

AM23

Notice of move from administration to dissolution



Companies House

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

1 Company details

Company number 1 0 4 7 9 0 3 2

Company name in full Rosemary Water Limited

→ Filling in this form

Please complete in typescript or in bold black capitals.

2 Court details

Court name High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (CHD)

Court number C R - 2 0 2 2 - 0 0 3 8 5 8

3 Administrator's name

Full forename(s) Clare

Surname Lloyd

4 Administrator's address

Building name/number 45

Street Gresham Street

Post town

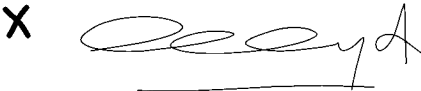
County/Region London

Postcode E C 2 V 7 B G

Country

AM23

Notice of move from administration to dissolution

5		Administrator's name ①	
Full forename(s)	Henry		① Other administrator Use this section to tell us about another administrator.
Surname	Shinners		
6		Administrator's address ②	
Building name/number	45		② Other administrator Use this section to tell us about another administrator.
Street	Gresham Street		
Post town			
County/Region	London		
Postcode	E C 2 V 7 B G		
Country			
7		Final progress report	
		<input checked="" type="checkbox"/> I have attached a copy of the final progress report	
8		Sign and date	
Administrator's signature	Signature 		
Signature date	d 1 2 m 1 0 y 2 0 y 2 3		

**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 Sam Jackson

Company name Evelyn Partners LLP

Address 45 Gresham Street

Post town

County/Region London

Postcode EC2V 7BG

Country

DX

Telephone 020 7131 4000

**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**

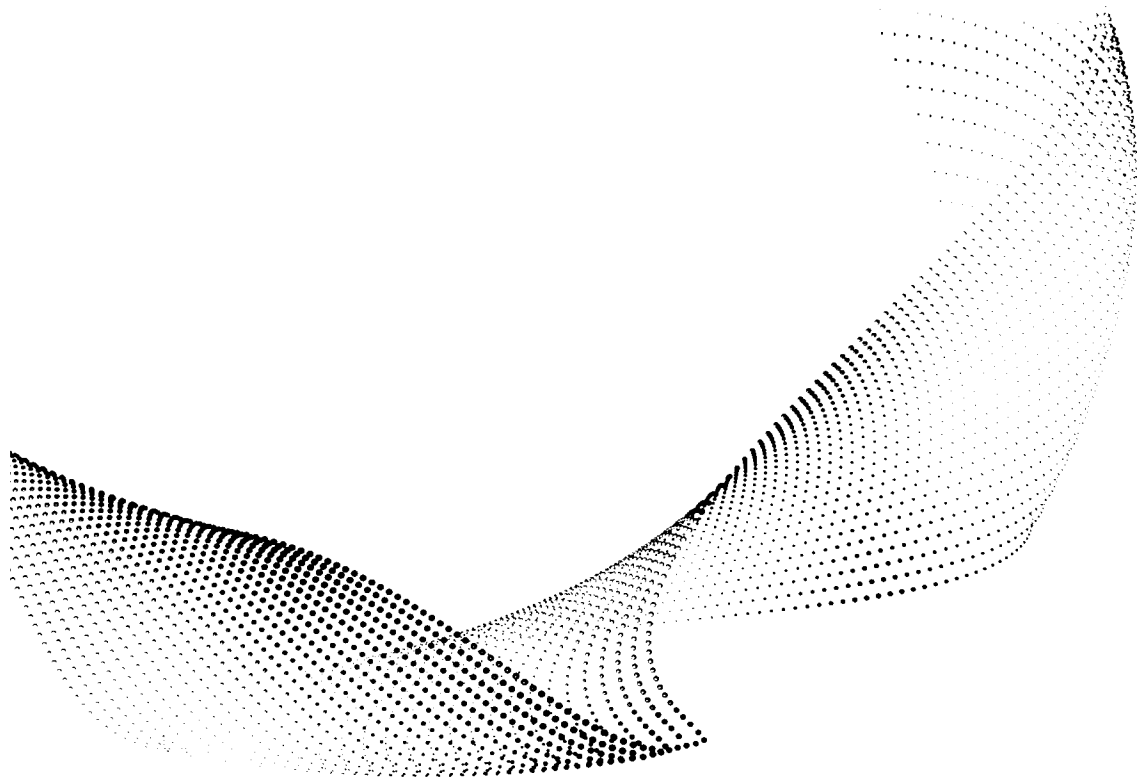
You may return this form to any Companies House address, however for expediency we advise you to return it to the address below:

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



Rosemary Water Limited (in administration)

