

In accordance with Rule 3.61(1) of the Insolvency (England & Wales) Rules 2016 & Paragraph 84(8) of Schedule B1 of the Insolvency Act 1986.

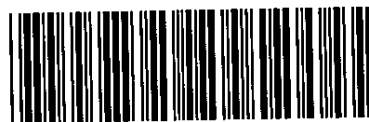
AM23

Notice of move from administration to dissolution



Companies House

FRIDAY



A23 16/03/2018 #72
COMPANIES HOUSE

Please
house

1 Company details

Company number 0 5 5 2 1 5 8 2
Company name in full BCBG Max Azria UK 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 2 9 7 1 2 0 1 7

3 Administrator's name

Full forename(s) Tommaso Waqar
Surname Ahmad

4 Administrator's address

Building name/number 257b Croydon Road

Street Beckenham

Post town Kent

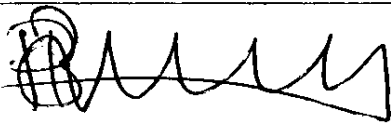
County/Region

Postcode B R 3 3 P S

Country

AM23

Notice of move from administration to dissolution

5 Administrator's name	
Full forename(s)	Paul
Surname	Bailey
Other administrator Use this section to tell us about another administrator.	
6 Administrator's address	
Building name/number	257b Croydon Road
Street	Beckenham
Post town	Kent
County/Region	
Postcode	B R 3 3 P S
Country	
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	<div>Signature</div> <div>X  X</div>
Signature date	<div>^d 1 ^d 5 ^m 0 ^m 3 ^y 2 ^y 0 ^y 1 ^y 8</div>

AM23

Notice of move from administration to dissolution



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	Lucy Franks
Company name	Bailey Ahmad Limited
Address	257b Croydon Road Beckenham
Post town	Kent
County/Region	
Postcode	B R 3 3 P S
Country	
DX	
Telephone	020 8662 6070



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

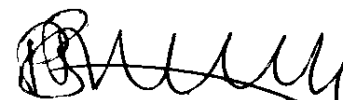
This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse

BCBG Max Azria UK Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/04/2017 To 15/03/2018 £	From 13/04/2017 To 15/03/2018 £
	ASSET REALISATIONS		
NIL	Fixtures and fittings	NIL	NIL
Uncertain	Stock	52,020.50	52,020.50
NIL	Concession sales	NIL	NIL
Uncertain	Rent deposit	26,037.34	26,037.34
47,200.00	Cash at bank	48,868.38	48,868.38
Uncertain	Cash in hand and sundry receipts	NIL	NIL
	Bank interest gross	9.73	9.73
		<u>126,935.95</u>	<u>126,935.95</u>
	COST OF REALISATIONS		
	Office holders' fees	76,961.57	76,961.57
	Office holders' expenses	1,028.00	1,028.00
	Agents' disbursements	17,153.80	17,153.80
	Bank charges	50.00	50.00
	Subcontractors' fees	600.00	600.00
	Agent's fees	15,303.08	15,303.08
	Accountancy fees	3,500.00	3,500.00
	Legal fees	12,000.00	12,000.00
	Sundry disbursements	3.50	3.50
	Insurance of assets	336.00	336.00
		<u>(126,935.95)</u>	<u>(126,935.95)</u>
	PREFERENTIAL CREDITORS		
(22,173.74)	Employee arrears/holiday pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(361,316.31)	Trade and expense creditors	NIL	NIL
(27,363.60)	Employees	NIL	NIL
(5,874.68)	HM Revenue & Customs - PAYE	NIL	NIL
(6,655.00)	HM Revenue & Customs - VAT	NIL	NIL
(7,472,836.48)	Connected companies	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(10.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(7,849,029.81)</u>		<u>(0.00)</u>	<u>(0.00)</u>

REPRESENTED BY

NIL



Paul Bailey
Joint Administrator

Joint Administrators' Final Progress Report

BCBG Max Azria UK Limited - In Administration

15 March 2018

Tommaso Waqar Ahmad and Paul Bailey
Joint Administrators

Both licensed to act as insolvency practitioners in the UK by the
Institute of Chartered Accountants in England & Wales

www.baileyahmad.co.uk

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- B. Additional information in relation to the Joint Administrators' fees, expenses and disbursements
- C. Fee structure

1 **Introduction**

1.1 Myself and Tom Ahmad were appointed Joint Administrators of the Company on 13 April 2017. The appointment was made by the director, Emmanuel Bazantay.

