the ROT creditor, and collected the associated debtor amount a profit was made.

Leased properties (BAS)

In addition to the two properties owned by Concord, BAS also occupied two third party leasehold properties being Unit 9 Dunsil Road, Brookhill Industrial Estate, Pinxton Nottingham and Unit 2, 1 Brookhill Road, Pinxton, Nottingham.

Unit 9 Dunsil Road was handed back to the landlord on 31 May 2023. During the period from appointment to 31 May 2023, patterns that were held at this site were moved to one of the freehold properties which was being marketed for sale. This helped clear the site and reduce the landlord's claim in the administration of BAS.

Unit 2, 1 Brookhill Road had an annual rent of £80,000 per annum. This site was the storage facility for a significant number of customer patterns (see above). The Joint Administrators paid the rent on this facility until 31 July 2023 to facilitate the customer pattern return exercise detailed above. The Joint Administrators vacated the property and it was handed back to the landlord on 26 July 2023.

P&M and stock (BAS)

The Joint Administrators appointed Gordon Brothers as agents to undertake an inventory and valuation of the assets owned by BAS and to advise on the most appropriate disposal methods, considering environmental regulations where applicable.

Gordon Brothers received and accepted offers totalling £222,321 plus VAT for various P&M and scrap. Of this, £120,531 was in relation to P&M with the remainder for scrap. Shortly after the period of this report (and therefore not

shown on the R&P at Appendix A), Gordon Brothers transferred funds totalling £266,785, less their costs, into the administration estate of BAS.

The agreed sales commission with Gordon Brothers was 12% on asset realisations; as such, Gordon Brothers incurred £26,678 net in relation to sales commission. Gordon Brothers' time costs associated with overseeing site and asset clearance, and preparation for the property sales was £30,600 net. The time costs associated with overseeing site and asset clearance, and preparation for the property sales were higher than estimated as additional work was required with regards to the clearance of warehouses and preparation of the property sales, which meant Gordon Brothers were on site for longer than originally estimated. Gordon Brothers also incurred expenses totalling £10,738 net.

Cash in hand (BAS)

The Bank transferred £30,932 into the administration estate which was the balance in the pre-administration account once their security had been repaid in full. Petty cash of £7 was also collected from the BAS site and deposited into the administration estate.

Refunds (BAS)

During the period of this report, multiple refunds totalling £1,026 have been received into the administration estate of BAS. A breakdown of the refunds received is provided below:

- A refund of £69 was received into the administration estate during the period of this report from the Drivers and Vehicles Licensing Agency.
- Bolsover District Council refunded BAS £538 in relation to pre-administration business rates.
- WaterPlus refunded BAS £352 in relation to credit on the pre-administration water account.
- John Winter & Co refunded £67 in relation to credit on the pre-administration account.

Sale of the business and assets (HIQ)

Information relating to the sale of the business and assets was provided to creditors as part of the Joint Administrators' Proposals.

Throughout the period, and since the Proposals having been issued, the Joint Administrators have been finalising the costs of the trade and liaising with the Purchaser to reconcile the trading position, in order to refund the balance of the funds advanced by the Purchaser. The Joint Administrators can confirm that out of the £170,000 provided by the Purchaser, £143,956 was utilised to settle overhead costs in the period from the date of the Joint Administrators' appointment until the sale took place and a balance of £26,044 was refunded to the Purchaser in June 2023. Of the remaining £45,662 indicated on the R&P:

- The Purchaser has agreed a contribution towards the Joint Administrators' fees of £44,487. This will be paid following approval from unsecured creditors as part of our remuneration report; and
- The surplus of £1,175 is likely to be refunded to the Purchase once a final reconciliation of overhead costs has been completed.

Cash in hand (HIQ)

The Bank transferred £38,504 into the administration estate which was the balance in the pre-administration account once their security had been repaid in full.

Licence fees(HIQ)

As part of the sale, the Purchaser was granted a LTO for the period between exchange and completion in regards to the two HIQ properties. In addition, a further LTO was also granted for a separate third party leasehold premises whilst the Purchaser negotiated ongoing terms with the relevant landlord. As a result of the latter LTO, £18,478 was paid by the Purchaser in relation to LTO fees. Of this, £15,471 was paid to the landlord, with the remainder to be returned to the Purchaser shortly alongside the above outstanding funding. .

Pre-payments (HIQ)

The director's statement of affairs had a book value of £273,314 in respect of pre-payments. The estimated to realise value of the pre-payments in the administration, as per the director's statement of affairs, is nil. Based on current information, there will be no realisations from this category of asset into the administration estate of HIQ.

Third party monies (HIQ)

£3,477 has been allocated to third party monies in respect of an overpayment from a debtor. The Joint Administrators are due to process the refund in the period after this report.

Other assets listed on the Directors' statement of affairs

Cash in Hand (Concord)

The director's statement of affairs stated that the estimated to realise value of cash in hand was £2,346. No funds have been realised during the period of this report as Barclays retained all of the cash in the pre-administration bank account in order to offset amounts due to them and cross guaranteed.

Investments in shares of North Midlands Castings Limited (Concord)

The director's statement of affairs stated that the book value of investments in shares of North Midlands Castings Limited was £865,000 and the estimated to realise value was nil. The Joint Administrators have investigated the realisable value of this category of asset, and have determined that no funds are realisable due to North Midlands Castings Limited having no assets and in the process of being struck off.

HMRC VAT return for quarter to December 2022, and input VAT for quarter to March 2023 (Concord)

The director's statement of affairs stated that the estimated to realise value of Concord's quarterly VAT return to December 2023 was £19,203, and input VAT in the following period was £75,181. The Joint Administrators have liaised with the director of Concord and concluded that HMRC will not refund the administration estate due to their claim in the administration of all three Companies being significantly larger than the VAT refunds due to Concord. Concord, BAS and HIQ are in the same VAT group.

