



For further information, please  
refer to our guidance at  
[www.gov.uk/companieshouse](http://www.gov.uk/companieshouse)

### 1 Company details

Company number 1 0 2 3 9 6 9 0

Company name in full Blue Bear Management Limited

#### → Filling in this form

Please complete in typescript or in  
bold black capitals.

### 2 Administrator's name

Full forename(s) Anthony Steven

Surname Barrell

### 3 Administrator's address

Building name/number FRP Advisory Trading Limited

Street 2nd Floor

170 Edmund Street

Post town Birmingham

County/Region

Postcode B 3 2 H B

Country

### 4 Administrator's name ①

Full forename(s) Philip Lewis

Surname Armstrong

#### ① Other administrator

Use this section to tell us about  
another administrator.

### 5 Administrator's address ②

Building name/number FRP Advisory Trading Limited

Street 2nd Floor

110 Cannon Street

Post town London

County/Region

Postcode E C 4 N 6 E U

Country

#### ② Other administrator

Use this section to tell us about  
another administrator.

# AM10

## Notice of administrator's progress report

### 6 Period of progress report

From date	<sup>d</sup> 1	<sup>d</sup> 8	<sup>m</sup> 1	<sup>m</sup> 2	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 0
To date	<sup>d</sup> 1	<sup>d</sup> 7	<sup>m</sup> 0	<sup>m</sup> 6	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1

### 7 Progress report

☒ I attach a copy of the progress report

### 8 Sign and date

Administrator's  
signature

Signature

X

*R. Howell*

X

Signature date

<sup>d</sup> 1	<sup>d</sup> 2	<sup>m</sup> 0	<sup>m</sup> 7	<sup>y</sup> 2	<sup>y</sup> 0	<sup>y</sup> 2	<sup>y</sup> 1
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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 **Anthony Steven Barrell**

Company name **FRP Advisory Trading Limited**

Address **2nd Floor**

**170 Edmund Street**

Post town **Birmingham**

County/Region

Postcode

**B**

**3**

**2**

**H**

**B**

Country

DX

**cp.birmingham@frpadvisory.com**

Telephone

**0121 710 1680**

**Checklist**

**We may return forms completed incorrectly or with information missing.**

**Please make sure you have remembered the following:**

- ☐ The company name and number match the information held on the public Register.
- ☐ You have attached the required documents.
- ☐ You have signed the form.

**Important information**

**All information on this form will appear on the public record.**

**Where to send**

**You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:**

The Registrar of Companies, Companies House,  
Crown Way, Cardiff, Wales, CF14 3UZ.  
DX 33050 Cardiff.

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**Blue Bear Management Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**  
**To 17/06/2021**

S of A £	£	£
SECURED ASSETS		
Freehold Land & Property	5,100,000.00	
Contribution to costs	240,000.00	
		5,340,000.00
COSTS OF REALISATION		
Administrators' Fees	73,658.00	
Marketing costs	4,652.23	
Agents/Valuers Fees	20,700.00	
Insurance of assets	19,775.35	
Security	10,904.70	
Clearance Costs	870.00	
Utilities	8,502.03	
Maintenance	2,205.00	
		(141,267.31)
SECURED CREDITORS		
RM Secured Direct Lending PLC	5,100,000.00	
		(5,100,000.00)
ASSET REALISATIONS		
Chattel assets	20,000.00	
Cash at Bank	1,728.72	
Bank Interest Gross	4.79	
		21,733.51
COST OF REALISATIONS		
Administrators' pre-appt fees	2,731.00	
Administrators' Remuneration	16,342.00	
Administrators' Disbursements	38.07	
Agents/Valuers Fees (1)	400.00	
Storage Costs	47.50	
Statutory Advertising	77.98	
Bank Charges - Floating	9.00	
Courier Charges	351.75	
		(19,997.30)
		100,468.90
REPRESENTED BY		
Vat Recoverable - Floating		9,079.85
IB Current Fixed/NIB 11.6.21		90,230.23
IB Current Floating/NIB 11.6.21		1,634.74
Vat Recoverable - Fixed		3,524.08
Vat Payable - Floating		(4,000.00)
		100,468.90

**FRP**

Blue Bear Management Limited - in administration ("the Company")

In the High Court of Justice, Business and Property Courts of England and Wales  
No. CR-2020-004562

The Administrators' progress report for the period 18 December 2020 – 17  
June 2021 pursuant to Rule 18.3 of the Insolvency (England and Wales) Rules  
2016

Date: 12 July 2021

## Contents and abbreviations

**FRP**

Section	Content
1.	Progress of the administration in the Period
2.	Estimated outcome for the creditors
3.	Administrators' remuneration, disbursements, expenses and pre-appointment costs
<b>Appendix</b>	<b>Content</b>
A.	Statutory information regarding the Company and the appointment of the Administrators
B.	Form AM10, formal notice of the progress report
C.	A schedule of work
D.	Details of the Administrators' time costs and disbursements for the Period
E.	Receipts and payments account for the Period
F.	Statement of expenses incurred in the Period

### The following abbreviations may be used in this report:

<b>The Administrators</b>	Anthony Steven Barrell and Philip Lewis Armstrong of FRP Advisory Trading Limited
<b>ATG</b>	Advance To Go Limited
<b>AY</b>	Academic Year
<b>The Company</b>	Blue Bear Management Limited - in administration
<b>DBEIS</b>	Department for Business, Energy & Industrial Strategy
<b>The Director</b>	Preet Gandhi
<b>EREC (trading as Uninn)</b>	EREC Estates Management Services Ltd
<b>Freeths</b>	Freeths LLP
<b>FRP</b>	FRP Advisory Trading Limited
<b>HMRC</b>	HM Revenue & Customs
<b>The Insolvency Rules</b>	The Insolvency (England and Wales) Rules 2016
<b>LSH</b>	Lambert Smith Hampton Limited
<b>The Period</b>	The reporting period 18 December 2020 to 17 June 2021
<b>The Property</b>	Greyfriars House, Greyfriars Lane, Coventry, CV1 2GW
<b>PMA</b>	Property Management Agreement