1.2 This Administration has been handled by Bailey Ahmad Business Recovery at 257b Croydon Road, Beckenham, Kent BR3 3PS. The Joint Administrators' can be contacted by phone on 020 8662 6070 or via email at info@babr.co.uk. The Administration is registered in the High Court of Justice, reference number 2971 of 2017.

1.3 The trading addresses of the Company were:

23-25 Kings Road, London SW3 4RP
30-34 St. Andrew Square, Edinburgh EH2 3AD
109-125 Knightsbridge, London SW1X 7RJ
107-111 Briggate, Leeds LS1 6AZ
21 New Cathedral Street, Manchester M1 1AD

1.4 The registered office of the Company is 257b Croydon Road, Beckenham, Kent, BR3 3PS and its registered number 05521582.

1.5 As the Administration has now completed, we are required to provide a progress report covering the period since our last report which ended on 12 October 2017. This is our final report in the Administration and covers the period from 13 October 2017 to 15 March 2018 (the Period) and should be read in conjunction with our earlier proposals report and any previous progress reports which have been issued.

2 **Progress of the Administration**

2.1 As noted previously, the statutory objective being pursued in the Administration was to achieve 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). In addition to the pursuance of this statutory objective, the Joint Administrators have duties imposed by insolvency and other legislation, some of which may not provide any financial benefit to creditors.

2.2 This section of the report provides creditors with an update on the progress made in the Period, both in terms of the achievement of the statutory objective, but also work which is required of the Joint Administrators under other related legislation.

2.3 At Appendix A is our receipts and payments account covering the period of this report which includes a cumulative summary since our appointment.

2.4 Further information about the basis of remuneration agreed in this case and the Joint Administrators' fees information can be found in section 4 of this report.

Administration (including statutory compliance and reporting)

2.5 As noted above, the Joint Administrators must comply with certain statutory obligations under the Insolvency Act 1986 and other related legislation. Details about the work undertaken in this regard has been outlined previously and I would confirm that in the final period of the Administration we have dealt with ongoing cashiering matters and settlement of Administration costs. We have also finalised our investigations into the Company and its directors prior to Administration.

2.6 Where the costs of statutory compliance work or reporting to creditors exceeds the initial estimate, it will usually be because the duration of the case has taken longer than anticipated, possibly due to protracted asset realisations, which have in turn placed a further statutory reporting requirement on the Joint Administrators.

2.7 As noted in our initial fees information, this work will not necessarily bring any financial benefit to creditors, but is required on every case by statute.

Realisation of assets

Cash at bank

- 2.8 We have realised cash at bank totalling £48,868.38 which includes cash and card receipts banked at the time of, and just after, ceasing to trade.

Stock and concession sales

- 2.9 Gordon Brothers (the agents) were instructed to take possession of the Company's stock at the Kings Road store and together formulated a strategy for its disposal. The other trading premises were concessions within Harvey Nichols stores. The agents set up a pop-up shop to sell the stock and realised a total of £52,020.50 plus VAT.
- 2.10 The concession sales and remaining stock at the Harvey Nichols stores were subject to a lien under the agreements with Harvey Nichols.

Rent deposit

- 2.11 The agents assisted with negotiations with the landlord with regards to a settlement in respect of the rent deposit. It was estimated after our appointment that around £80,000 may be received from the deposit, however the dilapidations claim was higher than anticipated. Solicitors, Jones Day, were instructed to review the settlement agreement as proposed by the landlord. Negotiations regarding the wording started to become protracted and in the event, the landlord was unwilling to enter into a settlement agreement. The landlord proposed a unilateral payment of £26,037 and this was received on 5 February 2018.
- 2.12 It is considered that the work the Joint Administrators and their staff have undertaken to date will not bring a financial benefit to creditors given that asset realisations are lower than initially anticipated and after the costs of the process, there is no surplus.

Creditors (claims and distributions)

- 2.13 Further information on the anticipated outcome for creditors in this case can be found at section 5 of this report. The Joint Administrators are not only required to deal with correspondence and claims from unsecured creditors (which may include retention of title claims), but also those of any secured and preferential creditors of the Company. This may involve separate reporting to any secured creditor and dealing with distributions from asset realisations caught under their security, most typically a debenture.
- 2.14 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. We have liaised with the Company's payroll agents with regards to finalising the information in relation to the former employees' claims and submitting this information to the Redundancy Payments Service.
- 2.15 The above work will not necessarily bring any financial benefit to creditors generally and the more creditors there are on an assignment, the higher the resultant cost will usually be. The Joint Administrators however are required by statute to undertake this work. In this case we have received 35 unsecured creditor claims in this case totalling £9,358,698 (which include unsecured elements of former employee claims).

We have dealt with 26 former employees who have claims or potential claims and information regarding amounts due as per the Company's records has been passed to the Redundancy Payments Service.