Employees and Pensions

BAS

As advised in the Proposals, on appointment BAS had 79 employees and all except 1 (who left the business without giving notice) were initially retained whilst the Joint Administrators implemented their insolvency strategy. The Joint Administrators attempted a sales process of BAS, but when it became clear that this wasn't feasible and there was no funding available to trade for a period of time, they unfortunately had to make 58 employees redundant on 6 April 2023, retaining 20 to assist with various tasks. Since the initial round of redundancies, 2 individuals left the business to undertake new roles, 7 employees were made redundant on 28 April 2023 as the work they were undertaking had completed, and 3 employees were made redundant during May 2023 as their roles were no longer required. As such, there were 8 employees remaining at that time.

These 8 employees were required to assist with selling any remaining WIP (as detailed above), assisting the appointed agents in identifying assets capable of realisation for value, information gathering, bringing the financial records up to date including VAT and tax returns, dealing with BAS books and records, project managing the significant exercise of returning patterns to respective customers, and any business wind-down tasks.

Throughout the period of this report, and by the end of August 2023, all remaining 8 employees had been made redundant as the roles they were undertaking were finalised.

As required by statute, notices were issued in respect of any occupational pension schemes shortly following appointment. These were issued to the Pension Protection Fund with copies sent to The Pensions Regulator and scheme trustees, being BESTrustee Limited.

BAS operated two pension schemes with Legal & General Assurance Society Limited and Aegon UK Corporate Services Limited. All post appointment pension contributions have been paid to these arrangements.

The pre-administration pension contributions relating to March 2023 were outstanding at the date of administration. These are in the process of being claimed by the pension schemes from the Redundancy Payments Service.

Group life assurance and group income protection policies were maintained by the Joint Administrators during the post appointment trading period.

HIQ

As advised in the Joint Administrators' Proposals dated 25 May 2023, a sale of the business and assets of HIQ was completed to the Purchaser on 6 April 2023. The Purchaser funded the employee wages from the £170,000

contribution for the period from our appointment to 6 April 2023, being the date of sale. A total of £43,993 was paid in relation to wages (shown in the R&P within the £62,771.30 total for wages and related deductions).

As required by statute, notices were issued in respect of any occupational pension schemes shortly following appointment. These were issued to the Pension Protection Fund with copies sent to The Pensions Regulator and scheme trustees, being BESTrustee Limited.

HIQ also operated two pension schemes with Legal & General Assurance Society Limited and Aegon UK Corporate Services Limited. All post appointment pension contributions have been paid to these arrangements.

Connected party transactions

To 29 September 2023, no assets have been disposed of by the Joint Administrators to a party (person or company) with a connection to the directors, shareholders or Secured creditors of the Companies or their associates.

Other issues

Employment Tribunal (BAS)

The Joint Administrators have received correspondence from an advisor representing ten former employees of BAS, advising they are submitting Protective Award claims against that entity. We have been notified that the claims have been submitted but not yet acknowledged by the tribunal and as such, they have not been allocated claim reference numbers. Once we receive notification from the tribunal, we will determine our strategy and deal with these claims in the manner that represents the best outcome for the body of creditors.

Third party monies (BAS)

£3,110 of the funds realised from the Bank's book debts have been allocated to 'Third party monies'; however, these are earmarked to be refunded to customers due to them overpaying. Refunds will be processed in the period prior to the first anniversary of the administration.

Approval of our Proposals

We issued to creditors our Proposals for achieving the purpose of administration dated 25 May 2023.

Concord

We said in our Proposals that we thought that Concord does not have enough assets to pay a dividend to unsecured creditors.

This meant that we were not required to seek a decision from creditors regarding the approval of our Proposals and our Proposals would be treated as approved if creditors did not request a decision in the required manner. As creditors did not request a decision be sought, our Proposals were treated as approved on 8 June 2023.

BAS

In our Proposals we said that whilst the prescribed part provisions apply for BAS, based on current information there will be no prescribed part dividend as the Secured creditor was paid in full from its fixed charge realisations. In addition, we said that whether or not a dividend will be payable to BAS's unsecured creditors was uncertain but, for the purposes of approving the Proposals, we proceeded on the basis that there may be a dividend so that creditors were afforded the opportunity to make a decision on them.

Creditors approved our Proposals by deemed consent procedure on 8 June 2023.

HIQ

Similarly to BAS, in HIQ the prescribed part provisions apply but as the secured creditor has been paid in full, a dividend over and above the prescribed part will be available for HIQ's creditors.

Creditors approved our Proposals by deemed consent procedure on 8 June 2023.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments accounts

We set out in Appendix A an account of our receipts and payments in the administrations of the Companies from 30 March 2023 to 29 September 2023.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred to the date covered by this report and an estimate of our future expenses.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Pre-administration costs

You can find in Appendix D information about the approval of the unpaid pre-administration costs previously detailed in our Proposals.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

You can also get a copy free of charge by emailing uk_insolvencydocsrequests@pwc.com.

What we still need to do

The following is a summary of the work we still need to do in the administrations, before we can bring the cases to a conclusion:

Concord

- Prepare the VAT return workings to be included within Group VAT returns;
- Conclude tax and VAT matters;
- Agree an amount for our costs of realising the fixed charge assets, with the fixed charge creditor, and
- Pay a further dividend to the Pension Scheme Trustees.

BAS

- Refund third party monies;
- Prepare the VAT return workings to be included within Group VAT returns;
- Conclude tax and VAT matters and seek clearance from HMRC;
- Pay all outstanding suppliers in relation to the trading period of the administration, and withdraw all undertakings, and
- Issue a remuneration report and seek approval of our fees and expenses.

HIQ

- Prepare the VAT return workings to be included within Group VAT returns;
- Conclude tax and VAT matters and seek clearance from HMRC;
- Agree the secondary preferential claim and pay a first and final dividend;
- Issue a remuneration report and seek approval of our fees and expenses, and
- Agree the unsecured claims and pay a first and final dividend.

Future dividends for creditors

Before paying a dividend in respect of HIQ, the Joint Administrators must first seek approval of their fees and expenses, by way of a remuneration report issued to the general body of creditors. This is due to the fact that any pool of funds available to creditors is calculated once the Joint Administrators' fees and expenses have been agreed.

