

WU07

Notice of progress report in a winding-up by the court



Companies House

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

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 Liquidator's name

Full forename(s) Ian Colin

Surname Wormleighton

3 Liquidator's address

Building name/number 60 St Martin's Lane

Street London

Post town WC2N 4JS

County/Region

Postcode

Country

4 Liquidator's name ①

Full forename(s)

Surname

① Other liquidator

Use this section to tell us about
another liquidator.

5 Liquidator's address ②

Building name/number

Street

Post town

County/Region

Postcode

Country

② Other liquidator

Use this section to tell us about
another liquidator.

WU07

Notice of progress report in a winding-up by the court

6 Period of progress report

From date	^d 2	^d 0	^m 0	^m 8	^y 2	^y 0	^y 2	^y 2
To date	^d 1	^d 9	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ The progress report is attached

8 Sign and date

Liquidator's signature

Signature

X



X

Signature date

^d 1	^d 3	^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 **James Moran**

Company name **Teneo Financial Advisory Ltd**

Address **The Colmore Building**
20 Colmore Circus Queensway

Post town **Birmingham**

County/Region

Postcode **B 4 6 A T**

Country

DX

Telephone **+44 121 619 0120**

**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



The Global CEO Advisory Firm

Balli Group Plc (“BGP”), Balli Steel Plc (“BSP”) and Balli Trading Limited (“BTL”) (All in liquidation) (together “the Companies”)

Progress report to creditors for the 12 month period to 19 August 2023 pursuant Rule 18.8 of the Insolvency (England & Wales) Rules 2016 (“the Rules”).






13 October 2023

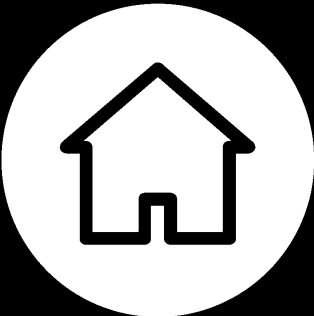
Nicholas Guy Edwards and Ian Colin Wormleighton were appointed Joint Liquidators of Balli Group Plc, Balli Steel Plc and Balli Trading Limited on 20 August 2020 by the Court. For the purposes of Section 231 of the Insolvency Act 1986 (as amended), (“the Act”), the Joint Liquidators confirm that they are authorised to carry out all functions, duties and powers by either of them jointly and severally. Pursuant to a court order dated 12 May 2021, Nicholas Guy Edwards was removed as Joint Liquidator.

Ian Colin Wormleighton of Teneo Financial Advisory Limited continues to act as Liquidator (“the Liquidator”) for the Companies. The affairs, business and property of the Companies are managed by the Liquidator.

The Liquidator acts as agent of the Companies and contracts without personal liability. All licensed Insolvency Practitioners of Teneo Financial Advisory Limited (“Teneo”) are licensed in the UK to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales.

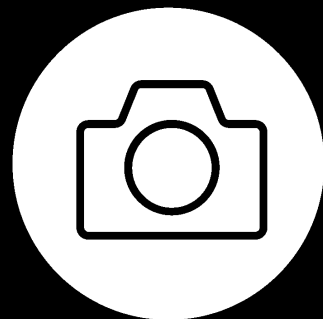
Council Regulation (EU) No 2015/848 applies and these are the main proceedings as defined in Article 3(1) of that regulation.

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Key messages



Key messages

Liquidator of the Companies

Ian Colin Wormleighton
Teneo Financial Advisory Limited
The Colmore Building
20 Colmore Circus Queensway
Birmingham
B4 6AT