Subsequent to our appointment, an occupational pension scheme was disclosed which we were not previously made aware of. As Joint Administrators, we are required to ensure that any obligations under the scheme are carried out which may involve a claim for any arrears of pension contributions to the Redundancy Payments Service.

Investigations

- 2.16 You may recall from our earlier progress reports to creditors that some of the work the Joint Administrators are required to undertake was to comply with legislation such as the Company Directors' Disqualification Act 1986 (CDDA 1986) and Statement of Insolvency Practice 2 – Investigations by Office Holders in Administration and Insolvent Liquidations and may not necessarily bring any financial benefit to creditors, unless those investigations revealed potential asset recoveries that could have been pursued for the benefit of creditors.
- 2.17 Our report on the conduct of the Directors of the Company to the Department for Business, Energy & Industrial Strategy under the CDDA 1986 was submitted during the first period of the Administration and is confidential.
- 2.18 Since our last progress report, we would advise that no further asset realisations have arisen that may be pursued by me for the benefit of creditors.

3 Unrealised assets

- 3.1 We would confirm that all assets have now been realised and the cumulative Receipts and Payments Account at Appendix A reflects the final position on both realisations achieved and payments made during the course of the Administration. This includes details of all expenses and disbursements incurred and paid by the Joint Administrators.

4 Outcome for creditors

- 4.1 As advised in our Proposals report, dividend prospects for preferential and unsecured creditors were dependent upon the realisations achieved from the sale of stock and recovery of the rent deposit. Given that the recovery of the rent deposit was lower than originally anticipated, there are no dividends to any class of creditor.

Secured creditors

- 4.2 There are no secured creditors in this matter.

Preferential creditors

- 4.3 A summary of preferential claims is detailed below.

Preferential claim	Agreed claim £	Statement of Affairs claim £	Dividend paid p in the £1
Employee claims (total number of claims = 26)	N/A	22,173.74 (estimated)	N/A
Redundancy Payments Service	N/A	N/A	N/A

Unsecured creditors

- 4.4 We have received claims totalling £9,385,698 from 35 creditors. We did not receive claims from six creditors with estimated claims totalling £135,740 as per the statement of affairs.
- 4.5 The Company has not granted a floating charge to any party. Accordingly, there is no requirement for the Joint Administrators to create a fund out of the Company's net floating charge property for the benefit of unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003.

5 Joint Administrators' remuneration

- 5.1 The basis of the Joint Administrators' fees has been fixed in the Administration as a combination of a set amount plus a percentage of the value of the Company's assets. Our fees information was originally provided to creditors when the basis of our remuneration was approved and was based on information available to us at that time.
- 5.2 A copy of our fees information is included at Appendix C.
- 5.3 The Joint Administrators have made the following realisations upon which the creditors have approved a percentage be taken as remuneration. Details of the realisations to date and associated remuneration drawn on account of those realisations is set out below:

Asset category	Value of assets realised in period	Total value of assets realised since appointment	Remuneration % agreed	Total fees invoiced to date
Cash at bank		£48,868.38	15%	£7,330.26
Stock	£52,020.50		20%	£10,404.10
Rent deposit	£26,037.34		40%	£10,414.94
Total				£28,149.30

- 5.4 The Joint Administrators fixed fee in this matter is £49,500 plus VAT in accordance with our fee structure as approved by creditors. Total fees incurred in this matter are £77,649.30 plus VAT and we have drawn fees of £76,961.57 plus VAT. The balance of our fees are irrecoverable.
- 5.5 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://baileyahmad.co.uk/resources/>.
- 5.6 Attached at Appendix B is additional information in relation to the Joint Administrators' fees, expenses and disbursements, including where relevant, information on the use of subcontractors and professional advisers.

6 Creditors' rights

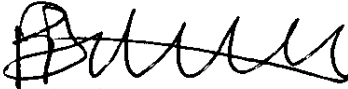
- 6.1 Within 21 days of the receipt of this report, a secured creditor, or an unsecured creditor (with the concurrence of at least 5% in value of the unsecured creditors) may request in writing that the Administrators provide further information about their remuneration or expenses (other than pre-administration costs) which have been itemised in this progress report.
- 6.2 Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors) may within 8 weeks of receipt of this progress report make an application to court on the grounds that, in all the circumstances, the basis fixed for the Administrators' remuneration is inappropriate and/or the remuneration charged or the expenses incurred by the Administrators, as set out in this progress report, are excessive.

