

# AM23

## Notice of move from administration to dissolution



Companies House

FRIDAY



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A12

05/02/2021

#209

COMPANIES HOUSE

### 1 Company details

Company number 1 1 1 1 7 6 8 0

Company name in full Arch Hall South 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  
in Manchester

Court number 0 0 0 1 8 9 2 0 1 9

### 3 Administrator's name

Full forename(s) Alan

Surname Fallows

### 4 Administrator's address

Building name/number 1 City Road East

Street Manchester

Post town

County/Region


Postcode M 1 5 4 P N

Country



AM23

## Notice of move from administration to dissolution

<b>5</b>	<b>Administrator's name ①</b>	
Full forename(s)	Peter	<b>① Other administrator</b> Use this section to tell us about another administrator.
Surname	Anderson	
<b>6</b>	<b>Administrator's address ②</b>	
Building name/number	1 City Road East	<b>② Other administrator</b> Use this section to tell us about another administrator.
Street	Manchester	
Post town		
County/Region		
Postcode	M 1 5 4 P N	
Country		
<b>7</b>	<b>Final progress report</b>	
<input checked="" type="checkbox"/> I have attached a copy of the final progress report		
<b>8</b>	<b>Sign and date</b>	
Administrator's signature	Signature X  X	
Signature date	<sup>d</sup> 2 <sup>d</sup> 9 <sup>m</sup> 0 <sup>m</sup> 1 <sup>y</sup> 2 <sup>y</sup> 0 <sup>y</sup> 2 <sup>y</sup> 1	



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 Lindsay Moore

Company name Kay Johnson Gee Corporate Recovery Limited

Address 1 City Road East  
Manchester

\* Post town

County/Region

Postcode M 1 5 4 P N

Country

DX

Telephone 0161 832 6221



**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](http://www.gov.uk/companieshouse) or email [enquiries@companieshouse.gov.uk](mailto: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](http://www.gov.uk/companieshouse)



# Continuation page

## Name and address of insolvency practitioner

✓ **What this form is for**  
Use this continuation page to tell us about another insolvency practitioner where more than 2 are already jointly appointed. Attach this to the relevant form. ①  
Use extra copies to tell us of additional insolvency practitioners.

✗ **What this form is NOT for**  
You can't use this continuation page to tell us about an appointment, resignation, removal or vacation of office.

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

All fields are mandatory unless specified or indicated by \*

### 1 Appointment type

Tick to show the nature of the appointment:

- ☒ Administrator
- ☐ Administrative receiver
- ☒ Receiver
- ☐ Manager
- ☐ Nominee
- ☐ Supervisor
- ☐ Liquidator
- ☐ Provisional liquidator

① You can use this continuation page with the following forms:

- VAM1, VAM2, VAM3, VAM4, VAM6, VAM7
- CVA1, CVA3, CVA4
- AM02, AM03, AM04, AM05, AM06, AM07, AM08, AM09, AM10, AM12, AM13, AM14, AM19, AM20, AM21, AM22, AM23, AM24, AM25
- REC1, REC2, REC3
- LIQ2, LIQ3, LIQ05, LIQ13, LIQ14, WU07, WU15
- COM1, COM2, COM3, COM4
- NDISC

### 2 Insolvency practitioner's name

Full forename(s)