Email: james.moran@teneo.com
www.ips-docs.com
Tel: +44 11 3396 0166

Progress of the liquidations during the report period	<ul style="list-style-type: none">The Serious Fraud Office's ("SFO") investigations have continued during the period and we have continued to comply with our statutory duties to assist the SFO as required in this regard.Following the sentencing of three senior executives of BSP on 4 April 2023, the SFO has since confirmed that the liquidations can now be progressed to closure.
Costs	<ul style="list-style-type: none">Please note all fees, costs and expenses, unless otherwise stated, are reported net of VAT.We have not fixed the basis on which we are to be remunerated in the liquidations of BGP and BSP.We do not intend to fix a basis of our remuneration in relation to BTL as no realisations are currently expected.We have not incurred any Category 1 expenses or disbursements during the report period.We have incurred category 2 expenses of £8,864 in both BGP and BSP in the report period. As detailed on page 15 these costs are not recoverable from the liquidations.Please see page 14 for further details.
Outstanding matters	<ul style="list-style-type: none">Finalise the Companies VAT and tax affairs in preparation for closure.Settle final costs of the administrations including final fees, storage costs and bank charges.Statutory closing procedures.
Dividend prospects	<ul style="list-style-type: none">Secured creditors – There are no remaining secured creditors in any of the Companies.Ordinary preferential creditors –The only ordinary preferential claims currently known to the Liquidator are from former employees of BGP. We do not anticipate funds will be available for ordinary preferential creditors to receive a dividend in the BGP liquidation.Secondary preferential creditor – There is no secondary preferential creditor due to the date of appointment.Unsecured creditors – There are insufficient realisations to enable a distribution for unsecured creditors in any of the companies.Please see page 10 for further details.





Progress of the liquidations

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Progress of the liquidations

Work done during the report period

We have continued to carry out tasks relating to the fulfilment of statutory and compliance obligations in respect of the liquidations.

Investigations – BGP and BSP

As detailed in our previous progress report, the SFO is investigating certain matters around the failure of the Companies.

On 4 April 2023, it was announced publicly that Nasser Alaghband, the CEO of Balli Steel Plc, had been sentenced to six and a half years in prison, while two senior executives received sentences of over three years each.

We will continue to comply with our statutory duties to assist the SFO as and when required, however the SFO has confirmed that from their perspective, the liquidations may now be brought to a close.

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;
- continued assistance to the SFO in respect of their ongoing investigations, as outlined above, in accordance with our legal obligations;
- correspondence with creditors; and
- cashiering functions.

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

Third party costs incurred during the report period

Liquidator's Category 1 Expenses

Category 1 expenses are payments to persons providing the service to which the expense relates and which are neither payment to us, the officeholders, or to an associate of ours. These expenses can be paid out of the estate by us without creditor approval.

The following third party expenses have been incurred during the report period:

BGP

- Storage costs of £140 have been incurred in relation to the storage of the Companies' books and records.

BSP

- Storage costs of £16,116.60 have been incurred in relation to the storage of the Companies' books and records.

BTL

- No third party expenses have been incurred during the period.

Disbursements – Category 1

Category 1 disbursements are payments made by us direct to third parties and for which no approval is required.

No category 1 disbursements were incurred in respect of any of the Companies during the reporting period.

Category 2 Expenses

These are payments:

- to us (as officeholder), for example reimbursement to staff engaged on the case for their mileage costs) or in respect of shared or allocated costs; and also
- to our associates, e.g. to Deloitte LLP where their costs are being charged to the estate following the sale of the Deloitte UK Restructuring team to Teneo Financial Advisory Limited ("Teneo" and "the Transaction") on 29 May 2021.

These expenses require creditor approval in the same manner as our remuneration and as discussed in further detail on page 15.



Progress of the liquidations

Receipts and payments

BGP

Balli Group Plc			
Liquidator's receipts and payments account			
20 August 2022 to 19 August 2023			
£	Notes	Period	To date
Receipts			
Petitioner's Deposit		-	1,600
Funds Transferred from Administration	A	-	53,171
Bank Interest Gross	B	10	39
Funds advanced from BSP		-	100,000
Total receipts		10	154,809
Payments			
Secretary of State Fee		-	11,000
Administrator Fees		-	100,000
Storage Costs		70	19,267
Statutory Advertising		-	95
Bank Charges		88	257
Tax on Interest		4	8
Total payments		162	130,626
Balance			24,183
Made up of:			
VAT Receivable	C		23,865
Trade Creditors	D		7
Insolvency Service Account	B		311
Balance in hand			24,183

A receipts and payments account is provided opposite, detailing the transactions in the liquidation for the period 20 August 2022 to 19 August 2023, and all transactions since the date of our appointment.

Notes to receipts and payments account

Statement of Affairs

Please refer to the administration final report for details of the estimated to realise values of the assets realised in the preceding administration.