7 Ending the Administration

- 7.1 I would confirm that we have sent a notice to the Registrar of Companies to be filed, moving the Company to dissolution as there is no property which might permit a distribution to the unsecured creditors.
- 7.2 The Joint Administrators' appointment will end following the registration of the notice by the Registrar of Companies. A copy of this notice is enclosed.
- 7.3 The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986 immediately upon their appointment as Administrators ceasing to have effect.

BCBG MAX AZRIA UK LIMITED - IN ADMINISTRATION

For and on behalf of BCBG Max Azria UK Limited

A handwritten signature in black ink, appearing to read 'Paul Bailey', with a stylized, cursive script.

Paul Bailey FABRP
Joint Administrator

Appendix A

Receipts and payments account from 13 October 2017 to 15 March 2018 and cumulative

BCBG Max Azria UK Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £		From 13/10/2017 To 15/03/2018 £	From 13/04/2017 To 15/03/2018 £
	ASSET REALISATIONS		
NIL	Fixtures and fittings	NIL	NIL
Uncertain	Stock	52,020.50	52,020.50
NIL	Concession sales	NIL	NIL
Uncertain	Rent deposit	26,037.34	26,037.34
47,200.00	Cash at bank	NIL	48,868.38
Uncertain	Cash in hand and sundry receipts	NIL	NIL
	Bank interest gross	2.75	9.73
		<u>78,060.59</u>	<u>126,935.95</u>
	COST OF REALISATIONS		
	Office holders' fees	39,961.57	76,961.57
	Office holders' expenses	1,028.00	1,028.00
	Agents' disbursements	17,153.80	17,153.80
	Bank charges	50.00	50.00
	Subcontractors' fees	NIL	600.00
	Agent's fees	15,303.08	15,303.08
	Accountancy fees	NIL	3,500.00
	Legal fees	12,000.00	12,000.00
	Sundry disbursements	NIL	3.50
	Insurance of assets	NIL	336.00
		<u>(85,496.45)</u>	<u>(126,935.95)</u>
	PREFERENTIAL CREDITORS		
(22,173.74)	Employee arrears/holiday pay	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	UNSECURED CREDITORS		
(361,316.31)	Trade and expense creditors	NIL	NIL
(27,363.60)	Employees	NIL	NIL
(5,874.68)	HM Revenue & Customs - PAYE	NIL	NIL
(6,655.00)	HM Revenue & Customs - VAT	NIL	NIL
(7,472,836.48)	Connected companies	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
	DISTRIBUTIONS		
(10.00)	Ordinary shareholders	NIL	NIL
		<u>NIL</u>	<u>NIL</u>
<u>(7,849,029.81)</u>		<u>(7,435.86)</u>	<u>(0.00)</u>
	REPRESENTED BY		
			<u><u>NIL</u></u>

Appendix B

Additional information in relation to the Joint Administrators' fees, expenses and disbursements

Staff allocation and the use of subcontractors

The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.

The constitution of the case team will usually consist of a Director, a Manager, and a Case Administrator or Assistant. The exact constitution of the case team will depend on the anticipated size and complexity of the assignment and the experience requirements of the assignment.

It has been necessary to instruct professional pensions advisors, Clumber Consultancy Limited (Clumber) following an occupational pension scheme coming to light which we were not aware of previously. Clumber were instructed to prepare a claim for arrears of pension contributions to the Redundancy Payments Service and ensure that the required notifications to the Pensions Regular, Pension Protection Fund and manager of the scheme have been prepared, for a fixed fee. An initial report was also obtained by Clumber to highlight the above obligations.

On this assignment we have used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them, which is subject to review on a regular basis.

Name of professional advisor	Basis of fee arrangement
Jones Day (legal advice)	Time costs plus disbursements
Gordon Brothers (valuation and disposal advice)	Time costs plus disbursements

Our choice was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of our fee arrangement with them.

Joint Administrators' expenses and disbursements

The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Joint Administrators' Proposals report a copy of which is set out below:

Expense	Provider	Basis of fee arrangement	Cost as at date of Proposals £
Agent's fees in dealing with property/chattel asset sales	Gordon Brothers	Time costs	5,500.00
Solicitor's fees in dealing with various matters re rent deposit and appointment	Jones Day	Time costs	8,020.00
Accountants fees	Cohen Arnold	Time costs	3,500.00
Statutory advertising	TMP Reynell	£69 per advert	207.00
Joint Administrators' bond	Marsh	Premium	320.00
Staff related travel expenses	Direct cost of Administrator & his staff	N/A	23.50

Current position of Joint Administrators' expenses

An analysis of the expenses paid to the date of this report, together with those incurred but not paid at the date of this report is provided below:

	Paid in prior period £	Paid in the period covered by this report £	Incurred but not paid to date £	Total anticipated cost £
Agents' costs (Gordon Brothers)	Nil	32,456.88	Nil	32,456.88
Agents' costs (Clumber)	250	Nil	Nil	250
Accountancy fees	3,500	Nil	Nil	3,500
Solicitors' costs (Jones Day)	Nil	12,000	Nil	12,000
Subcontractors' costs (Clumber)	600	600	Nil	600
Insurance	336	Nil	Nil	336
Statutory advertising	138	Nil	Nil	138
Specific penalty bond	640	Nil	Nil	640
External storage of books & records	Nil	Nil	270	500
Searches	3.50	Nil	Nil	3.50
Case related travel	23.50	Nil	Nil	23.50
Total				50,447.88

We have drawn £1,028 plus VAT on account of the total disbursements met by our firm of £1,321.50 plus VAT.

Category 1 disbursements do not require approval by creditors. The type of disbursements that may be charged as a Category 1 disbursement to a case generally comprise of external supplies of incidental services specifically identifiable to the case, such as postage, case advertising, invoiced travel and external printing, room hire and document storage. Also chargeable will be any properly reimbursed expenses incurred by personnel in connection with the case. These disbursements are included in the tables of expenses above.

Category 2 disbursements do require approval from creditors. These are costs which are directly referable to the appointment in question but are not payments which are made to an independent third party and may include shared or allocated costs that can be allocated to the appointment on a proper and reasonable basis such as internal room hire, document storage or business mileage. Details of Category 2 disbursements charged by this firm (where appropriate) were provided in the Administrators' Proposals Report and approved by creditors. Any Category 2 disbursements incurred are specifically highlighted in the tables of expenses above.

Appendix C

Fee Structure

Introduction

This document explains the work that Bailey Ahmad Business Recovery will typically complete when administering an Administration, together with our associated fee basis for each category of work completed. We consider that the fee basis is a fair and reasonable reflection of the work that we anticipate will be necessary, on the basis that the Administrators have ensured that resources are allocated to tasks based upon expertise and experience in dealing with the complexity of the work being undertaken.

In addition, we explain our policy in relation to the charging of necessary disbursements.

The fees, and associated disbursements, applied will be subject to the particular circumstances that arise during the course of the Administration.

Summary of the work involved

Charges fixed for the duration of the Administration

Statutory duties upon appointment

- Set up of the case on our internal systems
- Anti-money laundering checks and due diligence where required
- Set-up of case checklists and system diary
- Preparing contents listing of records delivered up by directors, re-boxing if necessary
- Statutory notifications to Companies House and members
- Advertisements
- Notifications to directors, former bankers, professional advisors, local authority, HM Revenue & Customs (HMRC) and Information Commissioner
- Arranging insurance cover over assets and bonding
- Preparation of the Administrators report and proposals

Statutory duties upon closure

- Preparing clearance letters and returns to HMRC advising them of intended proposals
- Preparing paperwork to send to members and creditors regarding the exit route from Administration
- Issuing the requisite forms to Companies House
- Checking receipt of statutory filings at Companies House website

Holding physical meetings (if requisitioned by creditors)

- Preparing notices
- Preparing advertisement
- Hiring or booking a meeting room
- Updating our internal systems
- Considering other means of attendance if required by certain attendees e.g. by phone
- Preparing minutes and meeting documents
- Reporting as necessary on the outcome of the meeting

Pension scheme(s)

- Notification to Pensions Regulator
- Obtaining Pensions Regulator unique code for each case to enable an online notification of insolvency
- Online notification to Pension Protection Fund of pension scheme(s)
- Postal notifications to Pension Protection Fund and scheme provider
- Instructing specialist pensions agent to report on any occupational pension schemes and advise of the Administrators' statutory obligations
- Carrying out obligations as recommended by the pensions agent
- Establishing from records, bank statements and scheme provider whether there are any arrears of contributions prior to Administration
- Preparing and submitting RP15 (arrears of pension contributions claim) to Redundancy Payments Service (RPS)

Preliminary review of company records

- Review of books and records, accounts and bank statements

Unsecured creditor base cost and communication

- Statutory notifications to creditors
- Maintaining creditor records on our internal systems
- General correspondence and telephone calls
- Recording claims
- Opening and processing incoming post
- Processing outgoing post and filing

Employee base cost and communication

- Preparation of RP14 (insolvency detailed disclosure) and RP14A (schedule of employees and entitlements) to be uploaded to the RPS online system
- Statutory notifications to employees

- Dealing with queries from former employees and the RPS
- Dealing with any discrepancies with claims, liaising with directors, advising the RPS accordingly
- Dealing with RPS queries in relation to asset sales