Joint administrators' final progress report

12 October 2023

evelyn
PARTNERS

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1. Glossary

Abbreviation	Description
administrators/joint administrators	Henry Anthony Shinnars and Clare Lloyd
Company	Rosemary Water Limited (Company Registration Number: 10479032)
CVA	Company Voluntary Arrangement
CVL	Creditors' Voluntary Liquidation
HMRC	His Majesty's Revenue and Customs
IA86	Insolvency Act 1986 If preceded by S this denotes a section number
IP	Intellectual Property
IR16	Insolvency (England and Wales) Rules 2016 If preceded by R this denotes a rule number
Sch B1	Schedule B1 to the Insolvency Act 1986 If preceded by P this denotes a paragraph number
SIP	Statement of Insolvency Practice
SOA	Statement of Affairs

2. Introduction

This report provides an account of the administration of the Company since the last progress report and a summary of the outcome of the administration of the Company. It should be read in conjunction with our proposals and our previous reports. By way of reminder, Henry Anthony Shinnars and Clare Lloyd, of Evelyn Partners LLP, 45 Gresham Street, London, EC2V 7BG, were appointed as the joint administrators of the Company on 25 October 2022.

Statutory information in respect of the Company and the administration is set out at Appendix I.

3. The joint administrators' proposals

As previously advised the administrators must perform their functions with the purpose of achieving one of the following objectives:

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

The objective pursued in this case was the first objective above and our strategy for achieving this objective was set out in our proposals, which were approved on 28 December 2022 by the Company's unsecured creditors. As reported in our progress report, following the conclusion of the marketing process for the sale of the business and/or its assets, offers received were insufficient to enable the first objective to be achieved.

The decision by the directors to place the Company into administration, as opposed to liquidation (or indeed a CVA, which was considered, then discounted), was largely guided by the expectation that the opportunity to acquire the Company's business and assets would generate considerable interest and multiple bids, based on previous interest expressed by parties, including very substantial industry-specific global brands. An administration process, as opposed to a liquidation, allowed for the potential continuity of the business and preservation of the value associated with any stock, contracts and intellectual property held by the Company.

The outcome, whilst disappointing considering initial expectations and the number of interested parties, did not unnecessarily harm the interests of creditors as a whole, as a result of entering into an administration process.

A summary of our proposals is set out below.

- The administrators would continue to manage the affairs of the Company in order to achieve the purpose of the administration, namely rescuing the Company as a going concern pursuant to P3(1)(a) Sch B1. As explained above, it was ultimately not possible to achieve this objective.
- The administrators would either file a notice at Companies House to bring the administration to a close and automatically convert to a CVL in order to pay a distribution to the Company's unsecured creditors. Or, if cost effective to do so, apply to court to pay a distribution to the unsecured creditors.
- As realisations have been insufficient there will not be a distribution to any class of creditors and the administrators will file a notice at Companies House to bring the administration to an end and dissolve the Company from the registrar.

4. Progress of the administration

Attached at Appendix II is our receipts and payments account for the period since 25 April 2023. This account includes cumulative figures for the whole of the period of the administration from 25 October 2022.

The receipts and payments account also includes a comparison with the directors' SOA values.

It should be noted that the quantum of creditor claims received, exceeded those disclosed by the directors and several creditors were omitted from the listing provided to the administrators.

4.1 IP, Marketing Materials and Stock

As reported previously the administrators undertook an extensive marketing exercise, together with their appointed agents, Wyles Hardy & Co Ltd, to increase the likelihood of securing offers for the Company's business and assets. Over 30 expressions of interest were received, resulting in 22 parties entering into Confidentiality Undertakings to gain access to the data room containing information on the business to assist with interested parties' understanding of the opportunity.

Despite the interest generated, 2 offers were received for the Company's assets.

The administrators received £67,500 in respect of the Company's IP, marketing materials and stock. These funds were held in an interest-bearing bank account and £709.73 was received in respect of bank interest.

4.2 Sales to connected parties

In accordance with SIP 13, we would advise you that the following assets were sold to a party connected to the Company:

Date of transaction	Asset involved and nature of transaction	Consideration paid and date	Sold to	Relationship
23 March 2023	IP, Marketing Materials and Stock	£67,500 paid on 30 March 2023	Maison Eugene Rene SAS	Group entity of a Shareholder (Krios)

5. Investigations

Under the Company Directors Disqualification Act 1986 we have a duty to make a submission to the Secretary of State for the Department for Business and Trade on the conduct of all those persons who were directors at the date the Company entered into administration or who held office at any time during the three years immediately preceding the administration.

We have complied with our duty in this regard. As all submissions are strictly confidential, we are unable to disclose their content.

We have a duty to investigate transactions to establish whether there may be any worth pursuing for the creditors to benefit from. Shortly after our appointment, we made an initial assessment of whether there could be any matters than may lead to recoveries for the estate and what further investigations may be appropriate. This assessment took into account information provided by creditors as a response to our request to complete an investigation questionnaire. Our investigations have not revealed any issues requiring further work.