We have provided an estimate of the amount and likely timing of the payment of dividends to both Secondary preferential creditors and Unsecured creditors of HIQ in the Key Messages section at the beginning of this report.

Next steps

The administrations for each of the Companies are due to expire on 29 March 2024. We are currently considering the best strategy for ending the administrations, taking into account the outstanding work to be completed as outlined above. The Joint Administrators do not anticipate needing to seek an extension to the administrations at present, however, should this change, we will inform creditors in our next report.

We expect to send our next report to creditors at the end of the administrations or in about six months, whichever is the sooner.

If you've got any questions, please get in touch by emailing the relevant mailbox outlined below:

- uk_concord@pwc.com
- uk_bas_creditors@pwc.com
- uk_hiq_creditors@pwc.com

Yours faithfully
For and on behalf of the Companies



Ross Connock
Joint Administrator

Appendix A: Receipts and payments

Notes to the R&P

1. Amounts shown exclude VAT. Funds currently held may include monies due to HMRC or other members of a VAT group, or exclude monies which will be received in due course from these parties.
2. In Appendix C we explain what work has been subcontracted out (that would otherwise have been done by us). The amounts paid for those services during the period were £3,791.52 in Concord, £11,348.98 in BAS and £750 in HIQ, all of which are in relation to pension and employee claim work.
3. In the body of the report we explain that certain assets existed on our appointment that were used in trading the business of BAS and HIQ and have therefore contributed to the trading performance shown.
4. Funds are held in interest bearing bank accounts.
5. Debtor collection sums which were previously held by the Bank as reported in the Joint Administrators' Proposals have been transferred into the administration estates of BAS and HIQ during the period. These funds sit under book debts.
6. As mentioned above, there is £3,110.39 in BAS and £3,476.74 in HIQ in relation to third party monies, all of which are due to be refunded as a result of overpayments.
7. The administration estate of Concord will be paid £700,000 from the administration estate of HIQ in the following reporting period - these funds are currently held in third party funds in HIQ. As outlined above, the Bank has refunded HIQ as a result of the Bank's book debts being settled in full from BAS and HIQ, and the Bank no longer requiring funds taken from Concord from the property sales. The refund is not due to remain in the administration estate of HIQ as Concord was the owner of the properties.

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

Statement of Affairs £		From 30/03/2023 To 29/09/2023 £	From 30/03/2023 To 29/09/2023 £
	FIXED ASSETS		
2,000,000.00	Freehold Land & Property	2,777,500.00	2,777,500.00
	Bank Interest	8,696.22	8,696.22
		2,786,196.22	2,786,196.22
	FIXED CHARGE COSTS OF REALISATION		
	Agents' Fees & Disbursements	12,800.00	12,800.00
		(12,800.00)	(12,800.00)
	FIXED CHARGE CREDITORS		
	Repayment to BESTrustee Limited	1,500,000.00	1,500,000.00
	Repayment to Barclays	700,000.00	700,000.00
		(2,200,000.00)	(2,200,000.00)
	ASSET REALISATIONS		
2,346.00	Cash in hand	NIL	NIL
94,384.00	Pre appointment VAT	NIL	NIL
		NIL	NIL
	COST OF REALISATIONS		
	Office costs, Stationery & Postage	570.00	570.00
	Professional Fees	3,791.52	3,791.52
		(4,361.52)	(4,361.52)
2,096,730.00		569,034.70	569,034.70
	REPRESENTED BY		
	Barclays Bank Plc		565,812.70
	Fixed Ch Vat Receivable		2,560.00
	Vat Control Account		210.30
	VAT Receivable		451.70
			569,034.70
			569,034.70

BAS Castings Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 30/03/2023 To 29/09/2023 £	From 30/03/2023 To 29/09/2023 £
TRADING SALES		
Sales	613,516.29	613,516.29
	<u>613,516.29</u>	<u>613,516.29</u>
TRADING PURCHASES		
Purchases	38,485.56	38,485.56
	<u>(38,485.56)</u>	<u>(38,485.56)</u>
TRADING EXPENDITURE		
Rents	44,315.50	44,315.50
Rates	2,468.59	2,468.59
Utilities	97,007.91	97,007.91
Telephone	4,059.16	4,059.16
Retention of Title	1,050.00	1,050.00
Lease/Hire/HP Payments	4,944.00	4,944.00
Contribution to overheads and wages	(85,233.61)	(85,233.61)
Repairs & Maintenance	1,644.88	1,644.88
Wages and related deductions	204,866.84	204,866.84
Office costs, Stationery & Postage	2,233.20	2,233.20
	<u>(277,356.47)</u>	<u>(277,356.47)</u>
TRADING SURPLUS/(DEFICIT)	<u>297,674.26</u>	<u>297,674.26</u>

BAS Castings Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 30/03/2023 To 29/09/2023 £	From 30/03/2023 To 29/09/2023 £
	FIXED ASSETS		
1,800,000.00	Book debts	1,886,496.95	1,886,496.95
		1,886,496.95	1,886,496.95
	FIXED CHARGE COSTS OF REALISATION		
	Bank / Finance Charges	114,719.08	114,719.08
		(114,719.08)	(114,719.08)
	FIXED CHARGE CREDITORS		
	BSF Principal Lend at Appointment	1,587,227.54	1,587,227.54
		(1,587,227.54)	(1,587,227.54)
	ASSET REALISATIONS		
	Bank Interest Gross	7,668.03	7,668.03
	Book debts	43,251.36	43,251.36
40,000.00	Cash in hand	30,939.04	30,939.04
50,000.00	Plant & Machinery	NIL	NIL
60,000.00	Stock	NIL	NIL
	Sundry debts & refunds	1,025.84	1,025.84
	Third party monies	3,110.39	3,110.39
	Trading Surplus/(Deficit)	297,674.26	297,674.26
		383,668.92	383,668.92
	COST OF REALISATIONS		
	Destruction costs	2,791.81	2,791.81
	Irrecoverable VAT	113.33	113.33
	Office costs, Stationery & Postage	570.00	570.00
	Professional fees	12,548.98	12,548.98
	Statutory advertising	95.00	95.00
	Storage Costs	743.04	743.04
		(16,862.16)	(16,862.16)
1,950,000.00		551,357.09	551,357.09
	REPRESENTED BY		
	Barclays Bank Plc		530,498.07
	Vat Control Account		9,635.83
	Vat Payable		(9,595.49)
	VAT Receivable		20,818.68
			551,357.09