Note A - Funds were transferred from the administration account to the Liquidation account.

Note B - All funds are held in an interest bearing account. The associated corporation tax on interest received has been/will be accounted for to HMRC.

Note C - All sums shown opposite are shown net of VAT, which is recoverable and will be/has been accounted for to HMRC in due course.

Note D - Invoices received are logged, recorded and posted to the cash book on an accruals basis, the balance noted represents invoices received and posted to the cash book but not yet paid from the bank accounts.

Rounding note

In preparing this report, figures have been rounded (for presentational purposes only). There may therefore appear to be rounding errors



Progress of the liquidations

Receipts and payments

BSP

Balli Steel Plc			
Liquidator's receipts and payments account			
20 August 2022 to 19 August 2023			
£	Notes	Period	To date
Receipts			
Petitioner's Deposit		-	1,600
Funds transferred from Administration	A	-	862,098
Bank Interest Gross	B	14,617	15,669
Total receipts		14,617	879,367
Payments			
Secretary of State Fee		-	11,000
Legal Fees		-	82,493
Legal Expenses		-	2,820
Storage Costs		13,136	21,060
Statutory Advertising		-	95
Bank Charges		88	269
Administrator Fees		-	47,831
Tax on Interest		2,925	3,125
Funds Advanced to BGP		-	100,000
Total payments		16,149	268,693
Balance			
			610,674
Made up of:			
VAT Receivable	C		30,692
Trade Creditors	D		(118)
Insolvency Service Account	B		580,100
Balance in hand			610,674

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Progress of the liquidations

Receipts and payments

BTL

Balli Trading Limited			
Liquidator's receipts and payments account			
20 August 2022 to 19 August 2023			
£	Notes	Period	To date
Receipts			
Funds from administration	A	-	11,682
Bank Interest Gross	B	50	55
Petitioner's Deposit		-	1,600
Total receipts		50	13,336
Payments			
Secretary of State Fee		-	11,000
Statutory Advertising		-	95
Bank Charges		98	252
Tax on Interest		-	1
Total payments		98	11,348
Balance			1,989
Made up of:			
VAT Receivable	C		19
Insolvency Service Account	B		1,970
Balance in hand			1,989

A receipts and payments account is provided opposite, detailing the transactions in the liquidation for the period 20 August 2022 to 19 August 2023, and all transactions since the date of our appointment.

Notes to receipts and payments account

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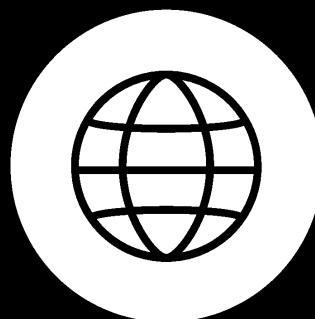
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Information for creditors

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Information for
creditors

Secured creditors

Finance facilities were provided through various lenders with cross company guarantees often given between BGP, BSP and BTL. In the majority of cases collateral was provided in the form of pledges over goods (bills of lading) or receivables assignments through the relevant facility.

In BSP, the directors' statement of affairs from the preceding administration included an estimate of £19.1m of collateral available for the benefit of the Secured Creditors.

Following our appointment in the preceding administration, the Secured Creditors took action to recover the assets (collateral) caught under their securities (seizure and sale of consignments of cargo which they had financed). Realisations in this regard have partially settled the Secured Creditors' claims and have reduced Secured Creditor claims in respect of the remaining shortfall due to them by c.£16m.

The remaining shortfalls due to the Secured Creditors will be classed as unsecured creditor claims and will rank equally alongside other unsecured creditors in the liquidations.

No floating charges had been granted or created by the Companies.

Ordinary preferential creditors

The only ordinary preferential claims currently known to the Liquidator in respect of the Companies are from former employees of BGP.

To date we have received 14 ordinary preferential claims totalling c.£66,972, which is line with the Directors' Statement of Affairs. On present information we do not anticipate a dividend to ordinary preferential creditors of BGP.

Secondary Preferential Creditor

Secondary preferential debts are debts due to HMRC in respect of deducted taxes, including VAT, PAYE, student loan repayments, employee NICs and CIS deductions.

