In accordance with Rule 18.6 of the Insolvency (England & Wales) Rules 2016.

AM10

Notice of administrator's progress report

Companies House

FRIDAY

A6YF5YM0
A06 26/01/2018 #328
COMPANIES HOUSE

1 Company details

Company number	0 2 6 3 2 9 8 4
Company name in full	Balli Group Plc

→ **Filling in this form**
Please complete in typescript or in bold black capitals.

2 Administrator's name

Full forename(s)	Neville Barry
Surname	Kahn

3 Administrator's address

Building name/number	PO Box 810
Street	66 Shoe Lane
Post town	London
County/Region	
Postcode	E C 4 A 3 W A
Country	

4 Administrator's name ❶

Full forename(s)	Philip Stephen
Surname	Bowers

❶ **Other administrator**
Use this section to tell us about another administrator.

5 Administrator's address ❷

Building name/number	PO Box 810
Street	66 Shoe Lane
Post town	London
County/Region	
Postcode	E C 4 A 3 W A
Country	

❷ **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	01 07 2017
To date	31 12 2017

7 Progress report

☑ I attach a copy of the progress report

8 Sign and date

Administrator's signature	Signature X X
Signature date	25 01 2018

AM10
Notice of administrator's progress report

Presenter information

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

Contact name	Radha Kaur
Company name	Deloitte LLP
Address	PO Box 810
	66 Shoe Lane
Post town	London
County/Region	
Postcode	E C 4 A 3 W A
Country	
DX	
Telephone	+44 121 632 6000

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

Deloitte.

Balli Group Plc ("BGP"), Balli Steel Plc ("BSP") and Balli Trading Limited ("BTL") (All in Administration) ("the Companies")

Registered Office: c/o Deloitte LLP
Hill House
1 Little New Street
London
EC4A 3TR

Progress report to creditors for the period 1 July 2017 to 31 December 2017 pursuant to Rules 18.2 to 18.6 inclusive of the Insolvency (England & Wales) Rules 2016 ("the Rules").

Neville Barry Kahn and Philip Stephen Bowers ("the Joint Administrators") were appointed Joint Administrators of Balli Group Plc, Balli Steel Plc and Balli Trading Limited on 20 March 2013 by The High Court of Justice, Chancery Division, Companies Court. The affairs, business and property of the Companies are managed by the Joint Administrators. The Joint Administrators act as agents of the Companies and contract without personal liability. All licensed Insolvency Practitioners of Deloitte LLP ("Deloitte") are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

For the purposes of paragraph 100(2) of Schedule B1 of the Insolvency Act 1986 (as amended), ("the Act"), the Joint Administrators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally.

Council Regulation (EC) No 1346/2000 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

25 January 2018

Key messages

Key messages

Joint Administrators of the Companies

Neville Barry Kahn

Philip Stephen Bowers

Deloitte LLP

PO Box 810

66 Shoe Lane

London

EC4A 3WA

Contact details

Email: radkaur@deloitte.co.uk

Website: www.deloitte.com/uk/balli

Tel: +44121 695 5049

	Commentary
Purpose of administration	• The purpose of the administrations is to achieve a better result for the Companies' creditors as a whole than liquidations.
Progress of administration	• The UK Serious Fraud Office ("SFO") investigations into the failure of the Companies are continuing. We continue to comply with our legal obligations to assist the SFO as required. As noted in our previous reports, we have been requested by the SFO not to take any steps to dissolve the Companies while their investigations are ongoing. • In the meantime we continue to monitor the steps which the former directors are taking to realise certain related party assets which could potentially facilitate a repayment of intra group liabilities and a recovery to creditors of the Companies. Given the nature of the assets concerned the prospect of any recovery is unlikely.
Costs	• The basis of our fees has been fixed on a time costs basis. • Our time costs for the period of the report are £51,863 in BGP, £21,934 in BSP and £2,229 in BTL. Please see page 13 for further details. • Disbursements of £92 have been incurred in the report period. Please refer to Page 21 for further details. • During the period, third party costs of £3,955 and £403,805 have been paid in BGP and BSP respectively, relating to storage and legal fees and expenses. Please refer to pages 6-8 for further details.
Outstanding matters	• As noted above the SFO has requested us not to take any steps to dissolve the Companies while their investigations are ongoing. • Conclusion of related party asset realisations.
Dividend prospects	• Where creditors held security over specific assets, these assets have been realised (to the extent commercially possible) and net proceeds paid to the relevant creditor in reduction of their claim, the balance of which will rank equally alongside other unsecured creditors. • The prospect of any funds becoming available to preferential or unsecured creditors is dependent on the matters noted above and based on current information appears unlikely.
Extension to administration period	• The administrations for all three companies were extended for a further 2 years to 19 September 2018 by order of the Court on 15 September 2016. • The remaining duration of the Administrations is likely to be dependent on progress of the SFO's investigation.

