

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 0 1 2 4 0 9 6 8

Company name in full SP Group Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice

Court number 8 2 0 9 2 0 1 8

3 Administrator's name

Full forename(s) Allan Watson

Surname Graham

4 Administrator's address

Building name/number c/o Duff & Phelps Ltd.

Street 35 Newhall Street

Post town Birmingham


County/Region

Postcode B 3 3 P U

Country

AM23

Notice of move from administration to dissolution

5		Administrator's name ①	
Full forename(s)	Matthew		
Surname	Ingram		
		① Other administrator Use this section to tell us about another administrator.	
6		Administrator's address ②	
Building name/number	c/o Duff & Phelps Ltd.		
Street	35 Newhall Street		
Post town	Birmingham		
County/Region			
Postcode	B 3 3 P U		
Country			
		② Other administrator Use this section to tell us about another administrator.	
7		Final progress report	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8		Sign and date	
Administrator's signature	Signature X  X		
Signature date	d 1 8 m 0 3 y 2 0 y 2 1		

**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 **Joss Mitchison**

Company name **Duff & Phelps Ltd.**

Address **The Shard**
32 London Bridge Street

Post town **London**

County/Region

Postcode **S E 1 9 S G**

Country

DX

Telephone **+44 (0) 20 7089 4700**

**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.

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This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

**Final Progress Report
to Creditors
SP Group Limited
(In Administration)**

18 March 2021

Joint Administrators' final Progress Report for the period from 24 January 2021 to 17 March 2021 with a summary of the Administration.

Duff & Phelps Ltd.
The Shard
32 London Bridge Street
London SE1 9SG

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1. Introduction

The Joint Administrators were appointed on 24 July 2018 by an order of the High Court of Justice, Business and Property Courts, Birmingham (number 8209 of 2018).

This report is the Joint Administrators' final Progress Report and provides creditors with a final account of the Administration of the Company, together with a summary of the Administration as a whole. This report should be read in conjunction with the Proposals, dated 7 September 2018, as well as the Previous Reports.

The Joint Administrators have also explained the exit route from the Administration and the outcome for each class of creditors.

You will find other important information in this report, such as the costs the Joint Administrators have incurred.

A glossary of the abbreviations and definitions used throughout this document is attached at Appendix 8.

Please also note that an important legal notice about this final Progress Report to creditors is attached at Appendix 9.

2. Creditor Summary

This Progress Report covers the Cumulative Period and the Reporting Period.

Summary of Proposals

- There were no major amendments to or deviations from the Proposals;
- The Joint Administrators achieved the second objective by trading the Company for a short period of time. This allowed for the completion of customer orders thus protecting the debtor ledger and enhancing any potential collections; and
- In any event, the third objective was achieved following a distribution to the Secured Creditor under the terms of its fixed and floating charge security.

Progress to Date

- The debtor ledger is specifically pledged to the Secured Creditor under the terms of the fixed and floating charges. The Secured Creditor has completed its own collection exercise. No further book debts have been collected during the Reporting Period by the Secured Creditor. See section 3.3.1 for further detail.

Outcome for Creditors

- During the Cumulative Period the Secured Creditor has received distributions of £2,499,521 from the realisation of book debts and plant and machinery assets that have flowed into Administration bank account. This is in addition to the book debt recoveries achieved directly by the Secured Creditor. The Secured Creditor will not recover its indebtedness (including interest and charges) in full;
- There are insufficient realisations to enable a distribution to preferential creditors; and
- There are insufficient realisations to enable a distribution to unsecured non-preferential creditors.

Please note, this Progress Report provides creditors with an account of the progress of the Administration during the Reporting Period. The Previous Reports and the Proposals issued to the Company's creditors are available to view via the creditors' Portal. Paper copies can be provided free of charge by writing to Joss Mitchison via Joss.Mitchison@duffandphelps.com.

Unless otherwise stated, all amounts in this final Progress Report and appendices are stated net of VAT.

Please also note that an important legal notice about this final Progress Report to creditors is attached at Appendix 9.

3. Progress of the Administration

This section provides a final update on the strategy for the Administration and progress made, including a summary of the information provided in previous progress reports.

3.1 Strategy and Progress to Date

The purpose of an Administration is to achieve one of the following hierarchical objectives:

- Rescuing the Company as a going concern; or
- Achieving a better result for the Company's creditors as a whole than would be likely if the Company were wound up (without first being in Administration); or
- Realising property in order to make a distribution to one or more secured or preferential creditors.

As previously advised the Joint Administrators have achieved the second objective following the Company being traded during the early stages of the Administration and, in any event, the third objective has been achieved as a distribution has been paid to the Secured Creditor under the terms of its fixed and floating charge security.

3.2 Administration Trading Period

The trading profit from the Administration trading period, which ran from the Appointment Date to 31 July 2018, was finalised in the prior reporting period. Please refer to the Previous Reports for further details.

3.3 Asset Realisations

Realisations during the Cumulative and Final Period are set out in the attached receipts and payments account at Appendix 3.

Summaries of the most significant realisations during the Reporting Period and Cumulative Period are provided below. However, the Joint Administrators advise creditors to refer to the Previous Reports for further detail on previously reported asset realisations.