Creditor committee base cost

- Formation and initial meeting
- Preparing minutes
- Provision of various guidance and documents
- Statutory filing of constitution documents at Companies House

Annual charges payable each year from commencement

Annual statutory obligations

- Preparing corporation tax returns
- Receipts and payments accounts to Companies House
- Checklist/Diary review and update

Cashiering

- Raising invoices and associated paperwork
- Raising deposit vouchers
- Posting deposits and expenditures to our internal systems
- Preparing recharge vouchers for items of expenditure met from the firm's account
- Setting up a designated case account
- Liaising with bankers
- Setting up payments by bank transfer and cheque for professional and other disbursements
- Monthly bank reconciliation
- Maintaining receipts and payments account
- Periodic VAT reconciliation and returns
- Bond calculation and submission

Case monitoring/review

- Periodic case reviews
- Strategy discussions and file notes
- Reviewing and updating checklists
- File notes
- Bond reviews and increases where necessary
- Review of insurance cover and liaising with insurers following identification or disposal of assets

Statutory reporting

- Initial report to members and creditors following appointment
- Reports to members and creditors and filing copy with Companies House
- Reporting to committee (where applicable)
- Additional reporting to creditors where required
- *Preparing final reports to members and creditors*
- Set up of creditor/member log in area on our website, uploading reports, providing hard copies of reports when requested

Creditor committee annual obligations

- Liaising with committee members
- Notices as applicable regarding asset disposals
- Seeking direction via postal resolutions
- Provision of receipts and payments to members where requested
- Dealing with committee expense claims
- Circulation of reports
- Carrying out investigations as required

Unit charges

Preliminary director investigation and reporting

- Letters and telephone calls to banks for information and statements where required
- Correspondence with creditors regarding investigation matters (where relevant)
- Chasing (where necessary) and review of directors' questionnaires, general correspondence with directors
- General correspondence with The Insolvency Service
- Submission of return/report to the Directors' Disqualification Unit of the UK Department for Business Innovation & Skills under the provisions of the Company Directors Disqualification Act

Additional unsecured creditors

- See 'Unsecured creditor base cost and communication'

Additional employees

- See 'Employee base cost and communication'

Creditor committee report

- Preparing reports on the outcome of investigations into matters raised by the committee and of the conduct of the Administration

Creditor committee meeting

- Holding physical committee meetings as required
- Preparing and documenting minutes

Unsecured creditors (excluding employees)

- Review of claims and supporting documentation in conjunction with the Company's records
- Seeking director input where required
- Liaising with creditors regarding agreement process and general queries
- Requesting further evidence of claim from creditors
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques
- Managing the rejection of claims which are either out of time or without basis
- Payment of unclaimed dividends to The Insolvency Service
- Monitoring correspondence regarding opting in and out of future communications
- Maintaining our internal systems regarding opted out creditors

Employees and Redundancy Payments Service

- Requesting detailed breakdown of RPS claim which details the payments made to each claimant
- Agreement of preferential claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Agreement of unsecured claims in relation to RPS schedule, any Tribunal Judgments and original RP14A
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required
- Payment of unclaimed dividends to The Insolvency Service

Secured creditors

- General correspondence with secured creditors
- Review of debentures
- Seeking legal advice regarding validity if appropriate

- Seeking secured creditor views on proposed strategy
- Agreement of claim(s)
- Preparing estimated outcome statements
- Processing and payment of dividend

Prescribed part payments to unsecured creditors

- Procuring claim from any qualifying floating charge holder
- Calculation of prescribed part following payment in full of any preferential claims
- Writing to creditors yet to claim
- Advertisement and circulation of a 'notice of intended dividend'
- Calculation of dividend and preparing estimated outcome statement(s)
- Preparing letters to creditors with dividend cheques
- Chasing creditors to present cheques if required

Asset recovery

Debtors

- Review and reconciliation of debtor records
- Setting up and maintaining debtor records on our internal systems
- Writing to debtors with evidence of debt and requesting payment
- Chaser letters as required
- File notes
- Dealing with debtor queries, disputes, reverting to directors where required
- If applicable, preparing a handover to a debt collection agent
- Dealing with the agent's queries and monitoring
- Reconciliation of bank statements, and requesting further information from banks
- Considering legal action and write offs
- Chasing/monitoring dividends from debtor insolvencies and ensuring the Company's claim is acknowledged

Property/leasehold interest

- Securing assets
- Preparing and circulating notice of disclaimer where relevant
- Land Registry searches and applications
- Instructing and liaising valuation and other professional agents
- Instructing and liaising with solicitors
- Considering viability of lease assignment
- General correspondence with landlord