Progress of the administration

Progress of the administration
Summary

Progress of the administration

Work done during the report period

We have continued to monitor the steps taken by the Shareholders' representatives to recover certain affiliate assets which could in turn generate a recovery of intra group balances; however, given the nature of the assets and the jurisdictions they report only limited progress. Based on current circumstances, any recoveries are unlikely. We continue to keep the Creditors' Committee informed of the progress in the administration.

Investigations

As noted in our previous report, the SFO is investigating certain matters around the failure of the Companies. It would be inappropriate to make further comment. We will comply with our statutory duties to assist the SFO as required.

Statutory tasks

During the period we have carried out the following tasks which primarily relate to fulfilment of statutory and compliance obligations and other tasks of an administrative nature:

- case management
- statutory reporting
- correspondence
- case reviews
- cashiering functions

These tasks are a necessary part of the engagement but do not generate any direct financial benefit for creditors.

Case Specific Matters

Tax – The Companies' most recent corporation tax returns have been prepared and submitted to HM Revenue & Customs.

Cost of the work done during the report period

The costs and expenses incurred during the report period are detailed below.

- Legal Costs amounting to £13,620.97 have been incurred during the period of the report from Clifford Chance in relation to providing general legal advice in respect of the Administrations.
- Storage costs of c.£4k have been paid during the period in BGP.
- Our remuneration and expenses. Further information on these costs are provided on pages 13-21.

All costs have been paid, as shown in the receipts and payments account on pages 6-8.

All professional costs are reviewed and analysed in detail before payment was approved.

Progress of the administration

Receipts and payments

BGP

Balli Group Plc
Joint Administrators' Receipts & Payments account
1 July 2017 to 31 December 2017

£	SoA value:	Notes	Period	To date
Receipts				
Related Party Debtors			-	1,261,907
Foreign exchange - Receipt of GBP for USD			-	259,004
Receipt of funds from Balli Steel plc			720,000	970,000
HMRC Corporation Tax Refund			-	76,394
Rates Refund			-	29,940
Book Debts	*1,409,282*	*1*	-	24,599
Cash at bank	*2,268*		-	5,627
Bank Interest Gross		*2*	123	2,381
Total receipts	*1,411,550*		**720,123**	**2,629,853**
Payments				
Wages and Salaries			-	129,883
Payments to contractors			-	123,195
Contractor expenses			-	8,971
Storage Costs			3,955	51,314
Other Costs			-	16,011
Administrators' Fees			588,000	1,569,820
Administrators' Expenses			-	10,872
Pre-Administration Costs		*3*	-	9,329
Legal Fees			-	175,308
Legal Expenses			-	4,074
Loan to Balli Steel plc			-	50,000
Loan to Balli Trading Limited			-	10,000
Foreign exchange - payment of GBP for USD			-	267,734
Bank Charges			-	50
Total payments			**591,955**	**2,426,562**
Balance				**203,290**
Made up of:				
VAT Receivable		*4*		125,087
Balance held in interest bearing account		*2*		78,204
Balance in hand				**203,290**

A receipts and payments account is provided opposite, detailing the transactions in the administration to 31 December 2017 and all transactions since the date of our appointment.

Notes to receipts and payments account

Note 1 – Statement of Affairs balances are estimates provided by the directors and do not represent the views of the Administrators

Note 2 – Funds are held on an interest bearing account. The associated corporation tax on interest received will continue to be accounted for to HM Revenue & Customs

Note 3 – The Joint Administrators have incurred pre-appointment cost for work carried prior to appointment.

Note 4 - All costs are shown net of VAT and is recoverable from HM Revenue & Customs.