## Contents and abbreviations

**FRP**

<b>The Proposals</b>	The Administrators' proposals for achieving the purpose of the administration dated 2 February 2021
<b>The Purchaser / CSAL</b>	Coventry Student Accommodation 1 Limited
<b>RM</b>	RM Secured Direct Lending PLC
<b>Savills</b>	Savills PLC
<b>SIP</b>	Statement of Insolvency Practice
<b>SPV</b>	Special purpose vehicle
<b>TCC</b>	The Construction Consultants
<b>TGFP</b>	TGFP Limited
<b>VAT</b>	Value Added Tax

## 1. Progress of the administration in the Period

### Note

This report has been prepared from information available at the time of its preparation. Due to the global outbreak of Covid-19 and the UK's response to this, in particular working from home and consequently a lack of access to physical files or other information, we should advise that we may not have all the information required to ensure this report is both complete and accurate. Where there are any errors and/or omissions we will endeavour to correct these where possible in our next report to you.

### The Proposals

This report should be read in conjunction with the Administrators' Proposals dated 2 February 2021. The Administrators identified that the objective of the administration was to realise property in order to make a distribution to one or more secured or preferential creditors.

This objective was achieved by completing a sale of the Company's freehold Property on 1 June 2021 and making a distribution to RM, the Company's secured creditor.

### Work undertaken during the Period

I attach at **Appendix C** a schedule of work undertaken during the Period together with a summary of work still to be completed. Key areas of work undertaken are:

- Ensuring that the Property was secured and appropriately insured;
- Recovering the cash at bank;
- Securing a facility agreement with RM to fund Property holding costs and the administration;
- Instructing EREC under the PMA;
- Preparing certain rooms for marketing purposes for intake in AY21/22;
- Settling the Property holding costs and expenses incurred to date;
- Providing regular updates to RM;

- Instructing TGFP to prepare the post-appointment VAT return;
- Completing the sale of the Property to CSAL;
- Negotiating a sale of the Company's unencumbered assets to CSAL;
- Declaring and distributing funds to RM under its fixed charge;
- Addressing creditor correspondence and providing updates to creditors regarding dividend prospects when requested;
- Conducting investigations and enquiries in order to provide returns to the DBEIS as required by regulation;
- Ensuring all statutory and compliance matters were attended to; and
- Paying the administration costs and expenses incurred to date.

### Freehold Property

As advised previously, the Property was actively marketed by my agents, Savills, with details of the Property being circulated to potential interested parties on their local and national databases, as well as targeted marketing in specific property publications in order to fully expose the Property to the market.

The above marketing exercise generated five offers ranging from £2m (unconditional) to £5m (conditional). An unconditional offer was also submitted by RM by way of a credit-bid, via an SPV (CSAL), for £5.1m.

Please note that RM is connected to the transaction as RM is the ultimate beneficial owner of the Purchaser and is the key secured lender to the Company. I confirm that the Administrators did not provide any advice to RM or the Purchaser and I understand they obtained their own independent legal advice.

Having considered the offers, Savills recommended we proceed RM's unconditional offer of £5.1m. It was considered the highest offer and the unconditionality of the offer made it more certain of completion as compared to the other conditional offer.



## 1. Progress of the administration in the Period

Based upon the recommendations from our agents, Savills, I accepted the offer from CSAL and steps were taken to progress the transaction which completed on 1 June 2021. In addition, the chattel assets (mainly furniture) were sold to CSAL, further details are provided in the section on other assets later in this progress report.

### **Post-appointment VAT**

I liaised with TGFP, the Company's former accountants, as to whether or not VAT could be recovered from HMRC as the Company is VAT registered and there was an option to tax on the Property. I was advised that the VAT was recoverable.

### **Facility agreement**

A facility agreement was negotiated with RM, utilising its current facility agreement with the Company, to enable funds of up to £250k to be drawn down.

The £250k facility agreement was to cover the Property holding costs, student marketing costs, repairs and maintenance, administration costs and expenses.

A total of £215k has been drawn down under the facility, however, it is anticipated that once all costs and expenses have been paid and associated VAT recovered, that there will be a surplus which will be returned to RM. The facility agreement and draw down was in addition to a sum of £25k advanced by RM in December 2020 as a property protection loan to secure the Property and pay any immediate expenses (e.g. security, utilities etc.).

The facility agreement funds have been received into the administration account and are reflected on the R&P attached at **Appendix E**.

### **Property management agreement**

As mentioned above, a PMA was signed with property managing agents, EREC, to prepare and market the Property ahead of the AY September 2021. Following the sale of the Property, the PMA was formally assigned to the Purchaser which ensured a smooth transition for all parties.

### **Other assets**

As mentioned above, cash at bank was realised totalling £1.7k and transferred to the administration estate.

The chattel assets (primarily sofas and beds) were sold to CSAL, following recommendation from my chattel agents, MGR, which generated total realisations before costs of £20k plus VAT as the value was in excess of the ex-situ valuation of £12.4k prior to costs of removal.

Interest accrued from the administration bank accounts totalling £5 has been received during the Period.

There are no remaining chattel assets to realise.