3.3.1 Book Debts

There were no book debt recoveries during the Reporting Period and the Secured Creditor has confirmed that the book debt collection exercise has been completed.

3.3.2 Business Rates Refund

During the Cumulative Period, the Joint Administrators were advised by Kingford that there was a business rates refund was due to the Company. Kingford pursued this on behalf of the Company and obtained a refund totalling £17,556. A fee of £4,389 was paid to Kingford for their services.

3.3.3 Tax Losses

The Company's books and records identified pre-Administration tax losses which may be a recoverable asset in the Administration. Please refer to the Previous Report for further details.

The Joint Administrators agreed a sale of these losses to Kin + Carta in the previous reporting period for consideration of £65,000. The consideration was received into the Administration estate during the Cumulative Period.

3.3.4 Investigations

The Joint Administrators have a statutory obligation to file a report with BEIS concerning the conduct of all directors of the Company that served in the three years prior to the Joint Administrators appointment.

The Joint Administrators have filed their confidential report with BEIS regarding the conduct of the Directors of the Company. The content of this report is confidential and has been submitted to the Insolvency Practitioners Compliance Unit.

There are no outstanding lines of enquiry.

3.4 Costs

Payments made in the Reporting Period are set out in the Receipts and Payments Account at Appendix 3 and are self-explanatory.

The Joint Administrators' remuneration incurred in the Reporting Period totals £157,646; however, only £122,274 has been paid. The balance remaining will be settled via assignment of the Company's final VAT repayment of £35,372 to Duff & Phelps.

3.5 Schedule of Expenses

The Joint Administrators have detailed the costs incurred during the Reporting Period, whether paid or unpaid, in the schedule of expenses attached at Appendix 4.

4. Outcome for Creditors

4.1 Secured Creditors

The Secured Creditor holds fixed and floating charge security over the assets of the Company, created on 2 March 2018 and delivered to the Registrar of Companies on 5 March 2018. The book debts are specifically pledged to the Secured Creditor within these charges.

The principal debt due to the Secured Creditor at the Appointment Date was £2,467,000 as per Previous Reports. This balance is subject to accruing interest, charges and termination fees. The Joint Administrators can confirm that such charges are valid and in accordance with the facility and security agreements after obtaining independent legal advice.

To date, the Joint Administrators have distributed £2,499,521 to the Secured Creditor from the Administration estate, of which £1,076,626 is made up of plant and machinery realisations and £1,422,895 relates to book debt receipts received into the Administration estate to date. No distributions were made during the Reporting Period.

During the Cumulative Period, the Secured Creditor has received a total of £5,874,230 including the above-noted distributions from assets realised in the Administration and debtor collections directly received by the Secured Creditor.

The Company has guaranteed further debts due to the Secured Creditor from other entities in the Group. As such, the Company is liable to contribute to the wider Group indebtedness in conjunction with other group entities. The level of overall debt due to the Secured Creditor, including the accruing interest, charges and termination fees is such that the Secured Creditor will not be repaid its Group indebtedness in full.

The principal debt due from the Company noted above and the Company's requirement to contribute to the wider Group indebtedness are such that the £5,874,230 noted above does not discharge the Company's overall liability to the Secured Creditor.

4.2 Preferential Creditors

The estimated preferential claims are £292,000.

Preferential claims arise from arrears of pay and holiday pay and will be subject to a maximum limit set by insolvency legislation.

Many of the preferential claims will be subrogated to the RPS. The RPS have not yet submitted their final claim in the Administration and are unable to do so as a number of employees are seeking a protective award at an employment tribunal.

However, there will be insufficient funds available to enable a distribution to the preferential creditors, as there are insufficient net floating charge realisations (after the costs of the Administration).

4.3 Unsecured Creditors

According to the Company's books and records, unsecured non-preferential creditors total £4,930,000. Claims received to date total £5,934,642 but have not been adjudicated on.

There are insufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company.

4.4 Prescribed Part

The Prescribed Part is calculated as a percentage of net property, as follows:

Net property less than £10,000:	50% unless the Joint Administrator considers that the costs of making a distribution to the non-preferential unsecured non-preferential creditors would be disproportionate to the benefits
Net property greater than £10,000:	50% up to £10,000, plus 20% thereafter to a maximum of £600,000.

The Company granted a floating charge to the Secured Creditor on 2 March 2018, therefore the Prescribed Part provisions will apply. However, there are insufficient realisations to enable a distribution to the non-preferential unsecured creditors of the Company from the Prescribed Part.

5. Other Matters

5.1 Joint Administrators' Receipts and Payments Account

Detailed Receipts and Payments Accounts are shown at Appendix 3, detailing the costs and realisations for the Reporting Period and Cumulative Period.

5.2 Statement of Creditors' Rights

Further information regarding the remuneration and disbursements of the Joint Administrators, including Statement of Creditors' Rights are provided at Appendix 7.

6. Joint Administrators' Fees, Expenses and pre-Administration costs

6.1 Fees and Expenses

6.1.1 Time Costs

Time has been charged in six-minute units. Details of the time charged for the Reporting Period are attached at Appendix 5.