Progress of the administration

Receipts and payments

BSP

Balli Steel Plc

Joint Administrators' receipts and payments account

1 July 2017 to 31 December 2017

£	SoA values	Notes	Period	To Date
Receipts				
Shareholder Contribution to costs	-		-	683,478
Insurance claim settlement	-		-	528,681
Foreign exchange - Receipt of GBP for US	-		1,272,706	2,737,013
Transfer of monies from Balli Trading Limited	-		-	211,438
Commission	-		-	431,685
Stock	*122,300*		-	108,766
Loan from Balli Group plc	-		-	50,000
Contribution to Costs relating to Stock Realisations	-		-	48,242
Cash at Bank	*28,052*		-	24,915
Book Debts	*8,950,967*		-	2,873,463
Return of pre-appointment funds	-		-	2,458
Bank Interest Gross	-	2	191	825
Amounts due from Related Parties	*60,663,837*		-	-
Total receipts	***69,765,156***	*1*	**1,272,897**	**7,700,965**
Payments				
Distribution of insurance claim proceeds to secured creditors			-	404,970
Legal Fees			397,947	1,000,417
Administrators' Fees			50,000	1,171,162
Foreign exchange - *Payment of USD for GBP*			1,230,145	2,707,797
Funds paid to Balli Group Plc			720,000	720,000
Sponsor settlement payment transferred t			-	250,000
Insurance of Assets			-	37,453
Payment to Contractors			-	442,692
Pre-Administration Costs			-	9,329
Costs associated with Winding-Up Petition			-	4,336
Legal Expenses			5,858	10,194
Committee Expenses			-	1,118
Administrators' Expenses			-	1,030
Other Costs			45	693
Total payments			**2,403,995**	**6,761,190**
Balance				**939,775**
Made up of:				
Balance held in interest bearing account		2		746,975
VAT (Payable)/Receivable		3		169,656
Foreign Exchange Gain/(Loss)		4		23,144
Balance in hand				**939,775**

A receipts and payments account is provided opposite, detailing the transactions in the administration to 31 December 2017 and all transactions since the date of our appointment.

Notes to receipts and payments account

Note 1 – Statement of Affairs balances are estimates provided by the directors and do not *represent* the views of the Administrators

Note 2 – Funds are held on an interest bearing account. The associated corporation tax on interest received will continue to be accounted for to HM Revenue & Customs.

Note 3 – All costs are shown net of VAT *and* is recoverable from HM Revenue & Customs.

Note 4 – This amount will fluctuate to reflect *changes in* exchange rates between the transaction and reporting dates *and* is purely an accounting item not a physical receipt. The amounts in foreign accounts *as* at 31 December 2017, converted at the Bank of England exchange rate for the period end *are detailed* below:

Exchange Rate Legend at 31.12.17	
USD	**1.351**
EUR	**1.127**

Progress of the administration
Receipts and payments

BTL

Balli Trading Limited
Joint Administrators' Receipts & Payments account
1 July 2017 to 31 December 2017

£	SoA value	Notes	Period	To date
Receipts				
Cash at Bank	*214,131*	*1*	-	214,868
Intercompany Book Debt - Balli Group Plc	-		-	10,000
Bank Interest Gross	-	*2*	4	197
Return of pre-appointment funds	-		-	1,916
Total receipts	*214,131*		**4**	**226,981**
Payments				
Funds Due to Balli Group plc			-	212,847
Legal Fees			-	1,554
Legal Expenses			-	675
Statutory Advertising			-	131
Bank Charges			-	545
Total payments			**-**	**215,751**
Balance				**11,230**
Made up of:				
Balance held in interest bearing account		*2*		11,248
VAT Receivable/(Payable)		*3*		(18)
Balance in hand				**11,230**

A receipts and payments account is provided opposite, detailing the transactions in the administration to 31 December 2017 and all transactions since the date of our appointment.

Notes to receipts and payments account

Note 1 – Statement of Affairs balances are estimates provided by the directors and do not represent the views of the Administrators

Note 2 – Funds are held on an interest bearing account. The associated corporation tax on interest received will continue to be accounted for to HM Revenue & Customs

Note 3 – All costs are shown net of VAT and is recoverable from HM Revenue & Customs and will be accounted for in due course.

Information for creditors

Information for creditors
Outcome

Outcome for creditors

Secured creditors

Certain creditors held security over specific assets for transactions they had financed. To the extent that these assets have been realised, the net proceeds have been paid to the relevant secured creditor in reduction of their overall claim.

The balance of any claims will rank equally alongside other unsecured creditors.

Preferential creditors

The only preferential claims currently known to the Joint Administrators are from former employees of BGP.

These have not yet been agreed but are estimated at c.£70k.

Due to the uncertainty of recoveries, we do not anticipate funds being available for preferential creditors.

Unsecured creditors

On present information insufficient funds will be realised to enable a dividend to be paid to unsecured creditors.

Extensions to the administration

The administrations were extended by the Court on 15 September 2016 and will now end on or before 19 September 2018.

The SFO's progress in its investigation may also influence whether a further extension may be required.

Exit

We will apply to Court for the dissolution of the Companies at the point that they believe the purposes of the administrations have either been achieved (as far as possible) or if they are of the view that they can no longer be achieved.

As noted above, this may also be influenced by the progress of the SFO's investigation.