### **Outstanding matters**

The schedule of work also details the work required to be completed, the key elements of which include:

- Finalising and paying the remaining Property holding costs;
- Submitting the post appointment VAT and CT returns to HMRC;
- Paying all remaining administration costs and expenses;
- Refunding any surplus monies to RM under the facility agreement; and
- Closing the case when deemed appropriate by the Administrators.

### **Sub-contracted work**

I can confirm that no work that could have been undertaken by my staff has been subcontracted to third parties.

### **Receipts and payments account**

Attached at **Appendix E** is a receipts and payments account detailing transactions during the Period.

## 1. Progress of the administration in the Period

Payments made from the estate are fair and reasonable and proportionate to the insolvency appointment and are directly attributable to this insolvency.

No payments have been made to associates of the Administrators without the prior approval of creditors as required by SIP9.

### **Investigations**

Part of my duties include carrying out proportionate investigations into what assets the Company has, including any potential claims against directors or other parties, and what recoveries could be made. I have reviewed the Company's books and records and accounting information, requested further information from the Director, and invited creditors to provide information on any concerns they have regarding the way in which the Company's business has been conducted.

Further details of the conduct of my investigations are set out in the schedule of work attached. I can confirm that no further investigations or actions are required.

### **Extension to the initial period of appointment**

No extension of the administration is currently anticipated.

### **Anticipated exit strategy**

In accordance with the Proposals, it is anticipated that the administration will be exited by way of the Administrators ceasing to act by sending a notice to the Registrar of Companies in accordance with Paragraph 84 of Schedule B1 to the Insolvency Act 1986 to bring the administration to an end and three months after the filing of the notice the Company will be deemed to be dissolved.

The Joint Administrators will be discharged from liability under Paragraph 98(3) of Schedule B1 to the Insolvency Act 1986, 30 days following filing of the notice of moving from administration to dissolution.

## 2. Estimated outcome for the creditors

**FRP**

Based on the information currently available, I set out below the anticipated outcome for creditors:

### Outcome for the secured creditors

At the date of appointment, the Company had granted the following securities:

Charge holder	Security held	Date Created	Date Delivered
RM Secured Direct Lending PLC	Security agreement	4 April 2019	11 April 2019
Advance To Go Limited	Debenture	31 January 2017	6 February 2017
Advance To Go Limited	Legal mortgage	31 January 2017	6 February 2017

### RM

RM provided a development loan secured against the Property. As at the date of appointment, RM was owed in the region of £6.3m (prior to any contractual charges and interest) in relation to the loan. RM holds first-ranking security over the Property.

As previously noted, the sale of the Property was transacted by way of a credit bid which means that there was, in effect, an immediate distribution following the sale. The sale consideration totalled £5.1m. This will serve to reduce RM's indebtedness from £6.3m to £1.2m. No further recoveries are anticipated from assets remaining in the administration which are likely to result in any further distributions to RM (via CSAL).

The outcome for RM was in line with the Proposals

In addition, RM has provided a £25k property protection loan to secure the Property and pay any immediate expenses and £215k under the facility agreement to cover Property holding costs, marketing of the Property, professional and other costs during

the administration. Following all costs and expenses being discharged and recovery of VAT, any surplus funds will be returned to RM.

### ATG

ATG at the date of our appointment was owed approximately £1m (prior to contractual charges and interest) which was secured by charges created on 31 January 2017.

As RM will not be repaid in full, ATG as second-ranking secured creditor, will not receive any distribution from the Company.

The outcome to ATG is in line with the Proposals.

We have been made aware that the Director may have issued a personal guarantee to ATG, however, we understand this relates to building cost overruns.

### Outcome for the preferential creditors

The preferential elements of an employees' claim are arrears of pay, unpaid pension contributions and holiday pay as calculated in accordance with legislation. To date no employee claims have been received.

Due to a change in recent legislation, HMRC now rank as a secondary preferential creditor. A claim has been received for £7k which we are reviewing.

I do not anticipate sufficient funds to make a distribution to preferential creditors.

The outcome to preferential creditors is in line with the Proposals.

### Outcome for the unsecured creditors

Based on current information, it is anticipated that there will not be sufficient funds available to make a distribution to unsecured creditors.

This outcome is in line with the Proposals.

## 2. Estimated outcome for the creditors

**FRP**

### **Prescribed part**

The prescribed part is a carve out of funds available to the holder of a floating charge which is set aside for the unsecured creditors in accordance with section 176A of the Insolvency Act 1986. The prescribed part only applies where the floating charge was created after 15 September 2003 and the net property available to the floating charge holder exceeds £10,000.

In this case, the Administrators do not currently anticipate making a prescribed part distribution as there is unlikely to be sufficient funds available to discharge all professional costs and expenses of the administration in full and therefore no net property.

### 3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

**FRP**

#### **Administrators' remuneration**

Following circulation of the Administrators' Proposals the secured creditors passed a resolution that the Administrators' remuneration should be calculated on a time cost basis. Details of remuneration charged during the Period are set out in the statement of expenses attached at **Appendix F**. To date, fees of £90,000 plus VAT have been drawn from the funds available of which £73,658 plus VAT has been attributed to fixed charge costs and £16,342 plus VAT to floating charge costs. Total time costs of £95,979 plus VAT have been incurred in the Period.

A breakdown of our time costs incurred during the Period and to date is attached at **Appendix D**.

As a result of the additional work undertaken by the Administrators that was not envisaged when the Proposals were circulated and the fee estimate approved by the secured creditors, the time incurred has exceeded that of the initial fees estimate (£91,975 plus VAT).