- Sale/assignment negotiation
- Monitoring recovery of asset and receipt of sale proceeds

Plant and machinery, fixtures and fittings

- Securing assets
- Instructing and liaising with agents
- Discussion and negotiation with interested parties
- Considering finance, leased or third party interests
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

Intellectual Property/Goodwill

- Instructing and liaising with agents
- Instructing and liaising with solicitors where necessary
- Discussion and negotiation with interested parties
- Review of agent's recommendations regarding offers and acceptance
- Liaising with secured creditor(s) regarding offers to purchase (if applicable)
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds

Directors' loan accounts

- Procuring up to date reconciliation from professional advisors as applicable
- Negotiating repayment proposal or settlement
- Periodic request and review of income and expenditure
- Requesting and review of details of the directors' personal asset/liability position
- Monitoring settlement
- Liaising with director regarding late payments or amendments to repayment strategy
- Instructing solicitors/agents if required

Stock

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance

- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Instructing and liaising with solicitors where necessary
- Review/preparation of sale contracts/invoices
- Monitoring receipt of sale proceeds
- Dealing with creditors regarding claims for retention of title over goods supplied

Cash at bank

- Identify company bankers
- Correspond with bankers with a view to procurement of balances held
- Monitoring of bank accounts for any ongoing receipts if likely
- Consider exchange rates where foreign currency is involved
- Procurement of any known prepayments or deposits

Motor vehicles

- Secure assets
- Discussion and negotiation with interested parties
- Instructing and liaising with agents
- Review of agent's recommendations regarding offers and acceptance
- Preparing and circulating notice of disclaimer where relevant
- Monitoring asset recovery
- Liaising with finance/lease companies
- Dealing with general correspondence from DVLA and finance companies

Rent deposits

- General correspondence with landlord
- Instructing specialist agents if necessary (e.g. quantity surveyors)
- Instructing solicitors as required
- Considering set-off
- Negotiating recovery and monitoring receipt

Legal actions

- Considering whether to continue with any legal action already commenced by the Company
- Any action required following director investigations
- Instructing solicitors to review the relevant paperwork
- Agreeing proposed course of action with legal advisors after considering facts and prospect of success/failure

- Liaising with creditors and other interested parties as required
- Seek sanction for costs as required
- Consider funding and ATE insurance

Tax refunds

- Preparation/Submission of tax returns
- Where appropriate, instruct specialist tax agents/accountants
- Consider potential Crown Set-off
- Procuring information to assist agent/accountant with preparing application
- General correspondence with HMRC
- Monitoring receipt of any refund due

Bailey Ahmad Business Recovery Administration Fee Structure

* Please note that all prices shown are excluding VAT

Basis of Administrators' fees

Statutory duties

	£
Charges fixed for the duration of the administration	
Statutory work associated with appointment and closure	7,000
If appropriate, work associated with dealing with pension scheme(s)	2,250
If appropriate, cost of convening and holding a requisitioned creditors' meeting	2,000
Preliminary review of company records	3,000
Unsecured creditor base charge (up to 25 unsecured creditors)	7,000
Employee base charge (up to 10 employees)	3,750
Creditor committee base charge	2,000
Drafting Administrators proposals	7,000
Administration progress reports	5,000
Managing appropriate exit route from administration	2,500
Annual charges payable each year from commencement	
Annual statutory obligations	1,500
Cashiering	2,000
Case monitoring/review	2,500
Statutory reporting	800
Creditor committee annual obligations	500

Unit charges

Preliminary director investigation and reporting	400 per director
Additional unsecured creditors (over and above the 25 included in the base cost)	300 per unsecured creditor
Additional employees (over and above the 10 included in the base cost)	325 per employee
Creditor committee report	2,000 per report
Creditor committee meeting	500 per meeting

Activities associated with a direct financial benefit to creditors

Unsecured creditors (excluding employees)

Claim agreement	200 per creditor
Dividend calculation and payment (charge per distribution)	80 per creditor

Employees and Redundancy Payments Service

Claim agreement	200 per employee
Dividend calculation payment (charge per distribution)	100 per employee

Secured creditors

General provision for communication	600 per secured creditor
Claim agreement (including prescribed part calculation)	2,500 per secured creditor
Dividend calculation and payment (charge per distribution)	250 per secured creditor

Prescribed part payments to unsecured creditors

Claim agreement	200 per creditor participating in the prescribed part payment
Dividend payment (charge per distribution)	100 per creditor participating in the prescribed part payment