Information for creditors

Statutory Information

Statutory information

	Balli Group Plc	Balli Steel Plc	Balli Trading Limited
Company Number	2632984	3418142	2098770
Registered Office	c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3TR	c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3TR	c/o Deloitte LLP, Hill House, 1 Little New Street, London, EC4A 3TR
Trading names	Balli Group Plc	Balli Steel Plc	Balli Trading Limited
Court	High Court of Justice, Chancery Division, Companies Court	High Court of Justice, Chancery Division, Companies Court	High Court of Justice, Chancery Division, Companies Court
Court Reference	1387 of 2013	1388 of 2013	1386 of 2013
Company Directors	Nasser Alaghband Vahid Alaghband	Nasser Alaghband Vahid Alaghband	Nasser Alaghband Vahid Alaghband
Company Secretary	Nasser Alaghband	Nasser Alaghband	Nasser Alaghband
Directors' Shareholdings	None	Vahid Alaghband - 1 Share	Vahid Alaghband - 1 Share

Remuneration and expenses

Remuneration and expenses
Joint Administrators' remuneration

Administrators' remuneration

"A Creditors' Guide to Remuneration" is available for download at www.deloitte.com/uk/balli.

Should you require a paper copy, please send your request in writing to us at the address on page 3 of this report and this will be provided to you at no cost.

Basis of remuneration

The basis of the Joint Administrators' remuneration was fixed on 14 May 2013 by the creditors' committee for BGP and BSP and by a meeting of creditors of BTL. This was fixed by reference to the time properly given by the Joint Administrators and their staff in attending to matters arising in the administration calculated at the prevailing standard hourly charge out rates used by Deloitte at the time when the work is performed, plus VAT.

Time costs incurred

BGP

Our time costs for the period are £51,862.75 made up of 149.95 hours at an average charge out rate of £345.87.

Since the date of appointment to 31 December 2017, we have incurred total time costs of £2,874,087.75 made up of 5,017.85 hours at an average charge out rate of £572.77 per hour across all grades of staff.

We have drawn remuneration of £1,569,820 as shown in the receipts and payments account on page 6.

BSP

Our time costs for the period are £21,934.25 made up of 53.55 hours at an average charge out rate of £409.60.

Since the date of appointment to 31 December 2017, we have incurred total time costs of £1,175,394.75, made up of 1,882.10 hours at an average charge out rate of £624.51 per hour across all grades of staff.

We have drawn remuneration of £1,171,162 as shown in the receipts and payments account on page 7.

BTL

Our time costs for the period are £2,229.50 made up of 9.80 hours at an average charge out rate of £227.50.

Since the date of appointment to 31 December 2017, we have incurred total time costs of £64,087.25, made up of 185.65 hours at an average charge out rate of £345.20 per hour across all grades of staff.

We have not drawn any remuneration since the date of appointment.

Further details of the time costs incurred and charge out rates are provided on pages 14-19.

Time is charged in six minute increments.

Creditors may request a detailed breakdown of the time costs incurred by writing to the address at the front of this report.

BGP - Joint Administrators' time costs for the period 1 July 2017 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	-	-	0.60	331.50	1.20	534.00	21.60	3,962.50	23.40	4,828.00	206.32
Case Management and Closure	-	-	2.00	1,450.00	-	-	0.70	311.50	34.40	8,196.50	37.10	9,958.00	268.41
Initial Actions	-	-	-	-	-	-	-	-	-	-	-	-	-
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-	-	-	-	-
General Reporting	6.50	6,565.00	-	-	0.50	220.00	0.50	222.50	28.20	6,220.00	35.70	13,227.50	370.52
	6.50	**6,565.00**	**2.00**	**1,450.00**	**1.10**	**551.50**	**2.40**	**1,068.00**	**84.20**	**18,379.00**	**96.20**	**28,013.50**	**291.20**
Investigations													
Investigations	2.00	2,090.00	2.50	1,812.50	7.00	3,010.00	-	-	12.50	2,350.00	24.00	9,262.50	385.94
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-	-	-	-	-
	2.00	**2,090.00**	**2.50**	**1,812.50**	**7.00**	**3,010.00**	**-**	**-**	**12.50**	**2,350.00**	**24.00**	**9,262.50**	**385.94**
Creditors													
Unsecured	3.00	3,055.00	-	-	-	-	-	-	3.40	887.00	6.40	3,942.00	615.94
	3.00	**3,055.00**	**-**	**-**	**-**	**-**	**-**	**-**	**3.40**	**887.00**	**6.40**	**3,942.00**	**615.94**
Case Specific Matters													
Tax	1.40	1,771.00	5.90	5,811.50	-	-	1.80	801.00	14.25	2,261.25	23.35	10,644.75	455.88
	1.40	**1,771.00**	**5.90**	**5,811.50**	**-**	**-**	**1.80**	**801.00**	**14.25**	**2,261.25**	**23.35**	**10,644.75**	**455.88**
TOTAL HOURS & COST	**12.90**	**13,481.00**	**10.40**	**9,074.00**	**8.10**	**3,561.50**	**4.20**	**1,869.00**	**114.35**	**23,877.25**	**149.95**	**51,862.75**	**345.87**
AVERAGE RATE/HOUR PER GRADE		**£ 1,045.04**		**£ 872.50**		**£ 439.69**		**£ 445.00**		**£ 208.81**			