As previously advised the increase in Administrators' time costs resulted from time spent on matters not originally foreseen, particularly as we received no cooperation and information from the Director, as follows:

- The additional work required to realise the Property including securing the facility agreement and entering into the PMA with EREC;
- Ongoing requirement to oversee the "trading account" and pay all associated costs relating to the PMA;
- Dealing with Property legacy issues including meeting with the Company's former contractor and property surveyor to discuss the rectification works;
- Liaising with the Company's former property surveyors regarding the outstanding defects report;
- Liaising with E.on Plc following disconnection of electricity to the Property and subsequent additional alarm activations;
- Liaising with SSE Energy regarding purported supply of electricity to the Property;

- Responding to a large number of Property maintenance issues such as trespassers and water leaks;
- Complying with the insurer's additional requirements and recommendations to ensure the Property was appropriately insured; and
- Further investigation in relation to the Company's VAT status.

In accordance with the Insolvency Rules the Administrators require the approval of the secured creditors to draw further remuneration where the fees estimate has been exceeded. Approval will be sought under separate cover, if required.

#### **Administrators' disbursements**

The Administrators' disbursements are a recharge of actual costs incurred by the Administrators on behalf of the Company. Mileage payments made for expenses relating to the use of private vehicles for business travel, which is directly attributable to the insolvency estate, are paid by FRP at the HMRC approved mileage rate prevailing at the time the mileage was incurred. Details of disbursements incurred during the period of this report are set out in **Appendix D**.

#### **Administrators' expenses**

An estimate of the Administrators' expenses was set out in the Proposals. I attach at **Appendix F** a statement of expenses that have been incurred during the Period.

It is currently expected that the expenses incurred or anticipated to be incurred are likely to exceed the details previously provided. Further details are provided below.

### 3. Administrators' remuneration, disbursements, expenses and pre-appointment costs

**FRP**

In the table below is the estimate of the anticipated costs:

Expense	Estimated cost per initial estimate £	Revised anticipated costs £	Paid to date £
Administrators' fees	91,975	105,000	90,000
Legal fees	20,000	25,000	Nil
Agents' disbursements / marketing costs	4,500	4,652	4,652
Agents' fees - TCC	Nil	1,200	1,200
Agents' fees - MGR	Nil	400	400
Property Holding Costs:			
Security	TBC	10,905	10,905
Utilities	TBC	8,502	8,502
Maintenance	TBC	2,205	2,205
Clearance costs	TBC	870	870
Rates	TBC	TBC	Nil
<b>Total</b>	<b>116,475</b>	<b>158,734</b>	<b>118,734</b>

The key reasons for the increases are as follows:

- **Administrators' fees:** Administrators' time costs have increased due to the reasons stated above.

- **Legal fees:** Additional work includes advising on the facility agreement and PMA, advising on the sale agreement and reviewing the validity of the secured lenders charges validity of appointment.
- **Marketing costs:** I incurred additional marketing costs with the following parties:
  - EREC – Preparation of student showrooms;
  - Savills – Advert in property publications and associated marketing costs; and
  - LSH – planning portal fee.
- **Agents' fees - TCC:** In order to produce the Property rectification schedule the Company's former property surveyors, TCC, were paid the outstanding VAT element of their pre-appointment invoices which was not paid by the Company. This totalled £1,200 and is reflected on the receipts and payments account.
- **Agents' fees - MGR:** I instructed MGR to undertake a desktop valuation of the unencumbered chattel assets costing £400 plus VAT to ensure any offers put forward, could be bench-marked.
- **Property holding costs:** At the time of the Proposals, it was not possible to provide an estimate for the Property holding costs as there was very limited Company information and it was not known how long a sale would take. As previously advised, these costs have been met by the property facility agreement with RM.

When instructing third parties to provide specialist advice and services, or having the specialist services provided by the firm, the Joint Administrator is obligated to ensure that such advice or work is warranted and that the advice or work contracted reflects the best value and service for the work being undertaken. This is reviewed by the Joint Administrator periodically throughout the duration of the assignment. The specialists chosen may regularly be used by the Joint Administrator and usually have

### 3. Administrators' remuneration, disbursements, expenses and pre-appointment costs



knowledge specific to the insolvency industry and, where relevant, to matters specific to this insolvency appointment.

We have engaged the following agents or professional advisors:

Professional Advisor	Nature of work	Basis of fees
Lambert Smith Hampton Limited	Agents' fees incurred in dealing with the planning application	Fixed fee
MGR Appraisals Limited	Agents' fees relating to a valuation of the chattel assets	Fixed fee
Savills (UK) Limited	Agents' fees incurred in relation to the sale of the Property	Fixed fee and either 1% plus VAT of sale proceeds or £10,000 plus VAT minimum abortive fee
The Construction Consultants	Agents' fees incurred in relation to the Property rectification schedule	Fixed fee
Freeths LLP	Legal fees in relation to the sale of the Property, review of the secured creditors' security and associated matters	Time costs
TGFP Limited	Accountancy fees in relation to VAT advice	Time costs

#### Creditors' rights

Creditors have a right to request further information from the Administrators and further have a right to challenge the Administrators' remuneration and other expenses, which are first disclosed in this report, under the Insolvency (England and Wales) Rules. (For ease of reference these are the expenses incurred in the reporting period as set out in **Appendix F** only). Further details of these rights can be found in the Creditors' Guide to Fees which you can access using the following link <https://creditors.frpadvisor.com/info.aspx> and select the one for administrations. Alternatively, a hard copy of the relevant guide will be sent to you on request. Please note there is a time limit for requesting information being 21 days following the receipt of this progress report. There is a time limit of eight weeks following the receipt of this report for a Court application that the remuneration or expenses are excessive.