H.I. Quality Steel Castings Limited
(In Administration)
Joint Administrators' Trading Account

Statement of Affairs £	From 30/03/2023 To 29/09/2023 £	From 30/03/2023 To 29/09/2023 £
TRADING SALES		
Funding of trade	143,956.00	143,956.00
	<u>143,956.00</u>	<u>143,956.00</u>
TRADING EXPENDITURE		
Rents	1,836.02	1,836.02
Rates	1,545.63	1,545.63
Utilities	21,587.47	21,587.47
Motor & travel expenses	75.00	75.00
Insurance	4,049.80	4,049.80
Professional Fees	3,350.00	3,350.00
Wages and related deductions	62,771.30	62,771.30
Office costs, Stationery & Postage	3,078.20	3,078.20
	<u>(98,293.42)</u>	<u>(98,293.42)</u>
TRADING SURPLUS/(DEFICIT)	<u>45,662.58</u>	<u>45,662.58</u>

H.I. Quality Steel Castings Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 30/03/2023 To 29/09/2023 £	From 30/03/2023 To 29/09/2023 £
1,455,000.00	FIXED ASSETS	
	Book debts	1,421,345.77
		<u>1,421,345.77</u>
	FIXED CHARGE COSTS OF REALISATION	
	Bank / Finance Charges	51,713.55
		<u>(51,713.55)</u>
	FIXED CHARGE CREDITORS	
	BSF Principal Lend at Appointment	644,784.52
		<u>(644,784.52)</u>
	ASSET REALISATIONS	
	Bank Interest Gross	5,484.84
43,929.00	Cash in hand	38,503.94
	Goodwill	1.00
	Intangible assets	5.00
199,350.00	Plant & Equipment	199,350.00
273,314.00	Prepayments	NIL
	Rental income	18,477.96
35,650.00	Stock	35,644.00
	Third party monies	703,476.74
	Trading Surplus/(Deficit)	45,662.58
240,000.00	Work in progress	240,000.00
		<u>1,286,606.06</u>
	COST OF REALISATIONS	
	License to occupy costs	15,470.69
	Professional Fees	750.00
	Statutory advertising	95.00
		<u>(16,315.69)</u>
2,247,243.00		<u>1,995,138.07</u>
	REPRESENTED BY	
	Bank of Scotland	1,994,922.13
	VAT Receivable	215.94
		<u>1,995,138.07</u>

Appendix B: Expenses

Expenses are amounts properly payable by us as Joint Administrators from the estate, but excludes our fees and distributions to creditors.

These include disbursements which are expenses met by and reimbursed to an office holder in connection with an insolvency appointment.

Expenses fall into two categories:

Expense	SIP 9 definition
Category 1	Payments to persons providing the service to which the expense relates who are not an associate of the office holder.
Category 2	Payments to our firm or our associates or which have an element of shared costs (for example, photocopying and mileage disbursements, or costs shared between different insolvent estates).

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties but we do need approval to draw Category 2 expenses.

Concord

The body of creditors who approve our fees (in Concord's case the secured creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

BAS and HIQ

The body of creditors who approve our fees (in BAS's and HIQ's cases the general body of creditors) also has the responsibility for agreeing the basis for payment of Category 2 expenses.

The rate for services provided by the Joint Administrators' own firm (Category 2 expenses) may periodically rise (for example to cover annual inflationary cost increases) over the period of the administrations. All other disbursements are to be charged at cost.

The following tables provide a breakdown of the Category 2 expenses incurred in the period, together with details of the Category 1 expenses that have been incurred as disbursements by our firm and will be recharged to the case.

Concord

Category	Provided by	Basis of cost	Costs incurred £
1	PwC	Postage - only charged for circulars to creditors and other bulk printing and posting	20.33
1	EPE Reynell Advertising Limited	Statutory Advertising of Joint Administrators' appointment	95.00
1	Aon	Joint Administrators' insurance bond	225.00
Total			340.33

BAS

Category	Provided by	Basis of cost	Costs incurred £
1	PwC	Hotel Accomodation	92.50
1	Aon	Joint Administrators' insurance bond	225.00
1	PwC	Postage - only charged for circulars to creditors and other bulk printing and posting.	227.46
1	Iron Mountain	Storage costs	311.64
1	PwC	Travel - including rail fares, car parking and taxis	129.71
2	PwC	Mileage - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid; at a maximum of 72 pence per mile for fully electric and at a maximum of 12 pence per mile for a bicycle	4,143.52
2	PwC	Printing - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying	367.34
Total			5,497.17

HIQ

Category	Provided by	Basis of cost	Costs incurred £
2	PwC	Mileage - At a maximum of 64 pence per mile (up to 2,000cc) or 80 pence per mile (over 2,000cc) for petrol/diesel/hybrid; at a maximum of 72 pence per mile for fully electric and at a maximum of 12 pence per mile for a bicycle	1,190.77
1	PwC	Travel - including rail fares, car parking and taxis	502.27
1	PwC	Postage - only charged for circulars to creditors and other bulk printing and posting	572.19
2	PwC	Printing - up to 10 pence per side copied, only charged for circulars to creditors and other bulk copying.	306.69

1	Aon	Joint Administrators' insurance bond	225.00
Total			2,796.92

We will seek approval for Category 2 expenses as set out above in due course.