6. Pre-administration costs

The pre-administration costs set out below were approved by the creditors, following a decision process on 12 June 2023:

Recipient	Brief description of services provided	Amount approved £	Amount paid £
Evelyn Partners LLP	Assisting with placing the Company in administration	19,858.25	19,000.00
Total		19,858.25	19,000.00

7. The joint administrators' remuneration

The creditors approved that the basis of the administrators' remuneration be fixed by reference to the time properly spent by them and their staff in attending to matters arising in the administration, estimated to total £52,813.33 plus VAT and disbursements over the entirety of the administration. This approval was granted on 12 June 2023.

The administrators' time costs are:

Period	Total Hours hrs	Total costs £	Average hourly rate £/hr	Fees drawn £
25 October 2022 to 24 April 2023	129.47	46,874.13	362.00	-
25 April 2023 to 25 September 2023	50.53	18,015.58	357.00	26,616.99
Total	180.00	64,889.71	360.00	26,616.99

Attached as Appendix III is a time analysis which provides details of the activity costs incurred by Evelyn Partners LLP staff grade during the period of this report in respect of the costs fixed by reference to time properly spent by the administrators and their staff in attending to matters arising in the administration. Details of work carried out in the period are also included in the appendix.

As detailed above and as shown in Appendix IV, a cumulative time analysis of the administrators' time costs since appointment to 22 September 2023 were £64,889.71. As a reminder the current administrators' approved fee estimate for their time costs is £52,813.33. To date the joint administrators have drawn £26,616.99.

There were insufficient realisations to enable the joint administrators' approved time costs to be paid in full; the remaining time will subsequently be written off.

Details of Evelyn Partners LLP's charge out rates (including any changes during the period of this case) along with the policies in relation to the use of staff are provided at Appendix IV.

8. The joint administrators' expenses

8.1 Subcontractors

We have not utilised the services of any subcontractors in this case.

8.2 Professional advisers

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

Name of professional Adviser/Service(s)	Basis of fee arrangement	Costs incurred in current period £	Costs paid in current period £	Total costs incurred £	Total costs paid £
Lester Aldridge LLP (legal advice re sale of assets and IP)	Hourly rate and expenses	-	-	6,350.00	6,350.00
Wyles Hardy & Co (valuation and disposal advice)	% of realisations and expenses	-	12,625.00	12,625.00	12,625.00
		-	3,176.96	3,176.96	3,176.96

8.3 The joint administrators' expenses

Details of the joint administrators' expenses that have been incurred and/or paid in the current period together with the cumulative totals for the period of the administration are set out below.

Description	Costs incurred in current period £	Costs paid in current period £	Total costs incurred £	Total costs paid £
Statutory advertising	-	200.60	200.60	200.60
The joint administrators' bonds	-	140.00	140.00	140.00
Court fees	-	50.00	50.00	50.00
Total	-	390.60	390.60	390.60

8.4 Other expenses

Other expenses (i.e., those not detailed in the preceding sections) paid during the current period together with cumulative totals for the period of the administration are shown in the receipts and payments summary at Appendix II.

8.5 Policies regarding use of third parties and expense recovery

Appendix V provides details of Evelyn Partner LLP's policies in relation to the use of subcontractors and professional advisers, and the recovery of expenses.

9. Outcome for creditors

The outcome for each class of creditor is set out below.

9.1 Secured creditors

The Company does not have any secured creditors and there are no outstanding charges filed at Companies House.

9.2 Prescribed Part

The Company did not grant any floating charges and the Prescribed Part requirements do not therefore apply.

9.3 Ordinary preferential creditors

The Company does not have any ordinary preferential creditors.

9.4 Secondary preferential creditors

As from 1 December 2020 certain liabilities due to HMRC, that arose after this date, were given secondary preferential status.

These claims which will rank below the ordinary preferential creditors, are in respect of outstanding taxes 'paid' by employees and customers of the business. These include Value Added Tax (VAT), Pay As You Earn (PAYE), employee National Insurance Contributions, student loan deductions and Construction Industry Scheme deductions. It is important to note that there is no cap or time limit on what HMRC can recover in respect of the above.

The secondary preferential creditors will only be entitled to receive a dividend after all the ordinary preferential creditors have been paid in full.

HMRC will continue to be an unsecured creditor for corporation tax and any other taxes owed directly by a company/business.

We set out below a summary of the secondary preferential claims received:

Secondary preferential creditor	SOA claims £	Claims received £
HMRC claims for PAYE	42,000.00	-
Total	42,000.00	-

There will not be a dividend paid to the secondary preferential creditors.

9.5 Unsecured creditors

Notice under Rule 14.37 of IR16

The joint administrators hereby give notice that they will not be in a position to declare any dividend as there are insufficient realisations in the administration. Consequently, no steps have been taken to agree unsecured creditors' claims.

10. Privacy and data protection

As part of our role as the joint administrators, I would advise you that we may need to access and use data relating to individuals. In doing so, we must abide by data protection requirements. Information about the way that we will use and store personal data in relation to insolvency appointments can be found at www.evelyn.com/rsgdpr

If you are unable to download this, please contact my office and a hard copy will be provided free of charge.