Secondary preferential debt provisions do not apply to any of the liquidations. As the preceding administration appointments pre date 1 December 2020.

Unsecured creditors

The Directors' Statement of Affairs produced in the preceding administration include details of unsecured creditor claims which for BGP, BSP and BTL are shown as £339,728,081, £385,718,127 and £109,291,486 respectively.

As discussed opposite, unsecured creditor claims include shortfall claims from finance creditors as well as contingent claims where one or more of the Companies provided a guarantee or was a joint borrower and accordingly there will be an element of cross-over in the figures above.

Based on current information, the prospect of any funds becoming available to unsecured creditors is unlikely in each of the Companies.

Claims process

As there are currently no prospects of a distribution for the unsecured creditors of any of the Companies, we do not intend to undertake any work to agree any creditor claims received.



Information for
creditors

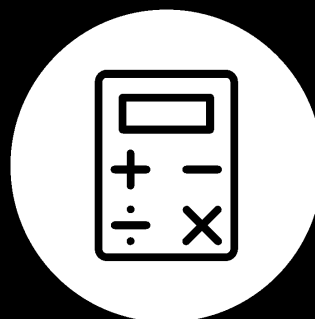
Statutory information			
	Balli Group Plc	Balli Steel Plc	Balli Trading Limited
Registered office	c/o Teneo Financial Advisory Limited The Colmore Building 20 Colmore Circus Queensway Birmingham B4 6AT		
Company number	02632984	03418142	02098770
Date of appointment	20 August 2020	20 August 2020	20 August 2020
Court	High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies (ChD)		
Court reference	CR-2020-003220	CR-2020-003223	CR-2020-003224



Remuneration and expenses

Joint Liquidator's remuneration

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Remuneration and expenses

Liquidator's remuneration

Liquidator's remuneration

"A Creditors' Guide to Remuneration" is available for download at www.ips-docs.com.

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

Basis of remuneration

The basis of our remuneration has not yet been fixed in the liquidation of any of the Companies.

We have not reported time costs in respect of the liquidation of the Companies as we do not currently anticipate taking steps to fix the basis of remuneration in any of the Companies. Should this position change, creditors will be notified and appropriate approvals sought.

The basis of the Former 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 Former Joint Administrators and their staff in attending to matters arising in the administration, calculated at the prevailing standard hourly charge out rates at the time when the work was performed, plus VAT. The authority to draw on Former Joint Administrators' time costs carries forward to the liquidation in accordance with the Rules.

Fees drawn to date

Liquidator's Fees

No remuneration has been drawn in relation to Liquidator's time costs in any of the Companies.

Former Joint Administrators' Fees

BGP

We have drawn fees of £100,000 in respect of our time costs relating to the preceding administration, as shown in the receipts and payments account on page 6.

BSP

We have drawn fees of £47,831 in respect of our time costs relating to the preceding administration, as shown in the receipts and payments account on page 7.

Former Joint Administrators' Time Costs

Following the move from administration to compulsory liquidation, a review of time costs for the preceding administrations were undertaken by the Liquidator.

It is noted that the majority of the time relating to the investigations and early shareholder settlement discussions (details of which are in previous administration reports) had been apportioned to BGP, as parent company, guarantor of its subsidiaries' finance facilities and principal employer.

In the Liquidator's view, this time should have been reallocated across the relevant Companies in administration depending on where the benefit accrued.

Whilst the total number of hours and value of time remains unchanged across the Group (as reported in the Former Joint Administrators' Final Progress Report), revised final time cost positions relating to the preceding administrations are provided on page 14.