The table below provides details of all the expenses incurred in the administrations:

Concord	Incurred in the period under review £	Estimated future £	Anticipated total £
Agent's fees and disbursements: Savills	12,800.00	27,000.00	39,800.00
Pre-administration: Joint Administrators' fees	27,995.23	NIL	27,995.23
Joint Administrators' disbursements	340.33	159.67	500.00
Legal fees and expenses: Pinsent Masons	126,990.61	NIL	126,990.61
Professional fees: Clumber Consultancy	3,791.52	NIL	3,791.52
Pre-administration: Burges Salmon	5,719.60	NIL	5,719.60
Pre-administration: Pinsent Masons	6,203.83	NIL	6,203.83
Irrecoverable VAT	2,560.00	30,798.12	33,358.12
Mail redirection	570.00	NIL	570.00
Total	186,971.12	57,957.79	244,928.91

BAS: Trading	Incurred in the period under review £	Estimated future £	Anticipated total £
Purchases	39,535.56	NIL	39,535.56
Rents	44,315.50	NIL	44,315.50
Rates	2,468.59	36,561.00	39,029.59
Utilities/telephone	101,067.07	9,336.93	110,404.00
Lease/hire/HP payments	4,944.00	NIL	4,944.00
Repairs and maintenance	1,644.88	NIL	1,644.88
Wages and related deductions	204,866.84	NIL	204,866.84
Office costs, stationery and postage	2,233.20	NIL	2,233.20

Insurance	NIL	13,333.00	13,333.00
Total	401,075.64	59,530.93	460,306.57

<i>BAS: Non-trading</i>	Incurred in the period under review £	Estimated future £	Anticipated total £
Pre-administration: Joint Administrators' fees	125,978.51	NIL	125,978.51
Joint Administrators' disbursements	5,497.17	NIL	5,497.17
Legal fees and expenses: Pinsent Masons	4,034.16	NIL	4,034.16
Professional fees	12,548.98	1,000.00	13,548.98
Pre-administration: Burges Salmon	2,387.00	NIL	2,387.00
Pre-administration: Pinsent Masons	7,043.33	NIL	7,043.33
Pre-administration: Gordon Brothers	4,172.50	NIL	4,172.50
Agent's costs: Gordon Brothers	68,016.47	NIL	68,016.47
Rent due to Concord Limited (in administration)	NIL	27,500.00	27,500.00
Irrecoverable VAT	113.33	NIL	113.33
Storage costs	743.04	582.53	1,325.57
Mail redirection	570.00	NIL	570.00
Statutory advertising	95.00	NIL	95.00
Destruction costs	2,791.81	NIL	2,791.81
Total	233,991.30	29,082.53	263,073.83

<i>HIQ: Trading</i>	Incurred in the period under review £	Estimated future £	Anticipated total £
Rents	1,836.02	NIL	1,836.02
Rates	1,545.63	NIL	1,545.63
Utilities	21,587.47	NIL	21,587.47
Motor and travel expenses	75.00	NIL	75.00
Insurance	4,049.80	NIL	4,049.80
Professional fees	3,350.00	NIL	3,350.00

Wages and related deductions	62,771.40	NIL	62,771.40
Office costs, stationery and postage	3,078.20	NIL	3,078.20
Total	98,293.42	NIL	98,293.42

HIQ: Non-trading	Incurred in the period under review £	Estimated future £	Anticipated total £
Pre-administration: Joint Administrators' fees	125,978.51	NIL	125,978.51
Joint Administrators' disbursements	2,796.92	NIL	2,796.92
Legal fees and expenses: Pinsent Masons	51,675.50	NIL	51,675.50
Professional fees	750.00	NIL	750.00
Pre-administration: Burges Salmon	2,069.00	NIL	2,069.00
Pre-administration: Pinsent Masons	11,744.83	NIL	11,744.83
Pre-administration: Gordon Brothers	4,172.50	NIL	4,172.50
Statutory advertising	95.00	NIL	95.00
Licence to occupy costs	15,470.69	NIL	15,470.69
Total	214,752.95	NIL	214,752.95

These tables also exclude any potential tax liabilities that we may need to pay as administration expenses because amounts becoming due will depend on the position at the end of the tax accounting period.

The tables should be read in conjunction with the receipts and payments accounts at Appendix A, which show expenses actually paid during the period and the total paid to date.

Appendix C: Remuneration update

During the period covered by this report we have not taken any steps to formally fix the basis of our fees, however we have engaged in discussions with the PPF as fixed charge creditor in Concord and as the major unsecured creditor in BAS and HIQ, regarding the likely quantum of our costs (Concord) and fees (BAS and HIQ).

Concord

We will seek the agreement of the PPF, as fixed charge creditor, for us to draw an amount representing the costs of realising their fixed charge assets.

BAS and HIQ

We will ask the general body of creditors in due course to fix the basis of our fees.

Payments to associates

No payments have been made to associates or any party who could reasonably be perceived as an associate during the period of this report. Relevant parties have been chosen due to their specific area of expertise or technical knowledge and payments to those parties based on standard commercial terms.

Our work in the period

We have summarised the work undertaken earlier in this report and in our Proposals. Whilst this is not an exhaustive list, in the following table we provide more detail on the key areas of work:

Work undertaken	Why the work was necessary	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury		
<ul style="list-style-type: none"> Opening post appointment bank accounts and closing pre-administration bank accounts Dealing with receipts, payments and journals Carrying out bank reconciliations and managing investment of funds Corresponding with pre-administration bank to facilitate the transfer of funds received into the Companies' bank accounts 	<ul style="list-style-type: none"> Ensuring good stewardship of funds on behalf of creditors 	<ul style="list-style-type: none"> Many tasks are required by regulations, for the proper management of funds held
Assets		
<p>Stock subject to fixed and floating charges</p> <ul style="list-style-type: none"> Dealing with the sale of assets to the Purchaser in HIQ including discussions and negotiations around price and volume of stock Book debts: Review of the Companies systems including invoices, contracts, customer contact details in order to chase any unpaid customer balances including performing a cash and ledger reconciliation to manage monies received into the Companies bank accounts and ensuring the monies were correctly allocated against the customers accounts <p>Sale / return of other assets (BAS only)</p> <ul style="list-style-type: none"> Dealing with receipt of pre appointment refunds and collecting in where necessary Sale of work in progress to customers whilst arranging collection and monitoring receipt of funds Invited customers to collect their patterns and tooling that were held on site. Collections occurred providing the customer cleared their book debt and paid for any post-appointment trading sales. 	<ul style="list-style-type: none"> To maximise realisations for creditors To return customer-owned patterns and tooling 	<ul style="list-style-type: none"> To maximise realisations for creditors The pattern collection process ensured that customers were given the opportunity to collect their assets, whilst also clearing the site and thus maximising value and minimising claims.