#### Administrators' pre-appointment costs

Following the circulation of the Proposals, the secured creditors passed a resolution which approved the Administrators' pre-appointment remuneration to be drawn in full.

You will note from the receipts and payments account attached at **Appendix E** that this cost has now been paid in full as an expense of the administration.

## Appendix A

### Statutory information regarding the Company and the appointment of the Administrators

**FRP****COMPANY INFORMATION:**

Other trading names:	None
Company number:	10239690
Registered office:	FRP Advisory Trading Limited 2nd Floor 170 Edmund Street Birmingham B3 2HB
Previous registered office:	Fulford House Newbold Terrace Leamington Spa CV32 4EA
Former business address:	Greyfriars House Greyfriars Lane Coventry CV1 2GW

**ADMINISTRATION DETAILS:**

Administrators:	Anthony Steven Barrell and Philip Lewis Armstrong
Address of Administrators:	FRP Advisory Trading Limited 2nd Floor 170 Edmund Street Birmingham B3 2HB
Date of appointment of Administrators:	18 December 2020
Court in which administration proceedings were brought:	The High Court of Justice, Business and Property Courts of England and Wales
Court reference number:	CR-2020-004562
Appointor details:	Qualifying Floating Charge Holder, RM Secured Direct Lending PLC
Previous office holders, if any:	Not Applicable
Extensions to the initial period of appointment:	None
Date of approval of Administrators' proposals:	18 February 2021



## Appendix B


### Form AM10, formal notice of the progress report

**FRP**

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

# AM10

Notice of administrator's progress report

 Companies House

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**1. Company details**

Company number: 1 0 2 3 9 6 9 0

Company name in full: Blue Bear Management Limited

\* Filing in this form. Please complete in typewritten or in bold black capitals.

**2. Administrator's name**

Full forename(s): Anthony Steven

Surname: Barrell

**3. Administrator's address**

Building name/number: FRP Advisory Trading Limited

Street: 2nd Floor

170 Edmund Street

Post town: Birmingham

County/Region:

Postcode: B 3 2 H B

Country:

**4. Administrator's name \***

Full forename(s): Philip Lewis

Surname: Armstrong

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

**5. Administrator's address \***

Building name/number: FRP Advisory Trading Limited

Street: 2nd Floor

110 Cannon Street

Post town: London

County/Region:

Postcode: E C 4 N 6 E U

Country:

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

# AM10

Notice of administrator's progress report

**6. Period of progress report**

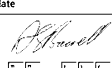
From date: 1 8 1 2 2 0 2 0

To date: 1 7 0 6 2 0 2 1

**7. Progress report**

☐ I attach a copy of the progress report.

**8. Sign and date**

Administrator's signature: X  X

Signature date: 1 2 0 7 2 0 2 1

# AM10

Notice of administrator's progress report

**9. 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: Anthony Steven Barrell

Company name: FRP Advisory Trading Limited

Address: 2nd Floor

170 Edmund Street

Post town: Birmingham

Postcode: B 3 2 H B

Country: cp.birmingham@frpadvisory.com

0121 710 1680

**10. Checklist**

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**13. Further information**

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Blue Bear Management Limited - in administration  
The Administrators' progress report

## Appendix C

### A schedule of work

**FRP**

The table below sets out a detailed summary of the work undertaken by the office holders during the Period together with an outline of work still to complete.

Where work undertaken results in the realisation of funds (from the sale of assets; enhanced recoveries and potentially a reduction in creditor claims if the business has continued to trade and/or is sold following appointment), there may be a financial benefit to creditors should there be sufficient funds available to make a distribution to one or more class of creditor. In this case work undertaken will include the scrutiny and agreement of creditor claims.

A proportion of the work undertaken by an Insolvency Practitioner is required by statute, including ensuring the appointment is valid, notifications of the appointment to third parties, regular reporting on the progress, notifying statutory bodies where required in relation to the conduct of the director, complying with relevant legislation and regulatory matters. This may not have a direct financial benefit to creditors but is substantially there to protect creditors and other stakeholders and ensuring they are kept informed of developments.

Note	Category	
1	<b>ADMINISTRATION AND PLANNING</b> <b>Work undertaken during the Period</b>	<b>ADMINISTRATION AND PLANNING</b> <b>Future work to be undertaken</b>
	<b>Regulatory requirements</b> I have set up insolvent estate bank accounts and will continue to monitor these throughout the duration of the case.  I completed the money laundering risk assessment procedures and 'know your client' checks in accordance with the Money Laundering Regulations.  I have completed the take on procedures which include consideration of professional and ethical matters and other legislation such as the Bribery Act and Data Protection Act.	Any further action will be completed as deemed appropriate.
	<b>Ethical requirements</b> Prior to the Administrators' appointment, a review of ethical issues was undertaken and no ethical threats were identified. Further ethical reviews have been carried out periodically and no threats have been identified in respect of the management of the insolvency appointment over the Period.	I shall continue to review any ethical issues that may arise and implement safeguards, if required.