To the extent that you hold any personal data of the Company's data subjects provided to you by the Company or obtained otherwise, you must process such data in accordance with data protection legislation. Please contact us if you believe this applies.

11. Ending the administration

The company has no property which might permit a distribution to creditors and, consequently, notice will be filed with the Registrar of Companies to this effect in accordance with Paragraph 84 (1). On registration of the notice by the Registrar of Companies, the administrators' appointment will cease to have effect and, at that point, they will be discharged from liability under P98(3) of Sch B1 immediately. Three months after the date of registration of the notice, the Company will be dissolved.

The joint administrators' discharge was granted by the creditors, following a decision process on 12 June 2023.

12. Creditors' rights

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 or otherwise with the court's permission) may request in writing that the administrators provide further information about their remuneration or expenses which have been itemised in this report.

Any secured creditor, or an unsecured creditor (with the concurrence of at least 10% in value of the unsecured creditors or otherwise with the court's permission) may within 8 weeks of receipt of this 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 (including any paid) by the administrators, as set out in this report, are excessive.

The above rights apply only to matters which have not been disclosed in previous reports.

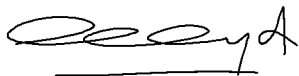
On a general note, if you have any comments or concerns in connection with our conduct, please contact Henry Anthony Shinnars or Clare Lloyd in the first instance. If the matter is not resolved to your satisfaction, you may contact our Head of Legal by writing to 45 Gresham Street, London EC2V 7BG or by telephone on 020 7131 4000.

Thereafter, if you wish to take the matter further you may contact the Insolvency Services directly via Insolvency Complaints Gateway. They can be contacted by email, telephone or letter as follows:

i) Email: insolvency.enquiryline@insolvency.gov.uk

ii) Telephone number: +44 300 678 0015

iii) Postal address: The Insolvency Service, IP Complaints, 3rd Floor, 1 City Walk, Leeds LS11 9DA.



Henry Anthony Shinnars and Clare Lloyd

The joint administrators

Date: 12 October 2023

Henry Anthony Shinnars and Clare Lloyd have been appointed as the joint administrators of the Company on 25 October 2023.

The affairs, business and property of the company are being managed by the joint administrators as agents and without personal liability.

Both/All of the office-holders are authorised and licensed in the UK by the Institute of Chartered Accountants in England and Wales and are bound by their code of ethics. Further details of their licensing body along with our complaints and compensation procedure can be accessed at: www.evelyn.com/insolvency-licensing-bodies

The joint administrators may act as controllers of personal data, as defined by the UK data protection law, depending upon the specific processing activities undertaken. Evelyn Partners LLP may act as a processor on the instructions of the joint administrators. Personal data will be kept secure and processed only for matters relating to the joint administrators' appointment.

The Fair Processing Notice in relation to the UK General Data Protection Regulation can be accessed at www.evelyn.com/rsgdpr