Time costs incurred in the Reporting Period total £11,599, which represents 35 hours at an average hourly rate of £331.

Time costs incurred in the Cumulative Period total £531,760, which represents 1,802 hours at an average hourly rate of £295.

The time costs incurred have exceeded the previously approved Fee Estimate of £477,043. During the Cumulative Period, the Joint Administrators revised their Fee Estimate to £521,272 for the Administration, which was approved by the Secured Creditor on 3 December 2020.

The Joint Administrators have exceeded their revised fee estimate by £10,488 due to:

- General creditor queries regarding progress of the Administration;
- Providing periodic updates to the Secured Creditor in respect of the Administration and detailing required funding requirements;
- Settling the Administration expenses;
- Corresponding with HMRC regarding the Company's outstanding VAT matters;
- Conducting Administration and Planning matters as detailed at Appendix 6; and
- Liaising with Curo regarding corporation tax matters and submission of final returns.

In accordance with SIP 9, the Joint Administrators have provided further narrative detail of the time costs incurred at Appendix 6.

6.1.2 Fees

In the Cumulative Period, the Joint Administrators have invoiced fees of £538,551. This is made up of pre-appointment fees totalling £30,905 and post-appointment fees totalling £507,646.

In the Reporting Period, the Joint Administrators have invoiced remuneration of £157,646, in accordance with the fee approval from the Secured Creditor on 3 December 2020. Of the total post-appointment fees of £507,646, the amount of £472,274 has been paid. The balance remaining will be settled via assignment of the Company's final VAT repayment of £35,372 to Duff & Phelps.

It is anticipated that a further £2,500 of time costs will be incurred in concluding the Administration. The Joint Administrators will not be drawing any further remuneration.

Details of the total fees drawn by Joint Administrators for the Cumulative and Reporting Periods are detailed in the receipts and payments accounts attached at Appendix 3.

6.1.3 Expenses

Details of the expenses charged for the Reporting and Cumulative Period are attached at Appendix 4.

No expenses were incurred in the Reporting Period. The Joint Administrators do not anticipate that any further expenses will be incurred or drawn in this matter.

Expenses incurred in the Cumulative Period total £503,461 which have been paid in full.

6.1.4 Disbursements

Disbursements of £777 have been drawn in the Reporting Period and £3,030 has been drawn during the Cumulative Period.

These disbursements relate to expenses incurred by Duff and Phelps in administering the estate (defined as Category 2 Disbursements in SIP 9) and have been paid in full in accordance with the fee approval received from the Secured Creditor on 3 December 2020.

The Joint Administrators' disbursements are detailed at Appendix 5.

6.1.5 Additional Information

Also attached at Appendix 6 is the Fees Narrative, a summary of key issues, to assist creditors in understanding the progress of the Administration, the associated costs and expenses of the related activities and the financial benefit to creditors.

Details of how to obtain further information relating to the fees and disbursements of the Joint Administrators are set out in Appendix 7.

6.2 Pre-Administration Costs

Pre-Administration costs are fees, charges and expenses incurred by the Joint Administrators or their firm, or another person qualified to act as an insolvency practitioner, before the Company entered Administration but with a view to it doing so.

Pre-Administration costs	Paid (£)
Duff & Phelps pre-Insolvency Remuneration	£30,904.81
Legal fees	£22,324.30
Total	£53,229.11

On 14 September 2018 the pre-Administration costs were approved by the Secured Creditor and have since been paid out of the assets of the Company.

7. Conclusion of the Administration

The Joint Administrators have now concluded the Administration. This is the Joint Administrators' final report on the Administration and no further reports will be issued.


The Joint Administrators have filed a copy of this report with the Registrar of Companies, together with the requisite notice to dissolve the Company.

The Administration will cease to have effect when the Registrar of Companies registers the notice. The Company will be automatically dissolved three months after that date.

The Joint Administrators will be discharged from liability in respect of any actions as Joint Administrators from the date the notice is registered at the Registrar of Companies.

Discharge does not prevent the exercise of the Court's power in relation to any misfeasance action against the Joint Administrators.

If you require further information or assistance, please do not hesitate to contact Joss Mitchison.



Allan Graham
Joint Administrator

Enc.

The affairs, business and property of the Company are being managed by the Joint Administrators, Allan Graham and Matthew Ingram, who act as agents for the Company and without personal liability. Both are licensed by the Insolvency Practitioners Association.

Appendix 1 – Statutory information

COMPANY INFORMATION

Company and trading name	SP Group Limited	
Date of incorporation	19 January 1976	
Registered Number	01240968	
Company Director(s)	Landry Kouakou	
Company Secretary	N/a	
Shareholders	Selmerbridge	
Trading address	9 Hedera Road Redditch B98 9EY	
Registered office	Current: c/o Duff & Phelps Ltd. 35 Newhall Street Birmingham B3 3PU	Former: 9 Hedera Road Redditch B98 9EY
Any Other trading names	None	

ADMINISTRATION INFORMATION

Administration Appointment	The Administration appointment granted in High Court of Justice, number 8209 of 2018.
Appointor	Director
Date of Appointment	24 July 2018
Joint Administrators	Allan Graham and Matthew Ingram
Original purpose	None
Functions	The functions of the Joint Administrators are being exercised by them individually or together in accordance with Paragraph 100(2) of Schedule B1
Current Administration expiry date	22 January 2023
Prescribed part	The Prescribed Part is applicable in this case. It has been taken into account when determining the dividend prospects for unsecured non-preferential creditors (Section 4).
Application of EC Regulations	EC Regulations apply and these proceedings will be the Main Proceedings as defined in Article 3 of the EC Regulations.