Property

- Liaising with landlords of the properties held as at the date of appointment for HIQ and BAS
- Monitoring the sale of the freehold properties (Concord) and dealing with the leasehold properties (BAS) by assisting Pinsent Masons with any queries
- Liaising with Secured creditors to approve proposed property sales and release their security
- Dealing with terms of the agreed LTO for HIQ
- Making payment of rental sums due
- Offering surrender of the properties upon vacation of the premises

Creditors

Estimated outcome statements

- Preparing and updating estimated outcome statements to forecast likely returns to all classes of creditors

- To provide creditors with information

- Benefit to creditors in ensuring claims are logged for dividend purposes, and creditors are kept informed of case progressions

Secured creditors

- Notifying the Secured creditors of our appointment
- Responding to Secured creditors' queries and updating them on the administrations and their likely returns
- Holding meetings and calls with the Secured creditors to discuss their security over the Companies assets
- Planning and preparation of financial and operational information for Secured creditors

Creditor enquiries

- Setting up a dedicated website for delivery of initial and ongoing communications and reports
- Notifying creditors of our appointment & inviting them to submit a proof of debt
- Receiving and following up creditor enquiries via telephone, email and post
- Receiving and filing proofs of debt

Investigations		
<ul style="list-style-type: none"> Preparing investigation file in line with SIP 2 and submitting a directors' conduct report in line with the CDDA regulations Corresponding with the Companies directors to request data/information, and books and records Identifying potential asset recoveries 	<ul style="list-style-type: none"> To meet the statutory duties of the Joint Administrators 	<ul style="list-style-type: none"> Statutory obligation to submit a conduct return within three months of appointment, and to follow up any potential avenues leading to asset realisations
Statutory and compliance		
<p>Initial letters and notifications</p> <ul style="list-style-type: none"> Setting up internal case files and systems Requesting the statements of affairs from the directors Preparing and issuing all necessary initial letters and notices regarding the administrations and our appointment <p>Remuneration</p> <ul style="list-style-type: none"> Drafting initial budget and revising forecast Providing updates to the Secured creditors giving details of the work we expect to carry out during the case and anticipated costs <p>Case reviews</p> <ul style="list-style-type: none"> Conducting periodic case reviews Updating case files and internal systems after the first month, then every six months <p>Proposals</p> <ul style="list-style-type: none"> Drafting and delivering the Proposals to creditors including preparing receipts and payments accounts and statutory information Circulating notice of the Proposals to creditors, members and the Registrar of Companies <p>Other statutory and compliance</p> <ul style="list-style-type: none"> Filing of documents Updating checklists and diary management system Maintenance of case records 	<ul style="list-style-type: none"> To meet the statutory duty of the Joint Administrators 	<ul style="list-style-type: none"> Benefit to creditors in ensuring claims are logged for dividend purposes, and creditors are kept informed of case progression
Strategy and planning		
<ul style="list-style-type: none"> Completing tasks relating to job acceptance 	<ul style="list-style-type: none"> To ensure proper management of the 	<ul style="list-style-type: none"> Some tasks required by statute or regulation

<ul style="list-style-type: none"> • Reviewing fee budgets and monitoring actual costs • Holding regular team meetings and discussions regarding the status of the administrations 	administrations	and ensures the proper management of the administrations
Tax and VAT		
<p>Tax</p> <ul style="list-style-type: none"> • Gathering information for the initial tax reviews • Carrying out tax reviews and subsequent enquiries • Liaising with HMRC <p>VAT</p> <ul style="list-style-type: none"> • Gathering information for the initial VAT reviews • Carrying out VAT reviews and subsequent enquiries • Liaising with HMRC • Submitting quarterly VAT return to 30 June 2023 	<ul style="list-style-type: none"> • To meet the statutory duty of the Joint Administrators 	<ul style="list-style-type: none"> • Required to act as proper officer for the Companies' tax and VAT affairs
Employees and pensions		
<p>Communications with employees</p> <ul style="list-style-type: none"> • Planning for and delivering the initial briefings to the employees • Engaging Clumber to deal with employee correspondence • Overseeing the drafting, issue and delivery of initial communications and announcements • Working with Clumber to prepare letters to employees advising of their entitlements and options available • implementing redundancies in BAS and ongoing monitoring of requirements for the retained staff • Receiving and following up employee enquiries via telephone, post and email • Reviewing the initial correspondence regarding the potential Protective Award claims and determining our strategy <p>Payroll</p> <ul style="list-style-type: none"> • Reviewing employee files • Reviewing awards and payroll structure • Paying salaries and wages for the wind down period • Deducting and paying over PAYE/NIC to HMRC and other deductions to relevant agencies and third parties 	<ul style="list-style-type: none"> • To provide creditors with information requested and to deal with statutory requests under employment legislation where possible 	<ul style="list-style-type: none"> • To provide all parties with the relevant information. We are required by statute to perform our functions as quickly and efficiently as possible

Pensions

- Issuing statutory notices
- Dealing with general pension scheme issues

Business wind down (BAS) / cut off (HIQ)