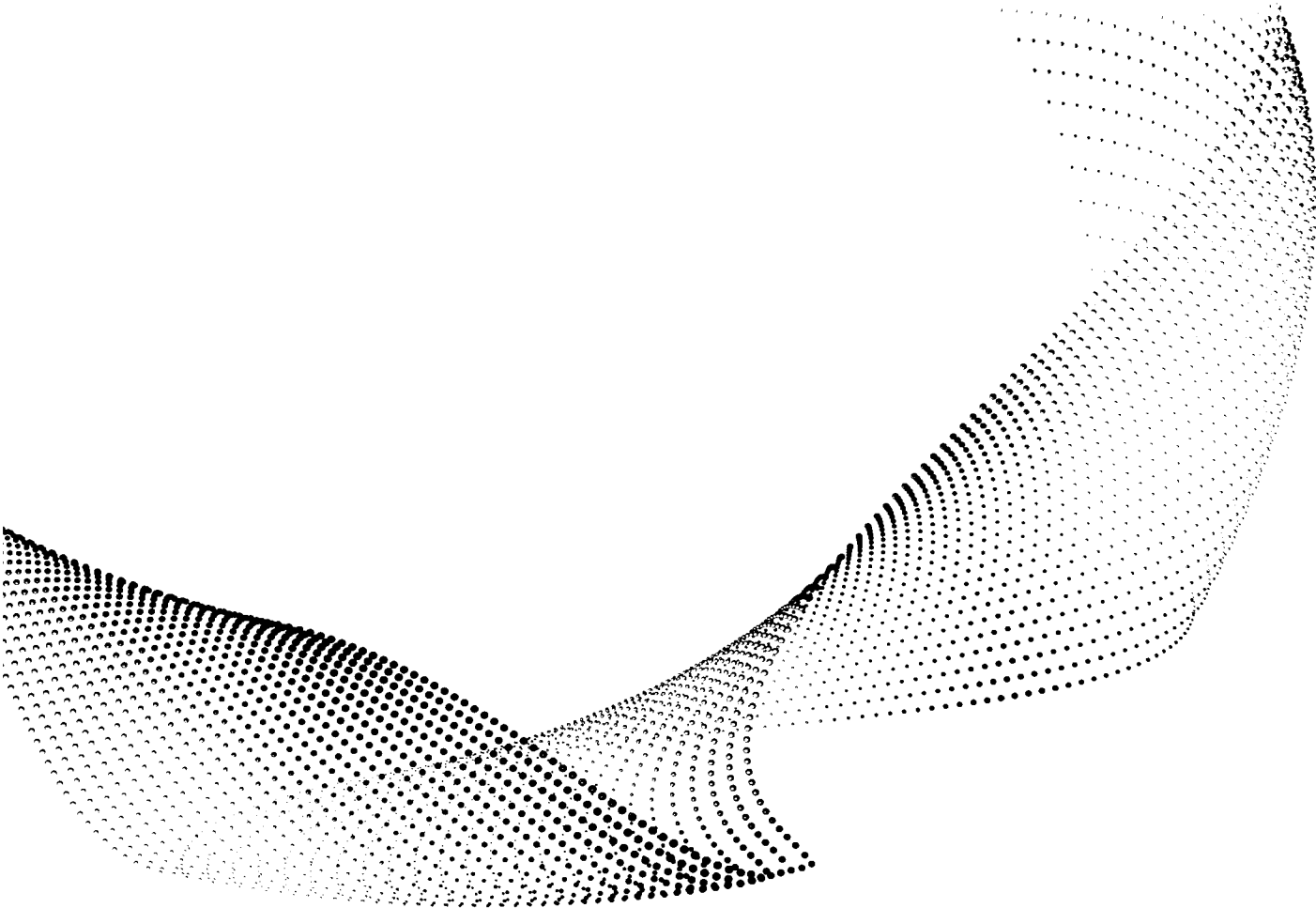
Should you wish to be supplied with a hard copy of any notice, attachment or document relating to a case matter, please contact the staff member dealing with this matter at any time via telephone, email or by post and this will be provided free of charge within five business days of receipt of the request.

The word partner is used to refer to a member of Evelyn Partners LLP. A list of members is available at the registered office

Evelyn Partners LLP is registered in England at 45 Gresham Street, London EC2V 7BG No OC369631

Regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities

Appendices



I Statutory Information

Relevant Court	High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (CHD)
Court Reference	003858 of 2022
Trading Name(s)	No1 Botanicals
Trading Addresses	
Registered Office	Bischheim House First Floor, 19-20 Berners Street, London, W1T 3NW
Company registration number:	10479032
The joint administrators contact details	Henry Anthony Shinnars and Clare Lloyd both of 45 Gresham Street, London, EC2V 7BG (IP No(s) 9280 and 25932) In accordance with P100 (2) Sch B1 1A 86 a statement has been made authorising the joint administrators to act jointly and severally.
	020 7131 4000
Date of appointment	25 October 2022

II Receipts and payments account

Receipts and payments account to 22 September 2023

Rosemary Water Limited
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 25/04/2023 To 25/09/2023 £	From 25/10/2022 To 25/09/2023 £
	ASSET REALISATIONS	
	Bank Interest Gross	709.73
	Intellectual Property	NIL
	Marketing Materials	NIL
	Stock	NIL
		<u>709.73</u>
		68,215.83
	COST OF REALISATIONS	
	Administrators' Fees	26,616.99
	Administrators' pre-administration fees	19,000.00
	Agents/Valuers Expenses	3,176.96
	Agents/Valuers Fees	12,625.00
	Bank Charges	8.30
	Court fee	50.00
	Insurance	28.00
	Irrecoverable VAT	3.30
	Legal Fees	NIL
	Specific Bond	140.00
	Statutory Advertising	200.60
	Storage Costs	16.48
		<u>(61,865.63)</u>
		(68,215.83)
	SECONDARY PREFERENTIAL CREDITORS	
(41,047.31)	PAYE	NIL
		<u>NIL</u>
		NIL
	UNSECURED CREDITORS	
(43,788.41)	Bank - Bounce Back Loan	NIL
(843,612.23)	Directors	NIL
(148,945.18)	Trade & Expense creditors	NIL
		<u>NIL</u>
		NIL
<u>(1,077,393.13)</u>		<u>(61,155.90)</u>
	REPRESENTED BY	
		<u>NIL</u>

Notes and further information required by SIP 7

- No payments have been made to us from outside the estate.
- Details of significant expenses paid are provided in the body of our report.
- Details of payments made to sub-contractors are shown in the body of our report.
- Information concerning our remuneration and expenses incurred is provided in the body of the report.
- Information concerning the ability to challenge remuneration and expenses of the administration is provided in our report.
- All bank accounts were interest bearing.
- There are no foreign currency holdings.
- All amounts in the receipts and payments account are shown exclusive of any attributable VAT. Where VAT is not recoverable it is shown as irrecoverable VAT.