Asset recovery

	Headline rate, but all are subject to the minimum charge stated	Minimum charge
Debtors	40% of gross realisations per debtor	£250 per debtor
Property/Leasehold interest	15% of gross realisations per property/lease	£7,500 per property/lease
Plant and machinery	20% of gross realisations	£2,000
Fixtures and fittings	20% of gross realisations	£2,000
Intellectual property/Goodwill	40% of gross realisations per item	£2,000
Directors' loan account	40% of gross realisations per DLA	£2,500 per annum per DLA
Assets not disclosed in the Statement of Affairs	50% of gross realisations	£2,000
Stock	20% of gross realisations	£2,000
Cash at bank	15% of gross realisations	£500 per bank account
Motor vehicles	30% of gross realisations	£1,000 per vehicle
Rent deposits	40% of gross realisations	£2,500 per deposit
Legal actions	50% of gross realisations	£5,000
Tax refunds	30% of gross realisations	£1,500

Administrators' disbursements

There are two types of disbursements; Category 1 and Category 2 disbursements. Category 1 disbursements are generally external supplies of incidental services that are specifically identifiable to the case against which they are being charged. These include insolvency bonds, swearing fees, redirection of mail, accommodation, subsistence, company searches, hire of external meeting rooms* or any other miscellaneous item which is by nature a Category 1 disbursement paid out in respect of the administration. Creditor approval of Category 1 disbursements is not required.

*Hire of meetings rooms may be required should creditors requisition a physical meeting

Category 2 disbursements are those which, whilst being in the nature of expenses or disbursements, include an element of shared or allocated costs. Approval of the committee, or the creditors if there is no committee, is required before Category 2 disbursements can be drawn. We will seek to recover the following Category 2 disbursements:

1. Storage of company books and records at the insolvency practitioners' storage facility. The books and records will be stored in standard storage boxes and a storage fee of £5 plus VAT per box per month will be charged. This charge covers the transportation of records from the company's premises, storage, retrieval of books and records in storage for administration purposes and the destruction of such books and records after expiration of the statutory retention period.
2. The recharge of travelling by motor vehicle on business for the administration of the insolvency will be charged to the liquidation at 45p per mile.

The following agents or professional advisors have been utilised in this matter:

Agent/Professional advisor	Nature of work	Fee arrangement
<i>Gordon Brothers Limited</i>	<i>Chattel agents</i>	<i>Time cost</i>
<i>(add/remove agents as applicable)</i>		<i>Paid to date (£)</i>
		<i>Nil</i>
<i>Clumber Consultancy Limited</i>	<i>Pension advisers</i>	<i>Fee arrangement</i>
		<i>Fixed fee</i>
		<i>Paid to date (£)</i>
		<i>Nil</i>
<i>Jones Day</i>	<i>Solicitors</i>	<i>Time cost</i>
		<i>Paid to date (£)</i>
		<i>Nil</i>
<i>Cohen Arnold</i>	<i>Accountants</i>	<i>Time cost</i>
		<i>Paid to date (£)</i>
		<i>Nil</i>

The choice of professionals was based on our perception of their experience and ability to perform this type of work, the complexity and nature of the assignment and the basis of my fee arrangement with them. We are satisfied that the fee arrangement is reasonable in the circumstances of this case.

Gordon Brothers Limited are assisting in the sale of the Company's stock and review of the recovery of the rent deposit.

Clumber Consultancy will be engaged in the even they are required to administer any pension scheme.

Jones Day solicitors are advising the Joint Administrators on any legal issues that arise in the administration.

Cohen Arnold are assisting the Joint Administrators in completing VAT returns and employee claim figures.

Other professional fees

It may be necessary for us to instruct other professionals such as specialist agents or subcontractors to assist us with carrying out certain aspects of our role as liquidators. Examples include debt collection agents, quantity surveyors, solicitors, accountants and pensions experts. The fee basis of appointed agents will be agreed by the liquidators by reference to the service being offered and the complexity/risk associated with the assignment. Such costs will be paid as an expense of the liquidation at the liquidators' discretion.

Statutory advertising and insurance (bond) charges 2017

*These charges are set annually by our external suppliers and the following prices relate to 2017 and are shown excluding VAT.

Advertising	£
Statutory advertising	138
Additional advertising per notice (where applicable)	69

Insurance (bond) charge, dependent on the level of anticipated assets, banded as follows:

£0 - £500	20
£501 - £10,000	40
£10,001 - £25,000	70
£25,001 - £50,000	184
£50,001 - £100,000	272
£100,001 - £250,000	420
£250,001 - £500,000	640
£500,001 - £1,000,000	840
£1,000,001 - £2,000,000	1,600
£2,000,001 - £3,500,000	1,840
£3,500,001 - £5,000,000	2,100
Over £5,000,000	2,400