Alessandro

Surname

Sidoli

### 3 Insolvency practitioner's address

Building name/number

1 City Road East

Street

Manchester

Post town

County/Region

Postcode

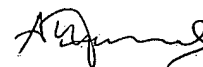
M11 5 4 P N

Country



**Arch Hall South Limited**  
**(In Administration)**  
**Joint Administrators' Summary of Receipts & Payments**

Statement of Affairs £		From 07/03/2019 To 29/01/2021 £	From 07/03/2019 To 29/01/2021 £
	<b>ASSET REALISATIONS</b>		
1,800.00	Book Debts	21,550.81	21,550.81
1,800.00	Cash at Bank	2,674.93	2,674.93
NIL	Customer Data	NIL	NIL
7,500.00	Work in Progress	48.10	48.10
		<u>24,273.84</u>	<u>24,273.84</u>
	<b>COST OF REALISATIONS</b>		
	Bank Charges	10.00	10.00
	Bordereau	189.60	189.60
	London Gazette Advertising	73.55	73.55
	Post Appointment Administrators' Fees	6,617.53	6,617.53
	Pre Appointment Agent Fees	7,500.00	7,500.00
	Pre Appointment Legal Fees (1)	2,550.00	2,550.00
	Pre-Appointment Administrators' Fee	7,201.00	7,201.00
	Stationery & Postage *	42.92	42.92
	Storage Costs *	89.24	89.24
		<u>(24,273.84)</u>	<u>(24,273.84)</u>
	<b>PREFERENTIAL CREDITORS</b>		
(2,822.44)	Employee Preferential Claims	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	<b>UNSECURED CREDITORS</b>		
(1,956.17)	Employee Non-Preferential Claims	NIL	NIL
(3,439.69)	HM Revenue & Customs (PAYE/NIC)	NIL	NIL
(3,142.76)	HM Revenue & Customs (VAT)	NIL	NIL
(32,293.18)	Loans	NIL	NIL
(16,298.14)	Trade & Expense Creditors	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
	<b>DISTRIBUTIONS</b>		
(100.00)	Ordinary Shareholders	<u>NIL</u>	<u>NIL</u>
		NIL	NIL
<u>(48,952.38)</u>		<u>0.00</u>	<u>0.00</u>
	<b>REPRESENTED BY</b>		
	Current A/c		(532.09)
	Vat Receivable		532.09
			<u>NIL</u>



Alan Fallows  
Joint Administrator



# **Joint Administrators' Final Progress Report**

**Arch Hall South Limited –  
In Administration**

**For the period from 7 September 2020 to 29 January 2021**

## **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

### **CONTENTS**

- 1** Introduction
- 2** Progress of the Administration
- 3** Unrealised Assets
- 4** Outcome for Creditors
- 5** Administrators' Remuneration
- 6** Creditors' Rights
- 7** Ending the Administration

### **APPENDICES**

- A** Receipts and Payments Account for the Period from 7 September 2020 to 29 January 2021 together with a Cumulative Receipts and Payments Account for the Period from 7 March 2019 to 29 January 2021
- B** Time Analysis for the Period from 7 September 2020 to 29 January 2021
- C** Cumulative Time Analysis for the Period from 7 March 2019 to 29 January 2021
- D** Outcome Statement as at 29 January 2021
- E** Additional information in relation to Administrators' Fees, Expenses & Disbursements
- F** Copy of the Joint Administrators' Original Fee Estimate



## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

### 1 Introduction

- 1.1 I, together with my partner Peter Anderson, was appointed Joint Administrator of Arch Hall South Limited (the **Company**) on 7 March 2019. The appointment was made by the Company's sole Director, Mr Christopher Holmes on 7 March 2019.
- 1.2 This Administration has been handled by Kay Johnson Gee Corporate Recovery Limited at 1 City Road East, Manchester, M15 4PN. The Administrators' contact details are by phone on 0161 832 6221 or via email at [lindsaymoore@kjgcr.com](mailto:lindsaymoore@kjgcr.com). The Administration is registered in the High Court of Justice, Business and Property Courts in Manchester, under reference number 000189 of 2019.
- 1.3 As the Administration has now completed, I am required to provide a progress report covering the period since my last report which ended on 6 September 2020. This is my final report in the Administration and covers the period from 7 September 2020 to 29 January 2021 (the **Period**) and should be read in conjunction with my earlier proposals report and any previous progress reports which have been issued.
- 1.4 Information about the way that we will use and store personal data on insolvency appointments can be found at [www.kjgcr.com/privacy-policy](http://www.kjgcr.com/privacy-policy). If you are unable to download this, please contact us and a hard copy will be provided to you.
- 1.5 The trading address of the Company is Cheltenham Film Studios, Hatherley Lane, Cheltenham, GL51 6PN.
- 1.6 The registered office of the Company is C/o Kay Johnson Gee Corporate Recovery Limited, 1 City Road East, Manchester, M15 4PN and its registered number is 11117680.