III Time analysis for the period

From 25 April 2023 to 22 September 2023

Period	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	-	2.90	18.00	-	-	20.90	8,134.11	389
Case administration	0.40	0.97	9.85	6.92	-	18.13	5,586.25	308
Sub-total Administration & planning	0.40	3.87	27.85	6.92	-	39.03	13,720.36	352
Investigations								
Directors	-	-	0.40	-	-	0.40	141.44	354
Records and investigations	-	-	0.40	-	-	0.40	141.44	354
Sub-total Investigations	-	-	0.80	-	-	0.80	282.88	354
Realisation of assets								
Tax assets	-	-	2.25	-	-	2.25	795.60	354
Business sale	-	0.85	5.25	-	-	6.10	2,367.08	388
Sub-total Realisation of assets	-	0.85	7.50	-	-	8.35	3,162.68	379
Creditors								
Unsecured creditors (exc. Staff)	-	-	1.00	-	-	1.00	353.60	354
Sub-total Creditors	-	-	1.00	-	-	1.00	353.60	354
Shareholders								
Shareholders/members	-	-	0.85	-	-	0.85	300.56	354
Sub-total Shareholders	-	-	0.85	-	-	0.85	300.56	354
Total of all hours	0.40	4.72	38.00	6.92	-	50.03		
Total of all £							17,820.08	
Average rate	-	-	-	-	-			356
Time undertaken by non insolvency teams								
Forensics	-	-	0.50	-	-	0.50	195.50	391
Total hours (non insolvency teams)	-	-	0.50	-	-	0.50		
Total £ (non insolvency teams)	-	-	0.50	-	-		195.50	
Average rate £/hr (non insolvency teams)	-	-	1.00	-	-			391.00
Grand total hours	0.40	4.72	38.50	6.92	-	50.53		
Grand total £	-	-	0.50	-	-		18,015.58	
Average rate £/hr (all staff)	-	-	-	-	-			357

Explanation of major work activities undertaken

Administration & planning

The majority of time incurred during the period has been in the administration & planning section which has involved:

- Drafting and circulating the joint administrators first 6-monthly progress report
- Dealing with the Company's tax affairs
- Maintenance of the Company's administration bank account

- Seeking a decision from the Company's creditors in respect of the administrators' remuneration and discharge from liability
- General file maintenance following the sale of the Company's IP, Marketing Materials and Stock.

Realisation of assets

A further significant amount of time was charged to the realisation of assets section, during the period this has involved:

- Liaising with the purchasing party to ensure handover of IP, marketing materials and stock.
- Dealing with purchaser queries post-acquisition.

IV Cumulative time analysis

From 25 October 2022 to 22 September 2023

Cumulative	Partner	Director & Associate Director	Manager	Other Professionals	Support	Total	Cost	Average rate
	Hours	Hours	Hours	Hours	Hours	Hours	£	£/hr
Administration & planning								
Statutory & Regulatory	0.85	7.50	18.18	26.23	-	52.77	18,633.83	353
Case administration	0.55	1.57	10.05	11.53	-	23.70	7,192.71	303
Sub-total Administration & planning	1.40	9.07	28.23	37.77	-	76.47	25,826.54	338
Investigations								
Directors	-	-	0.40	6.10	-	6.50	1,887.66	290
Records and investigations	0.15	0.75	0.40	15.68	-	16.98	5,087.88	300
Sub-total Investigations	0.15	0.75	0.80	21.78	-	23.48	6,975.54	297
Realisation of assets								
Other assets	-	-	-	0.25	-	0.25	72.50	290
Tax assets	-	-	2.25	-	-	2.25	795.60	354
Business sale	1.65	25.80	16.18	20.47	-	64.10	26,683.71	416
Sub-total Realisation of assets	1.65	25.80	18.43	20.72	-	66.60	27,551.81	414
Creditors								
Unsecured creditors (exc. Staff)	0.25	1.80	1.00	3.75	-	6.80	2,540.46	374
Sub-total Creditors	0.25	1.80	1.00	3.75	-	6.80	2,540.46	374
Shareholders								
Shareholders/members	-	-	1.20	4.20	-	5.40	1,627.36	301
Sub-total Shareholders	-	-	1.20	4.20	-	5.40	1,627.36	301
Total of all hours	3.45	37.42	49.67	88.22	-	178.75		
Total of all £							64,521.71	
Average rate	-	-	-	-	-			361
Time undertaken by non insolvency teams								
Forensics	-	-	1.25	-	-	1.25	368.00	294
Total hours (non insolvency teams)	-	-	1.25	-	-	1.25		
Total £ (non insolvency teams)	-	-	1.25	-	-		368.00	
Average rate £/hr (non insolvency teams)	-	-	1.00	-	-			294.40
Grand total hours	3.45	37.42	50.92	88.22	-	180.00		
Grand total £							64,889.71	
Average rate £/hr (all staff)	-	-	-	-	-			360