BGP - Joint Administrators' time costs for the period 20 March 2013 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	0.55	469.00	10.10	6,652.50	13.50	6,851.00	21.30	8,852.50	81.40	21,577.50	126.85	44,402.50	350.04
Case Management and Closure	45.15	44,410.50	16.15	10,200.25	22.85	10,538.75	11.50	4,646.50	103.50	24,446.50	199.15	94,242.50	473.22
Initial Actions	6.50	5,875.00	46.20	29,337.00	-	-	-	-	43.80	11,836.50	96.50	47,048.50	487.55
General Reporting	179.25	163,506.25	2.40	1,539.00	177.10	87,266.00	8.00	3,185.00	81.70	18,647.50	448.45	274,143.75	611.31
	231.45	214,260.75	74.85	47,728.75	213.45	104,655.75	40.80	16,684.00	310.40	76,508.00	870.95	459,837.25	527.97
Investigations													
Investigations	316.20	287,130.00	560.65	308,200.25	663.20	303,968.75	328.90	125,442.25	469.70	71,962.50	2,338.65	1,096,703.75	468.95
Reports on Directors' Conduct	11.00	9,625.00	1.00	635.00	30.00	14,850.00	-	-	-	-	42.00	25,110.00	597.86
	327.20	296,755.00	561.65	308,835.25	693.20	318,818.75	328.90	125,442.25	469.70	71,962.50	2,380.65	1,121,813.75	471.22
Trading													
Ongoing Trading	-	-	5.00	3,600.00	-	-	-	-	-	-	5.00	3,600.00	720.00
Monitoring Trading	-	-	11.00	7,920.00	-	-	-	-	-	-	11.00	7,920.00	720.00
Closure of Trade	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	16.00	11,520.00	-	-	-	-	-	-	16.00	11,520.00	720.00
Realisation of Assets													
Book Debts	582.50	518,160.00	4.00	2,880.00	5.00	2,475.00	-	-	-	-	591.50	523,515.00	885.06
Other Assets (e.g. Stock)	33.50	33,252.50	43.00	30,960.00	2.00	1,010.00	-	-	-	-	78.50	65,222.50	830.86
	616.00	551,412.50	47.00	33,840.00	7.00	3,485.00	-	-	-	-	670.00	588,737.50	878.71
Creditors													
Employees	27.00	23,625.00	-	-	53.20	26,334.00	-	-	192.90	56,934.50	273.10	106,893.50	391.41
Unsecured	275.00	249,937.50	31.50	20,767.50	194.20	96,219.00	36.50	16,355.00	29.60	7,550.50	566.80	390,829.50	689.54
	302.00	273,562.50	31.50	20,767.50	247.40	122,553.00	36.50	16,355.00	222.50	64,485.00	839.90	497,723.00	592.60
Case Specific Matters													
Litigation	-	-	-	-	5.00	2,475.00	-	-	-	-	5.00	2,475.00	495.00
Pensions	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT	74.10	78,275.50	38.60	39,225.00	3.30	1,431.00	-	-	5.20	1,149.50	121.20	120,081.00	990.77
Tax	28.10	28,522.50	27.80	25,600.50	6.40	4,544.00	8.80	3,870.00	43.05	9,363.25	114.15	71,900.25	629.88
	102.20	106,798.00	66.40	64,825.50	14.70	8,450.00	8.80	3,870.00	48.25	10,512.75	240.35	194,456.25	809.06
TOTAL HOURS & COST	1,578.85	1,442,788.75	797.40	487,517.00	1,175.75	557,962.50	415.00	162,351.25	1,050.85	223,468.25	5,017.85	2,874,087.75	572.77
AVERAGE RATE/HOUR PER GRADE		£ 913.82		£ 611.38		£ 474.56		£ 391.21		£ 212.65			
FEES DRAWN												£ 1,569,820	