Appendix 2 – Summary of Approved Proposals

Joint Administrators' Approved Proposals

- 1.1. The Joint Administrators' proposals were deemed approved by the creditors on the expiry of the period in which a decision can be requisitioned by creditors as detailed in Appendix 10 of the Proposals.
- 1.2. In paragraphs 1.2.1 to 1.2.4 below, the Joint Administrators obtained deemed consent approval, as explained at Section 13 of the Proposals.
 - 1.2.1. That the Joint Administrators continue the Administration to deal with such outstanding matters in relation to the Company as the Joint Administrators consider necessary until such time as the Administration ceases to have effect.
 - 1.2.2. That the Joint Administrators do all such other things and generally exercise all of their powers as contained in Schedule 1 of the Act, as they, in their sole and absolute discretion consider desirable or expedient in order to achieve the purpose of the Administration.
 - 1.2.3. That the Joint Administrators, once all outstanding matters have been satisfactorily completed, take the necessary steps to give notice under Paragraph 84 of Schedule B1 of the Act to the Registrar of Companies to the effect that the Company has no remaining property which might permit a distribution to its creditors, at which stage the Administration will cease.
 - 1.2.4. That the Joint Administrators, where they consider that there are funds available to be distributed to the unsecured creditors (other than under the prescribed part) take the necessary steps to put the Company into either creditors' voluntary liquidation or into compulsory liquidation as they deem appropriate. It is proposed that the Joint Administrators, currently Allan Graham and Matthew Ingram of Duff & Phelps would act as Joint Liquidators should the Company be placed into creditors' voluntary liquidation. In accordance with Paragraph 83(7) of Schedule B1 to the Act and Rule 3.60(6)(b) of the Rules creditors may nominate a different person as the proposed liquidator, provided the nomination is received at this office prior to the approval of these proposals. In the absence of such nomination, the Joint Administrators will be appointed Joint Liquidators and in accordance with Section 231 of the Act any act required or authorised under any enactment to be done by the Joint Liquidators is to be done by all or any one or more of them.
- 1.3. The Joint Administrators sought, and obtained, specific agreement to the following proposals from the secured creditors:
 - 1.3.1. That the Joint Administrators' remuneration be fixed by reference to the time properly given by them and their staff in attending to matters arising in the Administration.
 - 1.3.2. That the Joint Administrators' Fee Estimate in the total sum of £477,043 for the period from 24 July 2018 to 23 July 2019 is approved.
 - 1.3.3. That the Joint Administrators be authorised to draw their company's internal costs and expenses in dealing with the Administration ("Category 2 Disbursements").

Appendix 3 – Joint Administrators' Receipts and Payments Account

SP Group Limited (In Administration)
Joint Administrators' Trading Receipts and Payments Accounts

Statement of Affairs	For the Reporting Period from 24 January 2021 to 18 March 2021	For the Cumulative Period from 24 July 2018 to 18 March 2021
	(£)	(£)
Post Appointment Sales		
Sales	0.00	458,474.51
		<u>458,474.51</u>
Purchases		
Purchases	0.00	26,204.23
		<u>(26,204.23)</u>
Other Direct Costs		
Sub Contractors	0.00	1,680.00
Direct Labour	0.00	208,691.42
Direct Expenses	0.00	45.98
		<u>(210,417.40)</u>
Trading Expenditure		
Indirect Labour	0.00	12,421.43
Interest	0.00	17,184.32
Telephone	0.00	5,661.19
Carriage	0.00	12,138.11
Insurance	0.00	(100.92)
Hire of Equipment	0.00	5,578.04
Repairs & Maintenance	0.00	4,667.09
Sundry Expenses	0.00	365.00
Retention of Title	0.00	30,870.40
Duress Payments	0.00	23,512.55
Shared Service Centre	0.00	26,626.00
Employee Expenses	0.00	9,530.70
Software Provision	0.00	2,500.00
Waste Services	0.00	426.76
PAYE & NI	0.00	62,211.83
Water, Gas and Electricity	0.00	529.59
	<u>0.00</u>	<u>(214,122.09)</u>
Trading Surplus/(Deficit)	<u>0.00</u>	<u>7,730.79</u>

SP Group Limited (In Administration)
Joint Administrators' Receipts and Payments Accounts