Task	Estimated fees to be incurred	Actual fees incurred £
Administration and Planning	16,383.78	25,826.54
Investigations	6,692.66	6,975.54
Realisation of Assets	26,050.73	27,551.81
Creditors	2,186.86	2,540.46
Shareholders	1,326.80	1,627.36
Forensics	172.50	368.00
Total	52,813.33	64,889.71

The material differences between our original estimates and what has actually been incurred as at 22 September 2023 can be explained as follows:

Administration and planning (£9,442.76 underestimated)

Administration and planning has been underestimated due to the following reasons:

- More time was incurred ensuring the purchasing party was in receipt of all information following the sale of the Company's assets.
- Further time was spent drafting the administrators' first 6-monthly progress report
- Further time was incurred seeking approval from the Company's creditors regarding the administrators' remuneration and discharge from liability.

V Staffing, charging, subcontractor, and adviser policies and charge out rates

Introduction

Detailed below are:

- Evelyn Partner LLP's policies in relation to:
 - Staff allocation and the use of subcontractors
 - Professional advisers
 - Expense recovery
- Evelyn Partners LLP's current charge out rates

Staff allocation and the use of subcontractors

Our 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 partner and a partner or director or associate director or consultant as the joint office-holders, a manager, and an 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. The charge out rate schedule below provides details of all grades of staff and their experience level. We delegate tasks to suitable grades of staff, taking into account their experience and any specialist knowledge that is needed, and we supervise them properly to maximise the cost effectiveness of the work done. Anything complex or important matters of exceptional responsibility are handled by our senior staff or us.

All of our staff who work on the case (including our cashiers (which is centralised in London), support and secretarial staff) charge time directly to the assignment and are included in any analysis of time charged. Each grade of staff has an hourly charge-out rate which is reviewed from time to time. Time up to 31 July 2020 is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof. The minimum time chargeable is one minute. We do not charge general or overhead costs.

It may be necessary to utilise staff from both the regional and London offices, subject to the specific requirements, eg, geographical location, of individual cases.

This case is predominantly being conducted from the London.

We may use subcontractors to perform work which might ordinarily be carried out by us and our staff where it is cost effective to do so and/or where the specific expertise offered by the subcontractor is required.

Details of any subcontractors' services utilised in the period covered by this report are set out in appendix V.

Use of professional advisers

We select professional advisers such as agents and solicitors on the basis of balancing a number of factors including:

- The industry and/or practice area expertise required to perform the required work.
- The complexity and nature of the assignment.
- The availability of resources to meet the critical deadlines in the case.
- The charge out rates or fee structures that would be applicable to the assignment.
- The extent to which we believe that the advisers in question can add best value and service to the assignment.

- The expertise and experience of the service provider;
- The provider holds appropriate regulatory authorisations; and
- The professional and ethical standards applicable to the service provider.

Arrangements will be reviewed periodically to ensure that best value and service continue to be obtained.

External professional advisers are third party entities. The insolvency practitioners and their firm do not have any association with any external provider of services and therefore they do not fall within the definition of an associate as defined in Section 435 of the Insolvency Act 1986 and in Statement of Insolvency Practice 9. Payments to external professional advisers for the services they provide are therefore not a category 2 expense as defined in Statement of Insolvency Practice 9 and therefore do not require prior approval from the committee or creditors.

Expenses

Category 1 expenses do not require approval by creditors. The type of expenses that may be charged as a Category 1 expense to a case generally comprise 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 Evelyn Partners LLP personnel in connection with the case.

Category 2 expenses 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.

Since 7 July 2012 Evelyn Partners LLP's policy is to recover only one type of Category 2 expense, namely business mileage at HMRC's approved mileage rates at the relevant time. Current mileage rates are 45p per mile plus 5p per passenger per mile. Prior to 7 July 2012 approval may have been obtained to recover other types of Category 2 expenses.

Details of any Category 2 expenses incurred and/or recovered in the administration are set out in the body of this report.