BSP - Joint Administrators' time costs for the period 1 July 2017 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	-	-	-	-	-	-	9.40	2,028.50	9.40	2,028.50	215.80
Case Management and Closure	0.70	724.50	-	-	-	-	-	-	16.30	4,218.50	17.00	4,943.00	290.76
	0.70	724.50	-	-	-	-	-	-	25.70	6,247.00	26.40	6,971.50	264.07
Investigations													
Investigations	-	-	-	-	-	-	-	-	14.50	2,247.50	14.50	2,247.50	155.00
Reports on Directors' Conduct	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	14.50	2,247.50	14.50	2,247.50	155.00
Creditors													
Unsecured	2.50	2,587.50	-	-	-	-	-	-	0.30	100.50	2.80	2,688.00	960.00
	2.50	2,587.50	-	-	-	-	-	-	0.30	100.50	2.80	2,688.00	960.00
Case Specific Matters													
Litigation	9.00	9,190.00	-	-	-	-	-	-	-	-	9.00	9,190.00	1,021.11
Tax	-	-	0.85	837.25	-	-	-	-	-	-	0.85	837.25	985.00
	9.00	9,190.00	0.85	837.25	-	-	-	-	-	-	9.85	10,027.25	1,017.99
TOTAL HOURS & COST	12.20	12,502.00	0.85	837.25	-	-	-	-	40.50	8,595.00	53.55	21,934.25	409.60
AVERAGE RATE/HOUR PER GRADE		£ 1,024.75		£ 985.00		-		-		£ 212.22			

BSP - Joint Administrators' time costs for the period 20 March 2013 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		*Assistant Managers*		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	6.05	3,965.00	5.30	2,613.00	14.70	5,616.50	65.40	18,976.00	91.45	31,170.50	340.85
Case Management and Closure	1.25	1,236.25	2.75	1,405.75	6.35	2,784.25	3.20	1,278.00	67.60	16,367.50	81.15	23,071.75	284.31
Initial Actions	5.00	4,375.00	0.20	127.00	-	-	-	-	25.60	7,464.00	30.80	11,966.00	388.51
Liaison with Other Insolvency Practitioners	-	-	-	-	-	-	-	-	-	-	-	-	-
General Reporting	30.00	27,200.00	23.30	15,320.50	12.60	5,477.00	-	-	38.40	9,061.00	104.30	57,058.50	547.06
	36.25	**32,811.25**	**32.30**	**20,818.25**	**24.25**	**10,874.25**	**17.90**	**6,894.50**	**187.00**	**51,868.50**	**307.70**	**123,266.75**	**400.61**
Investigations													
Investigations	35.00	31,600.00	19.00	12,065.00	80.10	39,649.50	-	-	14.50	2,247.50	148.60	85,562.00	575.79
Reports on Directors' Conduct	36.00	31,500.00	7.00	4,445.00	87.80	43,461.00	-	-	-	-	130.80	79,406.00	607.08
	71.00	**63,100.00**	**26.00**	**16,510.00**	**167.90**	**83,110.50**	-	-	**14.50**	**2,247.50**	**279.40**	**164,968.00**	**590.44**
Trading													
Day 1 Control of Trading	2.00	1,750.00	-	-	-	-	-	-	-	-	2.00	1,750.00	875.00
Ongoing Trading	21.00	18,375.00	-	-	26.10	12,919.50	-	-	-	-	47.10	31,294.50	664.43
Monitoring Trading	-	-	-	-	-	-	-	-	-	-	-	-	-
Closure of Trade	-	-	-	-	-	-	-	-	-	-	-	-	-
	23.00	**20,125.00**	-	-	**26.10**	**12,919.50**	-	-	-	-	**49.10**	**33,044.50**	**673.00**
Realisation of Assets													
Book Debts	82.00	77,510.00	1.00	770.00	8.30	4,108.50	-	-	-	-	91.30	82,388.50	902.39
Other Assets (e.g. Stock)	56.50	49,822.50	404.00	260,505.00	15.00	7,425.00	-	-	-	-	475.50	317,752.50	668.25
Third Party Assets	-	-	-	-	26.00	12,870.00	-	-	-	-	26.00	12,870.00	495.00
	138.50	**127,332.50**	**405.00**	**261,275.00**	**49.30**	**24,403.50**	-	-	-	-	**592.80**	**413,011.00**	**696.71**
Creditors													
Employees	-	-	-	-	-	-	-	-	0.10	29.50	0.10	29.50	295.00
Preferential	-	-	-	-	-	-	-	-	-	-	-	-	-
Secured	-	-	-	-	-	-	-	-	-	-	-	-	-
Shareholders	-	-	-	-	-	-	-	-	-	-	-	-	-
Unsecured	165.25	148,196.25	220.50	140,217.50	206.50	102,217.50	-	-	3.70	1,011.00	595.95	391,642.25	657.17
	165.25	**148,196.25**	**220.50**	**140,217.50**	**206.50**	**102,217.50**	-	-	**3.80**	**1,040.50**	**596.05**	**391,671.75**	**657.11**
Case Specific Matters													
Litigation	42.00	42,395.00	4.00	3,080.00	-	-	-	-	-	-	46.00	45,475.00	988.59
Pensions	-	-	-	-	-	-	-	-	-	-	-	-	-
VAT	-	-	-	-	4.10	1,783.00	-	-	6.10	1,337.50	10.20	3,120.50	305.93
Tax	-	-	0.85	837.25	-	-	-	-	-	-	0.85	837.25	985.00
	42.00	**42,395.00**	**4.85**	**3,917.25**	**4.10**	**1,783.00**	-	-	**6.10**	**1,337.50**	**57.05**	**49,432.75**	**866.48**
TOTAL HOURS & COST	**476.00**	**433,960.00**	**688.65**	**442,738.00**	**478.15**	**236,308.25**	**17.90**	**6,894.50**	**221.40**	**56,494.00**	**1,882.10**	**1,175,394.75**	**624.51**
AVERAGE RATE/HOUR PER GRADE		**£ 911.68**		**£ 642.91**		**£ 492.12**		**£ 385.17**		**£ 255.17**			
FEES DRAWN												**£ 1,171,162**	