Statement of Affairs	For the Reporting Period from 24 January 2021 to 18 March 2021	For the Cumulative Period from 24 July 2018 to 18 March 2021
	(£)	(£)
Secured Assets		
Plant & Machinery	0.00	1,541,015.00
Book Debts	0.00	49,644.00
	0.00	1,590,659.00
Cost of Realisations		
Agents & Valuers Fees	0.00	(173,574.00)
Agents & Valuers Disbursements	0.00	(86,702.65)
Legal Fees	0.00	(16,480.20)
Legal Disbursements	0.00	(2,869.60)
Rent	0.00	(70,265.91)
Insurance	0.00	(11,083.18)
Utilities	0.00	(63,706.94)
Rates	0.00	(56,551.09)
Machine Maintenance	0.00	(1,200.00)
Security Costs	0.00	(31,598.90)
	0.00	(514,032.47)
Secured Creditors		
Sitara	0.00	1,076,626.36
	0.00	(1,076,626.36)
Asset Realisations		
Bank Interest Gross	0.00	2,649.99
Business Rates Refund	0.00	17,556.15
Cash at Bank	0.00	48,602.50
Computer Equipment	0.00	10,925.00
Group Loans & Receivable	0.00	74,376.05
Insurance Refund	0.00	26,986.37
Motor Vehicles	0.00	500.00
Plant & Machinery	0.00	563,419.96
Sale of Tax Losses	0.00	65,000.00
Software	0.00	25,000.00
Stock	0.00	26,754.50
Sundry Refunds	0.00	16,029.87
Trading Surplus/(Deficit)	0.00	7,730.79
VAT Reclaim	0.00	4,718.03
	0.00	890,249.21
Cost of Realisations		
Accountants' Fees	0.00	(3,975.00)
Agents Fees - Rates Refund	0.00	(4,389.04)
Agents & Valuers Fees	0.00	(107,788.65)
Bank Charges	(30.00)	(91.81)
ERA Solutions	0.00	(12,260.00)
IT Support and Services	0.00	(12,465.20)
Joint Administrators' Disbursements	(776.92)	(3,030.23)
Joint Administrators' Remuneration	(157,645.74)	(507,645.74)
Legal Disbursements	0.00	(982.22)
Legal Fees	0.00	(67,142.00)
Legal Fees Pre-Administration	0.00	(22,324.30)
PR Advisors Fees	0.00	(3,587.50)
Pre-Administration Remuneration	0.00	(30,904.81)
Business Rates	0.00	(20,675.99)
Re-Direction of Mail	0.00	(490.00)
Rents Payable	0.00	(14,423.05)
Security Costs	0.00	(11,553.07)
Stationery and Postage	0.00	(6,629.44)
Statutory Advertising	0.00	(84.60)
Storage costs	0.00	(6,256.44)
Utilities Costs	0.00	(23,292.29)
Waste Services	0.00	(30,258.00)
	(158,452.66)	(890,249.38)
	(158,452.66)	0.00
0.00		
Represented By		
Closings Account		0.00
		0.00

Appendix 4 – Schedule of Expenses

SP Group Limited (In Administration)
The Joint Administrators' Expenses incurred during the Reporting Period and Cumulative Period

Notes	Company / Organisation	Type of Expense	Activity	Date of Instruction	Fee Basis	Amount Incurred in the Reporting Period (excl. VAT) (£)	Amount Paid in the Reporting Period (excl. VAT) (£)	Amount Incurred in the Cumulative Period (excl. VAT) (£)	Amount Paid in the Cumulative Period (excl. VAT) (£)
1	Professional Advisors								
2	European Valuations	Valuation Agents	Valuation Agents - instructed by the Joint Administrators to market and sell the Company's remaining assets at Redditch	06 June 2018	Time costs plus disbursements	-	-	368,065.30	368,065.30
3	Savills UK Limited	Property Agent	Property Agent instructed to aid the Joint Administrators with property matters.	18 January 2019	Time Costs plus disbursements	-	-	2,845.27	2,845.27
3	JLT Speciality Limited	Insurance	Asset insurance	13 January 2019	Fixed Fee	-	-	7,894.09	7,894.09
4	Gateley's PLC	Legal Advisors	Solicitors - instructed to assist the Joint Administrators with the sale of assets to Paragon and CSM Live and to provide legal advice to the Joint Administrators on an ad-hoc basis during the Administration.	Pre - Appointment	Time Costs plus disbursements	-	-	74,134.12	74,134.12
4	Fladgate LLP	Legal Advisors	Solicitors - instructed to assist the Joint Administrators with the collection of pre-Administration book debts.	21 March 2019	Time costs plus disbursements	-	-	10,563.10	10,563.10
4	Ison Harrison	Legal Advisors	Solicitors - engaged by the Company pre-appointment to pursue the recovery of other debts.	Engaged pre-appointment	Commission based on level of recovery achieved	-	-	2,776.80	2,776.80
5	Stor-a-File Ltd	Storage Costs	Storage of Company books and records.		Fixed Fee per box	-	-	5,910.00	5,910.00
6	ERA Solutions Limited	ERA Solutions	Specialist employment professionals - engaged to deal with employee claims and queries in respect of ERA matters.	06 June 2018	Fixed Fee per claim	-	-	12,260.00	12,260.00
7	Courts Advertising Limited	Statutory Advertising	Statutory Advertising of appointment of Administrators	30 July 2018	Fixed Fee	-	-	84.80	84.80
8	Accurate Mailing	Stationery and Postage	Mail out of creditor communications.		Fixed Fee per mailing	-	-	6,629.44	6,629.44
9	Spreckley Partners Limited	PR Advisors	Specialist PR advice and services in relation to the appointment of Administrators and responding to press enquiries.	Shortly after appointment	Time costs and disbursements	-	-	3,587.50	3,587.50
10	Curo Chartered Accountants	Accountants' Fees	Professional tax services rendered in preparing and filing of the Company's tax returns.	Shortly after appointment	Time costs and disbursements	-	-	3,975.00	3,975.00
11	Kingford Partnership Ltd	Rates Recovery Agents	Instructed to recover any rates refunds due to the Company.	16 September 2020	25% of recoveries	-	-	4,389.04	4,389.04
5	Total Data Management	Storage Costs	Storage of Company books and records.		Fixed Fee per box	-	-	346.44	346.44
Total Expenses						-	-	503,460.70	503,460.70