Charge out rates

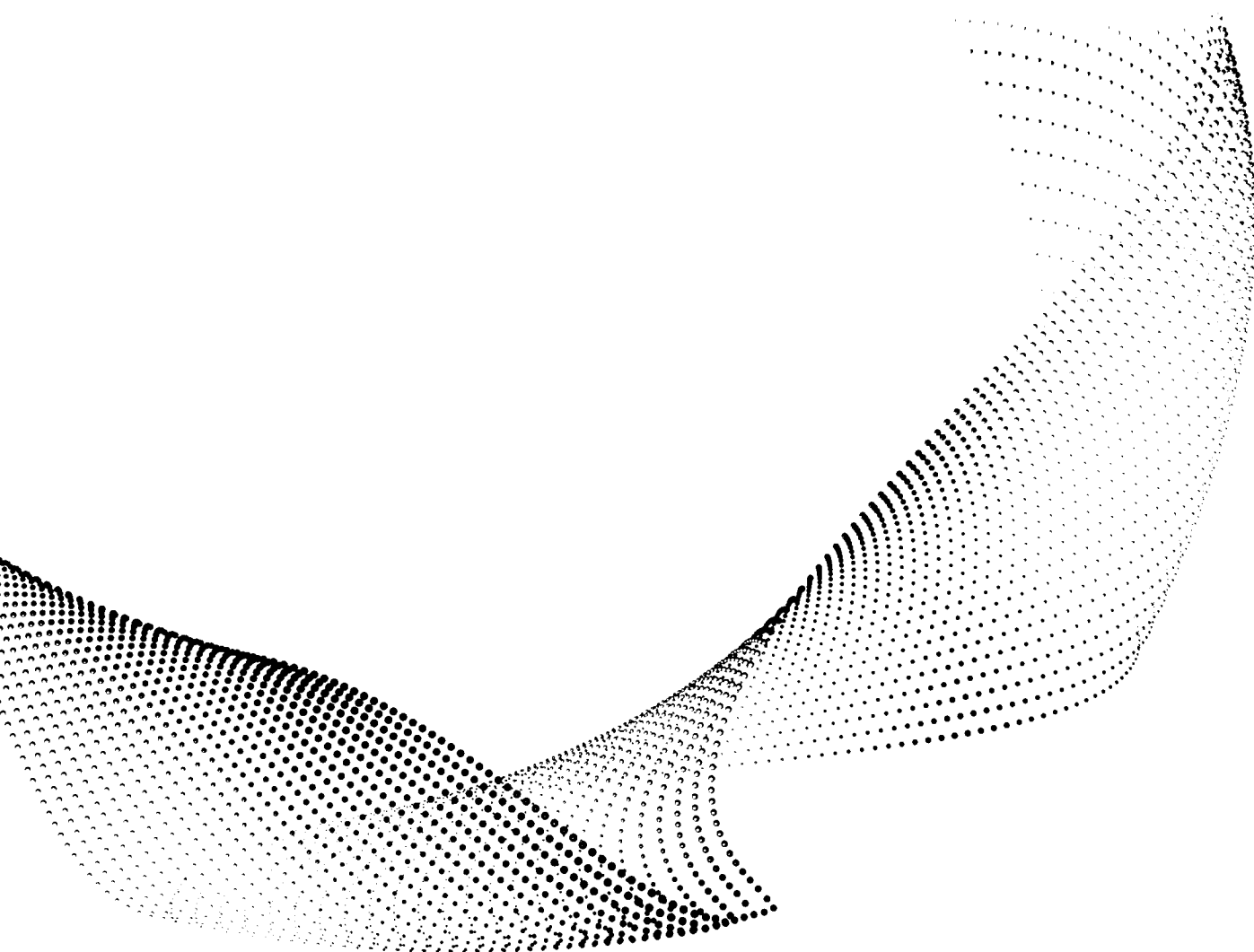
A schedule of Evelyn Partners LLP's charge out rates was issued to creditors at the time the basis of the administrators' remuneration was approved.

The rates applicable to this appointment are set out below. Changes to the charge out rates during the administration were applied with effect from 1 January 2023.

Evelyn Partners LLP Restructuring & Recovery Services Charge out rates from 1 July 2022	£/hr	
	From 1/7/22	From 1/1/23
Partner	650-670	700-720
Director / Associate Director	420-570	440-610
Managers	280-460	340-500
Other professional staff	205-300	160-290
Support & secretarial staff	100-120	100-120

Notes

1. Up to 31 July 2020 time is recorded in units representing 3 minutes or multiples thereof. From 1 August 2020 time is recorded in 1-minute units or multiples thereof.
2. It may be necessary to utilise staff from both regional and London offices, subject to the requirements of individual cases.
3. The firm's cashiering function is centralised and London rates apply. Up to 31 July 2020 the cashiering function time is incorporated within 'Other professional staff' rates. Following a change to our time reporting software, from 1 August 2020 the cashiering function time continues to be reported according to the seniority of staff undertaking the work in our time analyses and is split between 'Other professional staff', 'Managers' and 'Associate Director'.
4. Partner includes a Consultant acting as an office-holder or in an equivalent role.



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Principal offices: London, Belfast, Birmingham, Bristol, Cheltenham, Dublin, Glasgow, Guildford, Jersey, Salisbury and Southampton.

Evelyn Partners LLP is regulated by the Institute of Chartered Accountants in England and Wales for a range of investment business activities and is registered in England at 45 Gresham Street, London, EC2V 7BG. No. OC 369631.

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