## Appendix C

### A schedule of work

**FRP**

	<b>Case management requirements</b>	
	<p>I have determined the initial case strategy and documented through a case strategy document as required by my regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressed.</p> <p>I have ascertained the online presence of the Company.</p> <p>I have arranged insurance cover to ensure the relevant assets are protected and cancelled the insurance at the appropriate time to keep costs to a minimum.</p> <p>I have corresponded with the former advisors to the Company, requesting information to assist in general enquiries.</p> <p>I have obtained legal advice on the validity of the appointment ensuring that all required documentation has been properly filed and submitted.</p>	<p>I will regularly review the conduct of the case and the case strategy and will update the strategy as required by the insolvency practitioners regulatory professional body to ensure all statutory matters are attended to and to ensure the case is progressing satisfactorily.</p> <p>I will continue to communicate with the various stakeholders of the Company to advise them of the progress of the administration throughout the case.</p>
	<b>General matters</b>	
	<p>A PMA was signed with property managing agents EREC to prepare and market the Property ahead of the academic year starting in September 2021. Following the sale of the Property, the PMA was assigned to Purchaser.</p> <p>In order for RM to release the funds under the facility agreement, a cash flow forecast was maintained and draw down letters submitted.</p>	<p>I will continue to maintain the cash flow forecast until such time as all outstanding costs and expenses have been paid.</p>
2	<b>ASSET REALISATION</b> <b>Work undertaken during the Period</b>	<b>ASSET REALISATION</b> <b>Future work to be undertaken</b>
	<p>One of the main purposes of an insolvency process is to realise the insolvency assets and to ensure a fair distribution of the proceeds to the creditors in the correct order of priority as set out by legislation.</p>	

## Appendix C

### A schedule of work

**FRP**

	<p><b>Freehold property and chattel assets</b></p> <p>As detailed in Section 2 of this report, the Property was sold to the Purchaser for £5.1m. In addition to this, I negotiated and completed a sale of the Company's chattel assets the Purchaser for £20k.</p> <p>The sale proceeds have been by way of a credit bid and reflected in the R&amp;P account accordingly.</p> <p><b>Other assets</b></p> <p>Having concluded my investigations, it is not anticipated that there are any further assets to be realised.</p> <p><b>Contribution to Property holding costs</b></p> <p>RM has provided a £25k property protection loan to secure the Property and pay any immediate expenses. A further £215k was drawn down under the facility agreement to cover Property holding costs, marketing of the Property, professional and other costs during the administration. Following all costs and expenses being discharged and recovery of VAT, any surplus funds will returned to RM under the facility agreement.</p> <p><b>Cash at bank</b></p> <p>Cash at bank in the sum of £1.7k has been received into the administration bank.</p> <p><b>Bank interest gross</b></p> <p>Gross bank interest in the sum of £5 has been received into the administration to date.</p>	
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## Appendix C

### A schedule of work

**FRP**

3	<b>CREDITORS</b> <b>Work undertaken during the Period</b> <b>Secured creditors</b> I have discussed the ongoing strategy with RM and provided periodic updates.  I have provided monthly updates in respect of the facility agreement including updated cashflow forecasts, use of funds compared to forecast and made further draw down requests when required.  <b>Preferential creditors</b> I have written to all employees providing the information required to submit a claim.  I have also written to HMRC requesting they submit a claim in the proceedings.  <b>Unsecured creditors</b> I have responded to creditor correspondence and queries as and when received.  <b>Pensions</b> I have established the existence of any pension schemes and staging dates for auto-enrolment and have taken the appropriate action to notify all relevant parties.	<b>CREDITORS</b> <b>Future work to be undertaken</b> <b>Secured creditors</b> After settling all remaining holding costs, I shall distribute the remaining proceeds from the funding agreement to RM.  <b>Preferential creditors:</b> I shall note any preferential claims received.  <b>Unsecured creditors:</b> I will continue to respond to unsecured creditor correspondence and queries in a timely manner.  <b>HMRC claim:</b>  I will continue to liaise with HMRC to establish their claim.
4	<b>INVESTIGATIONS</b> <b>Work undertaken during the Period</b> The matters set out below are required under the provisions of the Company Directors Disqualification Act 1986. The completion ensures that the Administrators comply with statutory and regulatory requirements. Furthermore, they also assist in ascertaining whether any pre-administration transactions or conduct can be challenged, leading to a financial return for the benefit of the Administration Estate.	<b>INVESTIGATIONS</b> <b>Future work to be undertaken</b> No further investigatory work is anticipated.

## Appendix C

### A schedule of work

**FRP**

	<p>I have requested all directors of the Company both current and those holding office within three years of the insolvency to complete a questionnaire to assist in preparing the statutory return to the DBEIS in accordance with the Company Directors Disqualification Act.</p> <p>Please note, information provided to the DBEIS is confidential but can be used to assist DBEIS in identifying conduct that should be investigated further.</p> <p>I identified and collected certain records from the leasehold premises.</p> <p>Following my investigations, I submitted my findings to the DBEIS and the Insolvency Service.</p> <p>I have considered whether any matters required notification to the Secretary of State or the National Crime Agency.</p>	
5	<p><b>STATUTORY COMPLIANCE AND REPORTING</b></p> <p><b>Work undertaken during the Period</b></p> <p>I have provided statutory reports and notices to various stakeholders at regular intervals in accordance with insolvency legislation and managed any queries arising therefrom. Copies of these reports are required to be filed at the Registrar of Companies and, if appropriate, the Court.</p> <p>I have compiled a forecast of the work that has been or is anticipated will be undertaken throughout the duration of the case. This has been circulated to creditors together with other such documentation as required to enable the relevant approving creditors to assess and vote on the fee bases proposed.</p> <p>I have obtained secured creditor approval for the basis on which the Administrators' fees were to be calculated.</p> <p>I have calculated and protected the value of assets that are not subject to a charge by obtaining a bond to the correct level.</p>	<p><b>STATUTORY COMPLIANCE AND REPORTING</b></p> <p><b>Future work to be undertaken</b></p> <p>I will continue to provide statutory reports and notices to various stakeholders at regular intervals and manage any queries arising therefrom. Copies of these reports are required to be filed at the Registrar of Companies and, if appropriate, the Court.</p> <p>I shall continue to place legal advertisements as required by statute which may include formal meetings of creditors and notices to submit claims in the London Gazette, if required.</p> <p>I will continue to deal with the remaining post appointment VAT and other tax returns as required.</p> <p>I shall ensure that all post-closure matters have been undertaken including completion of closure checklists, cancelling of bordereau, archiving of our working papers.</p>