Notes to Estimated Expenses Schedule

- The Joint Administrators' choice of professional advisors have been based on their perception of the experience and ability of the respective firms/individuals to perform their work, the complexity and nature of the assignment and the basis of their fees.
- The Joint Administrators instructed the Agents to conduct a marketing and sale process for the residual assets of the Company.
- The costs of insuring the assets has been based on the value and risk of the assets as well as the time the assets were sold.
- Legal costs and disbursements for the pursuit of the provision of legal advice in relation to the appointment of Administrators and the pursuit of book debts and other pre-appointment debts during the Administration.
- Books and records of the Company will be stored offsite with an external provider for at least the duration of the Administration plus one year. In addition, it is a statutory requirement that books and records of the Joint Administrators must be kept for six years after the conclusion of the Administration.
- The Joint Administrators have instructed ERA Solutions to assist with the processing of employee claims and queries. The fixed fee per staff member charged by ERA Solutions is likely to total less than the Joint Administrators' time costs in dealing with the such matters, providing a cost benefit to creditors.
- Statutory advertising in the London Gazette is required under insolvency legislation.
- The Joint Administrators consider it more cost effective to instruct external mailing agents to print and mail circulars to the Company's creditors.
- PR Agents instructed to issue press releases following Print Week releasing articles in respect of the Company.
- Preparation of the Corporation Tax returns in the Administration period and any other ad-hoc tax advice the Joint Administrators may require, in respect to the Company's tax affairs.
- Rates recovery agents instructed to recover the Company's refunds for overpaid rates relating to pre appointment periods.

Appendix 5 – Analysis of Time Charged

SP Group Limited (In Administration)**Analysis of the Joint Administrators' Time Costs for the Reporting Period**

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0.00	0.10	0.30	0.00	0.00	0.40	180.50	451.25
Cashiering and Accounting	0.00	1.40	2.15	3.10	0.00	6.65	2,319.00	348.72
Statutory Matters (Meetings, Reports and Notices)	0.00	1.00	5.05	9.10	0.00	15.15	4,404.00	290.69
Strategy, Planning and Control	0.00	1.60	5.70	1.10	0.00	8.40	3,450.00	410.71
Tax Compliance/Planning	0.00	0.20	0.15	2.90	0.00	3.25	770.00	236.92
Creditors								
Communications with Creditors/Employees	0.00	0.00	0.20	0.00	0.00	0.20	76.00	380.00
Preferential Claims Adjudication and distribution	0.00	0.60	0.00	0.00	0.00	0.60	399.00	665.00
Total Hours:	0.00	4.90	13.55	16.20	0.00	34.65		334.73
Total Fees Claimed (£):	0.00	3,196.50	5,162.00	3,240.00	0.00		11,598.50	

Category 1 Disbursements:

In the Cumulative Period, the Joint Administrators have not incurred any disbursements

Category 2 Disbursements

There were no Category 2 Disbursements incurred in the Reporting Period.

SP Group Limited (In Administration)
Analysis of the Joint Administrators' Time Costs for the Cumulative Period