Remuneration and expenses

Former Joint Administrators' Time Costs (continued)

BGP

Grade	Total time costs per Joint Administrators' Final Report			Total revised Joint Administrators' time costs		
Category	Hours	Value (£)	Avg Rate £/h	Hours	Value (£)	Avg Rate £/h
Administration & Planning	1,197.7	£ 630,183.65	£ 526.15	1,197.7	£ 630,183.65	£ 526.15
Investigations	2,674.2	£ 1,368,394.90	£ 511.70	1,358.1	£ 696,752.45	£ 513.04
Trading	16.2	£ 11,592.00	£ 715.56	16.2	£ 11,592.00	£ 715.56
Realisation of Assets	670.1	£ 588,785.50	£ 878.65	344.8	£ 300,852.25	£ 872.60
Creditors	847.7	£ 505,051.00	£ 595.79	847.7	£ 505,051.00	£ 595.79
Case Specific Matters	287.1	£ 209,338.65	£ 729.15	287.1	£ 209,338.65	£ 729.15
Total	5,693.0	£ 3,313,345.70	£ 582.00	4,051.6	£ 2,353,770.00	£ 658.71

BSP

Grade	Total time costs per Joint Administrators' Final Report			Total revised Joint Administrators' time costs		
Category	Hours	Value (£)	Avg Rate £/h	Hours	Value (£)	Avg Rate £/h
Administration & Planning	390.0	£ 153,645.25	£ 393.96	390.0	£ 153,645.25	£ 393.96
Investigations	281.4	£ 167,075.50	£ 593.73	1,597.5	£ 838,717.95	£ 525.02
Trading	49.1	£ 33,044.50	£ 673.00	49.1	£ 33,044.50	£ 673.00
Realisation of Assets	592.8	£ 413,011.00	£ 696.71	859.0	£ 648,592.75	£ 755.08
Creditors	596.6	£ 391,846.75	£ 656.85	596.6	£ 391,846.75	£ 656.85
Case Specific Matters	77.9	£ 60,370.30	£ 774.57	77.9	£ 60,370.30	£ 774.57
Total	1,987.8	£ 1,218,993.30	£ 613.24	3,570.1	£ 2,126,217.50	£ 629.75

BTL

Grade	Total time costs per Joint Administrators' Final Report			Total revised Joint Administrators' time costs		
Category	Hours	Value (£)	Avg Rate £/h	Hours	Value (£)	Avg Rate £/h
Administration & Planning	220.2	£ 72,800.75	£ 330.61	220.2	£ 72,800.75	£ 330.61
Investigations	8.0	£ 7,117.50	£ 889.69	8.0	£ 7,117.50	£ 889.69
Realisation of Assets	-	£ -	-	59.2	£ 52,351.50	£ 885.06
Creditors	6.0	£ 2,790.00	£ 465.00	6.0	£ 2,790.00	£ 465.00
Case Specific Matters	11.9	£ 5,238.55	£ 440.58	11.9	£ 5,238.55	£ 440.58
Total	246.1	£ 87,946.80	£ 357.38	305.2	£ 140,298.30	£ 602.19



Remuneration and expenses
Detailed information

Liquidator's Category 2 Expenses (including disbursements)

As described on page 5, these are payments to us (as officeholder) or to our associates or payments which have an element of shared costs. Specific approval is required before these costs and expenses can be drawn from the liquidation estate.

BTL

No category 2 expenses have been incurred in respect of this company in the report period or to date.

BSP and BGP

As discussed on page 5, prior to the Transaction, the work delivered by other Deloitte service lines was charged to the estate to be recovered as part of the Liquidator's remuneration (from which an internal recharge would have then been made).

Following the Transaction, whilst all such costs will continue to be paid out of our approved remuneration (i.e. will not be an additional cost to the estate) we will provide you with a narrative summary of the work being delivered. We will also provide a summary rates table of the applicable charge out rates in force at the time of the report.

Further details regarding the ongoing Deloitte LLP services and summary charge out rate table are provided below and opposite.

Deloitte Forensic are engaged to assist with queries relating to the SFO investigation and the provision of documents. Their work, which has now ended, is charged on a time costs basis. Their costs during the report period are £8,863.88 for each of BSP and BGP.

As we have no Liquidation fee approval these costs will not be recovered from the estate.

Deloitte LLP charge out rates (£/hour)

Grade	Rate (£/Hour)
Partners & Directors	1,265 - 1,549
Assistant Directors	1,150 - 1,187
Managers	400 - 915
Assistant Managers	345 - 400
Associates & Senior Associates	135 - 340

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.





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Teneo Financial Advisory Limited is registered in England & Wales with registered number 13192958 and its registered office at 5th Floor, 6 More London Place London, SE1 2DA, United Kingdom