BTL - Joint Administrators' time costs for the period 1 July 2017 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	-	-	-	-	-	-	-	-	7.50	1,519.00	7.50	1,519.00	202.53
Case Management and Closure	0.30	310.50	-	-	-	-	-	-	2.00	400.00	2.30	710.50	308.91
	0.30	310.50	-	-	-	-	-	-	9.50	1,919.00	9.80	2,229.50	227.50
TOTAL HOURS & COST	0.30	310.50	-	-	-	-	-	-	9.50	1,919.00	9.80	2,229.50	227.50
AVERAGE RATE/HOUR PER GRADE		£ 1,035.00		-		-		-		£ 202.00			

BTL - Joint Administrators' time costs for the period 20 March 2013 to 31 December 2017

All partners and technical staff (including cashiers) assigned to the case recorded their time spent working on the case on a computerised time recording system. Time spent by secretarial staff working on the assignment has not been recorded or recovered. The appropriate staff have been assigned to work on each aspect of the case based upon their seniority and experience, having regard to the complexity of the relevant work, the financial value of the assets being realised and/or claims agreed.

	Partners & Directors		Assistant Directors		Managers		Assistant Managers		Assistants & Support		TOTAL		Average rate/h
	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Hours	Cost (£)	Cost (£)
Administration and Planning													
Cashiering and Statutory Filing	0.20	170.00	13.30	8,460.50	1.00	487.00	8.40	3,332.00	36.50	10,318.00	59.40	22,767.50	383.29
Case Management and Closure	0.30	310.50	1.30	682.00	5.15	2,253.25	2.90	1,166.50	43.40	10,449.50	53.05	14,861.75	280.15
Initial Actions	-	-	0.20	127.00	-	-	-	-	23.70	6,943.50	23.90	7,070.50	295.84
General Reporting	-	-	1.30	825.50	6.90	2,975.00	-	-	22.50	5,426.50	30.70	9,227.00	300.55
	0.50	480.50	16.10	10,095.00	13.05	5,715.25	11.30	4,498.50	126.10	33,137.50	167.05	53,926.75	322.82
Investigations													
Investigations	5.00	4,375.00	-	-	-	-	-	-	-	-	5.00	4,375.00	875.00
Reports on Directors' Conduct	-	-	1.00	635.00	-	-	-	-	-	-	1.00	635.00	635.00
	5.00	4,375.00	1.00	635.00	-	-	-	-	-	-	6.00	5,010.00	835.00
Creditors													
Employees	-	-	-	-	-	-	-	-	0.10	29.50	0.10	29.50	295.00
Unsecured	-	-	3.00	1,905.00	-	-	-	-	2.90	855.50	5.90	2,760.50	467.88
	-	-	3.00	1,905.00	-	-	-	-	3.00	885.00	6.00	2,790.00	465.00
Case Specific Matters													
VAT	-	-	-	-	2.70	1,167.00	-	-	3.20	714.00	5.90	1,881.00	318.81
Tax	-	-	0.70	479.50	-	-	-	-	-	-	0.70	479.50	685.00
	-	-	0.70	479.50	2.70	1,167.00	-	-	3.20	714.00	6.60	2,360.50	357.65
TOTAL HOURS & COST	5.50	4,855.50	20.80	13,114.50	15.75	6,882.25	11.30	4,498.50	132.30	34,736.50	185.65	64,087.25	345.20
AVERAGE RATE/HOUR PER GRADE		£ 882.82		£ 630.50		£ 436.97		£ 398.10		£ 262.56			
FEES DRAWN												-	