Classification of Work Function	Hours					Total Hours	Time Cost (£)	Avg Hourly Rate (£)
	Managing Director	Manager	Senior	Assistant	Support			
Administration and Planning								
Case Review and Case Diary Management	0.00	5.90	6.05	24.85	0.00	36.80	9,187.25	249.65
Cashiering and Accounting	0.00	30.00	24.25	78.40	0.00	132.65	35,235.00	265.62
Dealings with Directors and Management	3.50	2.20	0.00	0.60	0.00	6.30	3,130.00	496.83
IPS Set Up and Maintenance	0.00	0.30	0.25	3.80	0.00	4.35	779.00	179.08
Insurance	0.00	2.40	0.00	0.00	0.00	2.40	1,008.00	420.00
Statement of Affairs	0.00	0.70	0.00	0.00	0.00	0.70	294.00	420.00
Statutory Matters (Meetings, Reports and Notices)	55.90	26.10	24.55	155.05	0.00	261.60	87,927.00	336.11
Strategy, Planning and Control	69.60	50.10	11.75	130.10	0.00	261.55	89,454.50	342.02
Tax Compliance/Planning	0.00	18.00	3.85	13.80	0.00	35.65	15,277.00	428.53
Creditors								
Communications with Creditors/Employees	0.50	14.85	0.65	121.70	0.90	138.60	25,397.25	183.24
Non-Preferential Creditor Claims Adjudication and Distribution	0.00	0.00	0.00	1.60	0.00	1.60	288.00	180.00
Non Preferential Creditors/Employees Claims Handling	2.90	1.55	0.60	11.90	0.00	16.95	4,770.25	281.43
Preferential Claims Adjudication and Distribution	0.00	1.10	0.50	4.50	0.00	6.10	1,731.50	283.85
Secured Creditors	3.60	42.90	2.55	0.00	0.00	49.05	22,886.50	466.60
Investigations								
CDDA Reports and Communication	0.00	1.30	0.00	48.40	0.00	49.70	7,787.00	156.68
Financial Review and Investigations	5.30	0.00	0.00	9.40	0.00	14.70	5,724.00	389.39
Realisation of Assets								
Book Debts	32.90	82.40	1.50	16.30	0.00	133.10	57,938.00	435.30
Freehold and Leasehold Property	0.00	5.40	0.45	14.00	0.00	19.85	5,468.50	275.49
Hire Purchase and Lease Assets	0.00	1.20	0.00	4.40	0.00	5.60	1,206.50	215.45
Other Intangible Assets	0.00	0.90	1.80	0.30	0.00	3.00	1,336.50	445.50
Other Tangible Assets	1.10	8.40	0.00	4.00	3.10	16.60	4,934.50	297.26
Plant and Machinery, Fixtures and Motor Vehicles	8.00	0.00	0.00	0.00	0.00	8.00	4,800.00	600.00
Pre-Appointment Tax Reclaims	0.00	0.00	0.45	0.00	0.00	0.45	171.00	380.00
Sale of Business	0.00	1.30	0.00	0.00	0.00	1.30	546.00	420.00
Stock and Work in Progress	0.00	3.10	0.00	0.00	0.00	3.10	1,302.00	420.00
Trading								
Trading - Accounting	0.00	16.95	0.00	0.00	0.00	16.95	6,882.75	406.06
Trading - Employees	0.00	12.10	0.00	13.80	0.00	25.90	7,566.00	292.12
Trading - Insurance	0.00	0.00	0.00	0.60	0.00	0.60	108.00	180.00
Trading - Operations	19.70	161.70	0.00	241.60	0.00	423.00	108,794.50	257.20
Trading - Retention of Title and Claims Handling	0.00	2.10	0.00	123.60	0.50	126.20	19,829.00	157.12
Total Hours:	203.00	492.95	79.20	1,022.70	4.50	1,802.35		295.04
Total Fees Claimed (£):	124,552.00	218,829.00	29,829.00	158,929.50	180.00		531,759.50	

Category 1 Disbursements (£)

Other	733.57
Bond Premium	225.00
Travel & Subsistence	1,666.66
	2,625.23

Category 2 Disbursements (£)

Mileage	405.00
	405.00

Appendix 6 – Fee Narrative

SIP 9 Narrative for the Reporting Period

Administration and Planning	<ul style="list-style-type: none"> • Monitoring and reviewing the Administration strategy; • Briefing staff on the Administration strategy and matters in relation to workstreams; • Regular case management and reviewing of process including regular team update meetings; • Reviewing and authorising junior staff correspondence and other work; • Drafting statutory progress reports; • Dealing with queries arising during the appointment; • Reviewing matters affecting the outcome of the Administration; • Allocating and managing staff/case resourcing and budgeting exercises and reviews; • Complying with internal filing and information recording practices, including documenting strategy decisions; • Liaising with tax advisors regarding pre-Administration Corporation Tax losses; • Analysing and considering the tax effects of asset sales; • Working on tax returns relating to the periods affected by the Administrator; • Analysing VAT related transactions; • Dealing with post appointment tax compliance; • Ensuring compliance with all statutory obligations within the relevant timescales; • Uploading information to the creditors' Portal/Website; • Drafting and publishing of the previous progress report; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Monitoring and revising the fees estimate for approval by the Secured Creditor; • Monitoring the expenses estimate; • Reviewing time costs to date and producing analysis of time incurred which is compliant with SIP 9; • Completing the entries required to maintain the statutory Receipts and Payments Accounts; • Renewing bonding and complying with statutory requirements; and • Arranging payments to third parties, agents and solicitors in a timely manner.
Creditors	<ul style="list-style-type: none"> • Keeping the Joint Administrators' system up-to-date with any claims received; • Responding to any enquiries received from creditors regarding the Administration and submission of their claims; • Making distributions to the Secured Creditor; • Responding to any queries from former employees of the Company; • Corresponding with the former employees' solicitors in respect to claims for a protective award; and • Providing written and oral updates to the Secured Creditor regarding the progress of the Administration and case strategy.
Realisation of Assets	<ul style="list-style-type: none"> • Liaising with third parties regarding costs incurred; and • Reviewing costs incurred to ensure recorded accurately.