## Appendix C

### A schedule of work

**FRP**

	<p>I have advertised notice of the officeholders' appointment as required by statute.</p> <p>I have dealt with the Company's post appointment VAT return for the period to 31 March 2021.</p> <p>I have requested that the Director to produce the Company's Statement of affairs and requested additional information required for the administration. No correspondence from the Director has been received.</p>	<p>Once all matters detailed above have been finalised, I will complete the statutory requirements in order to bring the case to a close and for the Administrators to obtain their release from office; this includes preparing final reports for stakeholders and filing the relevant documentation with the Court and the Registrar of Companies.</p>
6	<p><b>LEGAL AND LITIGATION</b></p> <p><b>Work undertaken during the Period</b></p>	<p><b>LEGAL AND LITIGATION</b></p> <p><b>Future work to be undertaken</b></p>
	<p>Freeths were engaged to deal with various post appointment legal matters, including but not limited to, the sale of the Property, advising on the property management agreement and reviewing the facility agreement.</p>	<p>I shall seek further legal advice if required.</p>

## Appendix D

### Details of the Administrators' time costs and disbursements for the Period

**FRP**

Time charged for the period 18 December 2020 to 17 June 2021

	Appointment Takers / Partners	Managers / Directors	Other Professional	Junior Professional & Support	Total Hours	Total Cost £	Average Hrlly Rate £
<b>Administration and Planning</b>	<b>8.65</b>	<b>12.80</b>	<b>21.40</b>	<b>2.00</b>	<b>44.85</b>	<b>12,490.25</b>	<b>278.49</b>
A&P - Case Accounting	0.45	0.70	8.95	1.45	11.55	2,418.75	209.42
A&P - Admin & Planning		5.20	0.60		5.80	1,559.50	268.88
A&P - Insurance		3.70	0.35		4.05	1,109.50	273.95
A & P - Strategy and Planning	6.70	0.90	1.80		9.40	3,946.50	419.84
A&P - Case Control and Review	0.50	0.80	6.85		8.15	1,887.50	231.60
A&P - General Administration	0.50	0.20	2.55	0.35	3.60	874.00	242.78
A&P - Case Accounting - General		1.00		0.20	1.20	300.00	250.00
A&P - Fee and WIP	0.50	0.30	0.30		1.10	394.50	356.64
<b>Asset Realisation</b>	<b>44.80</b>	<b>67.90</b>	<b>12.95</b>		<b>125.65</b>	<b>43,755.50</b>	<b>348.23</b>
ROA - Freehold/Leasehold Property	16.55	67.20	10.40		94.15	29,085.25	308.92
ROA - Asset Realisation	13.35	0.20	1.90		15.45	7,018.25	454.26
ROA - Asset Realisation Fixed	13.20		0.50		13.70	6,639.00	484.60
ROA - Legal-asset Realisation	1.60				1.60	792.00	495.00
ROA - Asset Realisation Floating	0.10	0.30	0.15		0.55	165.00	300.00
ROA - Chatel Assets		0.20			0.20	56.00	280.00
<b>Creditors</b>	<b>24.35</b>	<b>13.10</b>	<b>13.15</b>	<b>0.20</b>	<b>50.80</b>	<b>18,465.75</b>	<b>363.50</b>
CRE - Employees		0.40	0.30		0.70	175.00	250.00
CRE - Secured Creditors	23.70	12.20	10.50		46.40	17,387.50	374.73
CRE - Unsecured Creditors		0.30	2.35	0.20	2.85	525.50	184.39
CRE - Legal-Creditors	0.25				0.25	123.75	495.00
CRE - TAX/VAT - Pre-appointment	0.40	0.20			0.60	254.00	423.33
<b>Investigation</b>	<b>1.10</b>	<b>2.90</b>	<b>5.25</b>	<b>4.90</b>	<b>14.15</b>	<b>2,949.00</b>	<b>208.41</b>
INV - CDDA Enquiries	1.10	2.30	5.25		8.65	2,291.00	264.86
INV - Investigatory Work		0.50		4.90	5.40	630.00	116.67
INV - Forensic- Relativity (Internal)		0.10			0.10	28.00	280.00
<b>Statutory Compliance</b>	<b>19.35</b>	<b>16.10</b>	<b>17.60</b>	<b>8.35</b>	<b>61.40</b>	<b>18,318.75</b>	<b>298.35</b>
STA - Appointment Formalities	0.20	1.80	0.45		2.45	697.50	284.69
STA -Statutory Compliance - Genera	7.80	0.30	2.25	7.35	17.70	5,152.50	291.10
STA - Statutory Reporting/ Meetings	6.70	10.70	12.70	0.40	30.50	8,907.00	292.03
STA - Tax/VAT - Post appointment	4.65	2.80	1.80		9.25	3,277.75	354.35
STA - Bonding/ Statutory Advertising		0.10	0.10		0.20	49.00	245.00
STA - Pensions- Other		0.40	0.30	0.60	1.30	235.00	180.77
<b>Total Hours</b>	<b>98.25</b>	<b>112.80</b>	<b>70.35</b>	<b>15.45</b>	<b>296.85</b>	<b>95,979.25</b>	<b>323.33</b>