- | | | |
|---|--|---|
| <ul style="list-style-type: none">• Liaising with suppliers• Liaising with landlords to pay rent and obtain lease documents• Liaising with management and staff• Attending site• Authorising purchase orders and other commitments and withdrawing them when no longer required• Reconciling the trading position on HIQ to finalise the recharge to the Purchaser• Preparing and authorising receipt and payment vouchers• Holding meetings to discuss wind down• Contacting councils to determine rates payable | <ul style="list-style-type: none">• To ensure the efficient management of the trading period and deal with requests as efficiently as possible | <ul style="list-style-type: none">• Required for the orderly wind-down of the business and to settle the administrations' liabilities |
|---|--|---|
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Our future work

We still need to do the following work to achieve the purpose of administrations:

Work to be undertaken	What, if any, financial benefit the work provided to creditors OR whether it was required by statute
Accounting and treasury	
<ul style="list-style-type: none"> Dealing with receipts, payments and journals Requesting and reviewing WIP breakdowns from professional advisors Carrying out bank reconciliations and managing investment of funds Track supplier payments and terminate undertakings in a timely manner to ensure no ongoing costs Chase outstanding responses for supplier undertaking withdrawal letters and/or email, to ensure final bills are generated and settled Updating estimated outcome statements following final payments to suppliers 	<ul style="list-style-type: none"> Many tasks required by insolvency regulation Ensures proper management of funds held
Assets	
<p>Insurance</p> <ul style="list-style-type: none"> Corresponding with insurer regarding initial and ongoing insurance <p>Stock subject to fixed and floating charges</p> <ul style="list-style-type: none"> Book debts: Raise the fee notes in relation to the book debt collection fee as agreed by the Bank <p>Refunds</p> <ul style="list-style-type: none"> Refund third party monies 	<ul style="list-style-type: none"> To maximise realisations for creditors
Creditors	
<p>Enquiries</p> <ul style="list-style-type: none"> Receiving and following up creditor enquiries via telephone, email and post Reviewing and preparing correspondence to creditors and their representatives <p>Employees</p> <ul style="list-style-type: none"> Reviewing the potential protective award claims once filed by the tribunal, determining our strategy and dealing with the claims as appropriate <p>Secured creditors</p> <ul style="list-style-type: none"> Liaising with and responding to the PPF's queries (Concord) Registering a statement of satisfaction (if applicable) 	<ul style="list-style-type: none"> Ensures creditors are kept informed of case progression Ensuring claims are logged for dividend purposes (HIQ)

Secondary preferential creditors (HIQ and BAS)

- Corresponding with HMRC regarding any claim
- Reviewing and adjudicating secondary preferential claim
- Calculating dividend rate, preparing and paying distribution

Unsecured claims (HIQ)

- Adding new creditors that come to light to the creditor portal system
- Downloading creditor claims from the portal to our internal systems for review
- Liaising with former staff to assist with the determination of claims
- Adjudicating claims, including requesting further information from claimants
- Preparing correspondence to claimants advising outcome of adjudication and advising of intention to declare dividend
- Advertising intention to declare dividend
- Calculating dividend rate and preparing dividend file
- Preparing correspondence to creditors announcing declaration of dividend
- Preparing and paying distribution

Statutory and compliance

Remuneration (HIQ and BAS)

- Prepare and issue a remuneration report to creditors, to seek approval of our fees and expenses
- Draw our fees and disbursements
- Monitoring of fees against budgets
- Agreeing an amount for the costs of realising fixed charge assets (Concord)
- Required by insolvency statute
- Ensures creditors are kept apprised of case progression

Reporting to creditors

- Preparing and issuing periodic progress reports to creditors and the Registrar

Books, records and company data

- Dealing with records in storage

Other statutory and compliance

- Filing documents and reports with Companies House where required by statute
- Issuing notices and associated documentation for seeking decisions of creditors, where required
- Filing of documents and emails in order to maintain accurate case records
- Updating checklists and complying with diary management system
- Establishing a creditors' committee if required, and holding an initial meeting with members of the committee if required

Strategy and planning

- Review filenotes prepared by team to ascertain (and conclude) next steps concerning various matters
 - Some tasks are required by insolvency statute or regulation
 - Ensures the proper management of the administrations
-

<ul style="list-style-type: none"> • Holding team meetings regarding status of the administrations and outstanding matters • Calls with various stakeholders to ensure that all are in agreement with the plan for the administrations • Planning for a distribution to all creditors (HIQ) • Conducting case reviews every six months 	
Tax and VAT	
Tax	<ul style="list-style-type: none"> • Required to act as proper officer for the Companies' tax and VAT affairs
<ul style="list-style-type: none"> • Preparing post appointment tax computations • Seek tax clearance from HMRC 	
VAT	
<ul style="list-style-type: none"> • Preparing and submitting further post appointment quarterly VAT returns • VAT reconciliation and processing VAT journals • Arranging deregistration from VAT, where appropriate 	
Closure	
<ul style="list-style-type: none"> • Closing down internal systems • Updating and completing checklists, and complying with diary management system • Preparing and issuing final reports to creditors and the Registrar 	
	<ul style="list-style-type: none"> • To ensure proper close down of case • Required by statute

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administrations where the relationship could give rise to a conflict of interest.

Details of subcontracted work

Pensions work, which we or our staff would normally do, has been done by subcontractors. The amounts paid for those services out of the administration estates during the period were £3,791.52 in Concord, £11,348.98 in BAS and £750 in HIQ, all of which are included in professional fees above.