Appendix 7 – Statement of Creditors' Rights

*Rule numbers refer to the Insolvency (England & Wales) Rules 2016 (as amended)
Section or paragraph numbers refer to the Insolvency Act 1986*

If you require a copy of any relevant rule or section, please contact Joss Mitchison at Joss.Mitchison@duffandphelps.com.

Information for Creditors on Remuneration and Disbursements of Administrators

Information regarding the fees and disbursements of Administrators, including details of the Duff & Phelps disbursements policy and hourly charge out rates for each grade of staff that may undertake work on this case, is in a document called "A Creditors' Guide to Administrators' Fees". This can be viewed and downloaded from the Joint Administrators' website at:

<https://www.duffandphelps.co.uk/services/restructuring/corporate-restructuring-and-debt-advisory/Creditor-guides-and-employee-fact-sheets>

Click on the document 'Administration (appointment from 1 October 2015)'. Should you require a copy, please contact this office.

Creditors' Requests for Further Information

If you would like to request more information about the Joint Administrators' remuneration and disbursements disclosed in this progress report, you must do so in writing within 21 days of receiving this progress report.

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

Creditors' Right to Challenge Our Remuneration and Expenses

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

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

The full text of the relevant rules can be provided on request by writing to Joss Mitchison at Joss.Mitchison@duffandphelps.com.

Appendix 8 – Definitions

Word or Phrase	Definition
the Act	The Insolvency Act 1986 (as amended)
the Agents	European Valuations Limited, independent agents who were instructed to value and sell the assets of the Company
the Appointment Date	24 July 2018, being the date of appointment of the Joint Administrators
Category 1 Disbursements	The Joint Administrators' external costs and expenses in dealing with the Administration
Category 2 Disbursements	The Joint Administrators' internal costs and expenses in dealing with the Administration
the Company	SP Group Limited (In Administration) (Company Number: 01240968)
the Cumulative Period	The period from 24 July 2018 to 17 March 2021
Curo	Curo Professional Services Limited (Company Number: 05461843) tax advisors instructed by the Joint Administrators to prepare the corporation tax returns.
BEIS	Department for Business, Energy & Industrial Strategy
the Director	Landry Kouakou being the sole director of the Company
EC Regulation	EC Regulation on Insolvency Proceedings 2000
Final Period	The period from 24 January 2021 to 17 March 2021
Flare	Flare Limited (In Administration) (Company Number: 06994528)
the Group	The Company, Selmerbridge Print Vehicles Ltd, Service Graphics Ltd, Tactical Solutions UK Ltd and Flare Ltd.
HMRC	HM Revenue and Customs
the Joint Administrators	Allan Graham and Matthew Ingram of 35 Newhall Street, Birmingham B3 3PU
Kin + Carta	Kin and Carta Plc (formerly St Ives Plc) being the previous shareholders of the Company
Kingford	Kingford Partnership Ltd who were instructed to recover a business rates refund due on the Company's former trading premises
the Prescribed Part	Pursuant to Section 176A of the Act, where a floating charge is created after 15 September 2003, a designated amount of the Company's net property (floating charge assets less costs of realisation) shall be made available to unsecured creditors

the Previous Reports	The Joint Administrators' Progress Reports to Creditors dated 20 February 2019, 12 August 2019, 19 February 2020, 20 August 2020 and 18 February 2021
the Proposals	The Joint Administrators' Report to Creditors and Statement of Proposals, dated 7 September 2018
the Reporting Period	The period from 24 January 2021 to 17 March 2021
RPS	Redundancy Payments Service
the Rules	The Insolvency (England & Wales) Rules 2016 (as amended)
Selmerbridge	Selmerbridge Print Vehicles Limited (in Administration) being the parent company (Company Number: 10704083)
the Secured Creditor/Sitara	Sitara Finance Designated Activity Company, the holder of a fixed and floating charge over the Company's assets
Tactical Solutions	Tactical Solutions UK Ltd (in Administration) (Company Number: 04103199)
SIP 9	Statement of Insolvency Practice 9 – Industry best practice for Insolvency Practitioners in relation to disclosure of remuneration and disbursements
SIP 13	Statement of Insolvency Practice 13 – Industry best practice for Insolvency Practitioners in relation to the acquisition of assets of insolvent companies by Directors
SOA	Statement of Affairs, documentation supplied by the Director outlining the Company's financial position as at the Appointment Date

Appendix 9 – Notice About This Report

This report has been prepared by Allan Graham and Matthew Ingram, the Joint Administrators of the Company, solely to comply with their statutory duty to report to creditors under the Insolvency (England and Wales) Rules 2016 on the progress of the Administration, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purposes, or in any other context.

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

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

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

Allan Graham and Matthew Ingram are authorised to act as insolvency practitioners by the Insolvency Practitioners Association.

The Joint Administrators are bound by the Insolvency Code of Ethics.

The Joint Administrators act as agents for the Company and contract without personal liability. The appointments of the Joint Administrators are personal to them and, to the fullest extent permitted by law, Duff & Phelps Ltd. does not assume any responsibility and will not accept any liability to any person in respect of this Progress Report or the conduct of the Administration.