Disbursements for the period 18 December 2020 to 17 June 2021	
	Value £
<b>Category 1</b>	
Parking	1.00
Postage	8.97
Bonding	20.00
<b>Category 2</b>	
Car/Mileage Recharge	8.10
<b>Grand Total</b>	<b>38.07</b>

Mileage is charged at the HMRC rate prevailing at the time the cost was incurred

FRP Charge out rates	
Grade	From 1st May 2019
Appointment taker / Partner	370-495
Managers / Directors	280-370
Other Professional	165-230
Junior Professional & Support	80-110



## Appendix E

### Receipts and payments account for the Period

**FRP**

**Blue Bear Management Limited  
(In Administration)  
Joint Administrators' Summary of Receipts & Payments  
To 17/06/2021**

S of A £	£	£
SECURED ASSETS		
Freehold Land & Property	5,100,000.00	
Contribution to costs	240,000.00	
		5,340,000.00
COSTS OF REALISATION		
Administrators' Fees	73,658.00	
Marketing costs	4,652.23	
Agents/Valuers Fees	20,700.00	
Insurance of assets	19,775.35	
Security	10,904.70	
Clearance Costs	870.00	
Utilities	8,502.03	
Maintenance	2,205.00	
		(141,267.31)
SECURED CREDITORS		
RM Secured Direct Lending PLC	5,100,000.00	
		(5,100,000.00)
ASSET REALISATIONS		
Chattel assets	20,000.00	
Cash at Bank	1,728.72	
Bank Interest Gross	4.79	
		21,733.51
COST OF REALISATIONS		
Administrators' pre-appt fees	2,731.00	
Administrators' Remuneration	16,342.00	
Administrators' Disbursements	38.07	
Agents/Valuers Fees (1)	400.00	
Storage Costs	47.50	
Statutory Advertising	77.98	
Bank Charges - Floating	9.00	
Courier Charges	351.75	
		(19,997.30)
		<b>100,468.90</b>
REPRESENTED BY		
Vat Recoverable - Floating		9,079.85
IB Current Fixed/NIB 11.6.21		90,230.23
IB Current Floating/NIB 11.6.21		1,634.74
Vat Recoverable - Fixed		3,524.08
Vat Payable - Floating		(4,000.00)
		<b>100,468.90</b>

Blue Bear Management Limited - in administration  
The Administrators' progress report

## Appendix F

### Statement of expenses incurred in the Period

**FRP**

#### Professional fees

Professional advisors	Basis of fee arrangement	Nature of work	Fixed or floating cost	Original/increased expense estimate (£)	Costs incurred in the Period (£)	Costs paid in the Period (£)	Outstanding at Period end (£)
FRP Advisory Trading Limited	Time costs	Administrators' time costs	Fixed	61,975	73,658	(73,658)	-
			Floating	30,000	22,321	(16,342)	5,979
				91,975	95,979	(90,000)	5,979
Freeths LLP	Time costs	Legal advice	Fixed	15,000	18,052	-	18,052
			Floating	5,000	6,948	-	6,948
				20,000	25,000	-	25,000
Lambert Smith Hampton	Fixed Cost	Agents fee - planning application	Fixed	5,000	5,000	(5,000)	-
Savills (UK) Limited	Fixed fees	Agents fee - sale of property	Fixed	4,500	4,500	(4,500)	-
Savills (UK) Limited	Percentage of realisations	Agents fee - 1% plus VAT of sale proceeds or £10,000 minimum abortive fee	Fixed	10,000	10,000	(10,000)	-
The Construction Consultants	Fixed Cost	Quantity surveyor	Fixed	-	1,200	(1,200)	-
MGR Appraisals	Fixed Cost	Agents fee - valuation of chattel assets	Floating	-	400	(400)	-
				19,500	21,100	(21,100)	-
Lambert Smith Hampton	Disbursements*	Planning application fee	Fixed	-	483	(483)	-
Savills (UK) Limited	Disbursements*	Marketing costs	Fixed	2,500	3,125	(3,125)	-
EREC Estates Management Services Limited	Disbursements*	Marketing costs	Fixed	2,000	1,044	(1,044)	-
				4,500	4,652	(4,652)	-
TGFP Limited	Time costs	Accountancy advice	Fixed	5,000	400	-	400
				5,000	400	-	400
<b>Total</b>				<b>140,975</b>	<b>147,131</b>	<b>(115,752)</b>	<b>31,379</b>

\*Listed as marketing costs on the receipts and payments account

## Appendix F

### Statement of expenses incurred in the Period

**FRP**

#### Additional costs and expenses

Nature of expense	Original expense estimate (£)	Costs incurred in Period (£)	Costs paid in Period (£)	Outstanding at Period end (£)
Parking*	5,000	1	(1)	-
Car mileage*		8	(8)	-
Postage*		9	(9)	-
Storage Costs		48	(48)	-
Statutory advertising		78	(78)	-
Bonding*	30,000	20	(20)	-
Courier charges		352	(352)	-
Banking charges		9	(9)	-
Insurance of assets**		19,775	(19,775)	-
Utilities		8,502	(8,502)	-
Security	TBC	10,905	(10,905)	-
Clearance costs		870	(870)	-
Maintenance		2,205	(2,205)	-
<b>Total</b>	<b>35,000</b>	<b>42,781</b>	<b>(42,781)</b>	<b>-</b>

\*Listed as Administrators' disbursements on the receipts and payments account

\*\*Included in contingency of £30,000 on the estimated outcome statement