Remuneration and expenses

Joint Administrators' remuneration

Charge out rates

The range of charge out rates for the separate categories of staff is based on our 2017 national charge-out rates as summarised below.

The above bands are specific to the Restructuring Services department partners and staff. In certain circumstances the use of specialists from other Deloitte departments such as Tax/VAT, Financial Advisory or Deloitte Real Estate may be required on the case. These departments may charge rates that fall outside the Restructuring Services department bands quoted above so, where such specialists have performed work on the case, average rates may also fall outside the Restructuring Services department bands.

Charge out rates last increased on 1 September 2017.

Details of charge out rates applicable to prior report periods were given in those reports, copies of which will be provided on request to Radha Kaur.

Restructuring Services charge out rates (£/hour)

Grade	From 1 Sept 2017
Partners & Directors	870 - 1,070
Assistant Directors	715 - 810
Managers	560 - 730
Assistant Managers	445 - 580
Assistants & Support	200 - 345

Remuneration and expenses

Detailed information

Category 1 Disbursements

These are payments made by us direct to third parties and for which no approval is required.

Category 2 Disbursements

These are costs and expenses initially paid by us and which are not generally made to a third party, for example, reimbursement to staff engaged on the case for their mileage costs. These may also include shared or allocated costs.

Disbursements

Our disbursements to date are summarised below:

Category 2 Disbursements

Specific approval is required before these costs and expenses can to be drawn from the administration estate. This was given by creditors' committee for BGP and BSP, and by the creditors of BTL at a meeting of creditors held on 14 May 2013.

Mileage is calculated at the prevailing standard mileage rate of up to 45p used by Deloitte at the time when the mileage is incurred.

Details of all disbursements are given below and from which it can be seen that we have not recovered our disbursements in full.

Category 1 disbursements

£ (net)	BGP	BSP	BTL	Paid	Unpaid
Bond Insurance	230.01	230.01	230.01	230.01	460.02
Courier	125.00	10.00	10.00	25.00	120.00
IT Hosting Charge	59,809.20	-	-	-	59,809.20
Printing	1,447.33	-	-	259.77	1,187.56
Searches	38.46	-	-	36.00	2.46
Storage	9.58	-	-	-	9.58
Tax fees	2,582.78	139.00	139.00	-	2,860.78
Transcript	1,448.70	-	-	567.60	881.10
Creditor Meeting Costs	8,079.21	-	-	3,500.83	4,578.38
Accomodation	7,486.05	474.00	-	2,982.24	4,977.81
Subsistence	2,440.92	60.96	-	485.10	2,016.78
Telephone - Business	169.93	-	-	-	169.93
Travel	12,248.49	674.20	-	3,615.42	9,107.27
Postage	595.00	-	-	-	595.00
Total expenses	**96,710.66**	**1,588.17**	**379.01**	**11,901.97**	**86,775.87**

Category 2 disbursements

£ (net)	BGP	BSP	BTL	Paid	Unpaid
Mileage	389.40	-	-	-	389.40
Total disbursements	**389.40**	-	-	-	**389.40**

Creditors' right to request information

Any secured creditor or unsecured creditor (with the support of at least 5% in value of the unsecured creditors or with leave of the Court) may, in writing, request us to provide additional information regarding remuneration or expenses to that already supplied within this report. Such requests must be made within 21 days of receipt of this report, in accordance with Rule 18.9 of the Rules.

Creditors' right to challenge remuneration and/or expenses

Any secured creditor or unsecured creditor (with the support of at least 10% in value of the unsecured creditors or with leave of the Court) may apply to the Court for one or more orders (in accordance with Rule 18.34 of the Rules), reducing the amount or the basis of remuneration which we are entitled to charge or otherwise challenging some or all of the expenses incurred.

Such applications must be made within eight weeks of receipt by the applicant(s) of the progress report detailing the remuneration and/or expenses being complained of, in accordance with Rule 18.34(3) of the Rules.

Please note that such challenges may not disturb remuneration or expenses approved or deemed to be approved under prior progress reports.

Deloitte.