Legal and other professional firms

We've instructed the following professionals on this case:

Service provided	Name of firm / organisation	Reason selected	Basis of fees
Legal services, including: Appointment related matters; Advice on security; and Sale of business (all Companies)	<ul style="list-style-type: none">• Pinsent Masons	<ul style="list-style-type: none">• Industry knowledge	<ul style="list-style-type: none">• Time costs and disbursements
Chattel agents and valuers (BAS only)	<ul style="list-style-type: none">• Gordon Brothers	<ul style="list-style-type: none">• Industry knowledge and expertise	<ul style="list-style-type: none">• Time costs and disbursements• 12% sales commission
Property agents and others (Concord only)	<ul style="list-style-type: none">• Savills	<ul style="list-style-type: none">• Industry knowledge and expertise	<ul style="list-style-type: none">• Fixed fee
Subcontractors and others (all Companies)	<ul style="list-style-type: none">• Clumber Consultancy	<ul style="list-style-type: none">• Industry knowledge and expertise	<ul style="list-style-type: none">• Fixed fee
Insurance (all Companies)	<ul style="list-style-type: none">• Aon	<ul style="list-style-type: none">• Industry knowledge and insolvency expertise	<ul style="list-style-type: none">• Fixed fee

We require all third party professionals to submit time costs analyses and narrative in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- Review amounts charged against the description of work undertaken and the circumstances of the case;
- Seek further breakdown of costs and detail of work undertaken where necessary; and
- Review invoices against any fee agreements with the suppliers.

We are satisfied that the amounts incurred to date are reasonable in the circumstances of the case.

Appendix D: Pre-administration costs

The following costs incurred before our appointment with a view to the Companies going into administration have not yet been approved for payment:

In our Proposals, we said that our fees were calculated on a time costs basis, discounted to PPF rates. This information was incorrect and the time costs detailed are at our standard rates. In addition to this, we also did not detail the amounts already billed against these time costs split out per entity, for which we provide a breakdown now:

	BAS	HIQ	Concord	Total
Pre administration time costs	155,228.51	155,228.51	34,495.23	344,952.25
Bills raised and paid pre appointment	29,250.00	29,250.00	6,500.00	65,000.00
Outstanding time costs	125,978.51	125,978.51	27,995.23	279,952.25

Nature of costs	Unpaid amount (£)
Fees charged by the Joint Administrators as Joint Administrators-in-waiting of the Companies	279,952.25
Expenses incurred by the Joint Administrators: Burges Salmon	BAS: 2,387.00
	Concord: 1,138.60
	Concord (Pensions): 4,581.00
	HIQ: 2,069.00
	Total: 10,175.60
Expenses incurred by the Joint Administrators: Pinsent Masons	BAS: 7,043.33
	Concord: 6,203.83
	HIQ: 11,744.83
	Total: 24,991.99
Expenses incurred by the Joint Administrators: Gordon Brothers	BAS: 4,172.50
	HIQ: 4,172.50
	Total: 8,345.00
Total	323,464.84

This work entailed:

Joint Administrators-in-waiting

The Joint Administrators-in-waiting reviewed the short term cash flow of the Companies and carried out contingency planning services to assist with the preparation of placing the Companies into administration. This work included:

- **Statutory and Compliance:** assisting the directors of the Companies with the formalities of filing the NOIs, pre-administration compliance (including anti-money laundering checks, risk assessments, anti bribery reviews, relationship and conflict checks with a review of the same in line with the Insolvency Code of Ethics 2020),

preparing statutory documentation and declarations required for effecting the administration appointments and liaising with legal advisors in this regard;

- **Secured creditors:** liaising with the Bank to secure funds to meet the accruing weekly payrolls in both BAS and HIQ for the week during which we were appointed, reviewing the agreement with the pension scheme to understand their security and its ranking in the various estates, and understanding the security review prepared by Pinsent Masons to identify any issues or risks associated with our potential appointments (this identified an issue with the Articles so we liaised with the directors and their legal advisors to correct the position, enabling the appointments to proceed without risk of challenge);
- **Contingency planning:** consideration of issues associated with trading in insolvency, to determine whether we would be able to do so on a limited basis while seeking sales of the businesses (such as reviewing statutory or environmental licences and permits, assessing customer appetite / contracts / orders to assess ability to meet requirements, understanding key issues associated with suppliers that may impact the ability to trade etc), consultation with key stakeholders and creditors of the Companies, providing updates to the various stakeholders regarding the potential solutions and the sale of business process and timelines, assessing the pension scheme's outcome under various scenarios, considering the level of recoveries to the secured creditors in various hypothetical scenarios including cessation of trade in administration, continuing trade etc, and preparing for employee aspects of the administrations; including working with the Companies to manage payroll considerations and agree a communications strategy to deliver key messages to employees on appointment and going forward.

Pinsent Masons

The Joint Administrators instructed Pinsent Masons to assist in preparing for the administrations of the Companies, including but not limited to preparing the appropriate documents to finalise the formalities of their appointments. Pinsent Masons also completed a security review for the Bank and provided advice in relation to the potential sale of the businesses post-appointment.

Burges Salmon

As outlined in the Joint Administrators' Proposals, the directors engaged Burges Salmon, however the work they carried out in preparation for the administrations was at the request of the Joint Administrators-in-waiting. Burges Salmon assisted with any matters relating to employees, the pension scheme, and with the initial board meeting for the Notice of Intention to Appoint an Administrator.

Gordon Brothers

The directors of BAS and HIQ engaged Gordon Brothers to prepare a valuation report of the physical assets owned by BAS and HIQ, at the request of the Joint Administrators-in-waiting.

Approval for payment of unpaid pre-administration costs will be sought by the relevant creditor body in each administration in due course.

Appendix E: Other information

Court details for the administrations:	High Court of Justice Business and Property Courts of England and Wales Insolvency & Companies List (ChD) Concord: Case 001513 of 2023 BAS: Case 001512 of 2023 HIQ: Case 001511 of 2023
Companies' registered names:	Concord Limited BAS Castings Limited H.I. Quality Steel Castings Limited
Trading names:	Concord Limited BAS Castings Limited H.I. Quality Steel Castings Limited
Registered numbers:	Concord: 00775443 BAS: 01137480 HIQ: 01420683
Registered address:	Central Square, 29 Wellington Street, Leeds, LS1 4DL
Date of the Joint Administrators' appointment:	30 March 2023
Joint Administrators' names, addresses and contact details:	Ross David Connock of PwC, 2 Glass Wharf, Bristol, BS2 0FR Edward Williams of PwC, One Chamberlain Square, Birmingham, B3 3AX
Extension(s) to the initial period of appointment:	Not Applicable