### 2 Progress of the Administration

- 2.1 As noted previously, the statutory objective pursued in the Administration was achieving a better result than would be likely if the company were wound up or realising property to make a distribution to the secured and/or preferential creditors. In addition to the pursuance of this statutory objective, the Administrators have duties imposed by insolvency and other legislation, some of which may not have provided any financial benefit to creditors.
- 2.2 This section of the report provides creditors with an overview of the progress made in the Period, both in terms of the statutory objective, but also work which is required of the Administrators under other related legislation.
- 2.3 At Appendix A is my Receipts and Payments Account covering the period of this report together with a cumulative Receipts and Payments Account from the date of my appointment to the conclusion of the Administration.
- 2.4 Since the last progress report most of the time spent by the Joint Administrators and their staff has been in connection with the planning and reviewing of the ongoing debtor collection, full details of which can be found under the realisation of asset header on the following page. This included the ongoing monitoring of the collection, agreeing any strategy for future work required and reviewing the purpose of the Administration.

#### ***Administration (including statutory compliance & reporting)***

- 2.5 As noted previously, the 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, the only matters that have affected the costs in this area to any extent is the ongoing impact that the COVID-19 global pandemic had on the ongoing collection of the debtor ledger.





## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

- 2.6 Where the overall costs of statutory compliance work or reporting to creditors has exceeded 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 Administrators.
- 2.7 As noted in my initial fees estimate/information, this work has not necessarily brought any financial benefit to creditors but is work required on every case by statute.

### ***Realisation of Assets***

#### **Cash at Bank**

- 2.8 As detailed in the last progress report, upon the closure of the Company's bank account, the sum of £2,674.93 was secured. The final amount secured was higher than had been originally reported, as in the period between the Company ceasing to trade and entering Administration, additional debtor payments had been made into the bank account.

#### **Book Debts, Work-in-Progress and Customer Data**

- 2.9 As detailed within my last progress report for the period ending 6 September 2020, the assets included within the sale and purchase agreement ("SPA") to Rapid Reclaim Group Limited ("RRG") were re-assigned back to the Administration estate on 10 September 2019, further to RRG ceasing to trade and subsequently entering Liquidation.
- 2.10 The SPA included the Company's debtor ledger, work in progress and customer data. As advised in my last progress report, no realisations are anticipated in respect of the customer data. This is due to the lack of quality, detailed information, and the impact that the COVID-19 global pandemic has had on the industry in which the Company traded. The customer data was made up on individuals who had historically encountered, significant financial difficulties and as such, collection of any funds from them had historically proved problematic. The onset of COVID-19 further compounded these issues and there was little or no market for the sale of the customer data.
- 2.11 Further to the re-assignment and as previously advised, specialist debt collection agents were instructed to review the data and issue correspondence to all clients with a view to continuing to work on their claims and maximise the return to the Administration estate. The agent also undertook efforts to collect in the outstanding ledger, which including issuing letters and attempting to contact the debtors on the telephone.
- 2.12 At the date of this report, I can confirm that the sum of £21,550.81 has been realised in respect of the book debts and £48.10 in respect of the work in progress.
- 2.13 The realisations achieved in respect of the work in progress has been significantly less than had originally been anticipated. The acting agent initially advised that realisations of approximately £7,500 may be achievable. However, as detailed within previous reports, significant delays were encountered with gaining access to the claims management system, which reduced the possibility of successfully realising the work in progress.
- 2.14 Subsequently, further issues were encountered with the ongoing collection due to the Covid-19 pandemic. The Government restrictions that were put in place hindered the agent's ability to continue to collect the ledger. Not only due to the logistics of continuing normal working practices, which were not possible for a period, but also due to the nature of the debt.
- 2.15 The Company historically pursued PPI claims for the financially distressed or for individuals who were subject to personal insolvency procedures. Upon a successful claim, the pay-out would be issued directly to the individual and the Company would need to secure payment directly from the debtor. Due to the historical nature of the debtors' circumstances this could prove problematic.



## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

- 2.16 The onset of the Covid-19 pandemic caused a financial strain on many and across the economy and this only increased the difficulties being faced in collecting the ledger.
- 2.17 Due to the unprecedented factors, the Joint Administrators reviewed the position with the acting agent and a decision was reached that the ongoing collection of the ledger should be halted for a period until the Government restrictions were either eased or lifted.
- 2.18 It was concluded that to continue to try and recover the debtor ledger would only result in increased costs to the Administration estate with no benefit to the creditors at a time when securing payment from the debtors was extremely problematic.
- 2.19 I can advise that on 1 September 2020, a further review of the situation was undertaken, and it was decided that collections should be re-commenced of the remaining debtor ledger which stood at £8,013.27.
- 2.20 Despite ongoing efforts no further recoveries were made and the acting agent advised that it was not commercially viable nor beneficial to continue any future collections. The agent further advised that the costs of ongoing collection would outweigh any possible future realisations, if any and that there would be no benefit to the creditors of the Administration estate.
- 2.21 Due to the problems encountered, which could not have been anticipated at the onset of the Administration, it was not possible to achieve the purpose of the Administration as detailed at paragraph 2.1 of this report.

### ***Creditors (claims and distributions)***

- 2.22 Further information on the outcome for creditors in this case can be found at section 4 of this report. The Administrators are not only required to deal with correspondence and claims from unsecured creditors, 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 as well as dealing with the general handling of communications with stakeholders, such as customers and suppliers.
- 2.23 Claims from preferential creditors typically involve employee claims and payments made on behalf of the Company by the Redundancy Payments Service following dismissal. I would confirm that in this case, there were no preferential creditors.
- 2.24 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 however the Administrators are required by statute to undertake this work.
- 2.25 As previously reported, it was noted that the vast majority of the Company's creditors consist of referrers or introducers of work or insolvency specialists. To establish the exact nature and level of their claims within the Administration estate, it was necessary to undertake a review of all agreements held between with Company and the creditors.
- 2.26 Due to the ongoing, uncertain outcome of the ongoing collection of the debtor ledger, a decision was taken not to undertake extensive work on the claims until such time as the dividend prospect could be established. It has now been confirmed that due to the problems encountered in collecting the debtor ledger and work in progress, a dividend will not be payable to any class of creditor.

### ***Investigations***

- 2.27 You may recall from my earlier progress reports to creditors that some of the work the Administrators were 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

## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

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.

- 2.28 My 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.
- 2.29 Since my last progress report, I would advise that no further asset realisations have come to light that may be pursued by me for the benefit of creditors.

### 3 Unrealised Assets

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

### 4 Outcome for Creditors

- 4.1 An Outcome Statement as at 29 January 2021 is attached at Appendix D.

#### ***Secured Creditors***

- 4.2 There are no secured creditors in this matter.

#### ***Preferential Creditors***

- 4.3 There are no preferential creditors in this matter.

#### ***Unsecured Creditors***

- 4.4 At the date of this report, I have received claims totalling £25,447.21 from 5 creditors.
- 4.5 The Company did not grant any floating charges to a secured creditor. Accordingly, there is no requirement to create a fund out of the Company's net floating charge property for unsecured creditors (known as the Prescribed Part), which only applies to charges created after 15 September 2003.
- 4.6 Based upon the realisations achieved throughout the Administration, I can confirm that a dividend will not be payable to the unsecured creditors.

### 5 Administrators' Remuneration

- 5.1 The basis of the Administrators' fees was fixed in the Administration by reference to the time properly spent by him and his staff in managing the Administration.
- 5.2 My time costs for the Period are £3,264.00. This represents 9.80 hours at an average rate of £333.06 per hour. Attached as Appendix B is a Time Analysis which provides details of the activity costs incurred by staff grade during this final period in respect of the costs fixed by reference to time properly spent by me in managing the Administration. A narrative explanation of the work undertaken by the Administrators during the Period can be found at section 2 of this report.
- 5.3 Attached as Appendix C is a cumulative Time Analysis for the period from the date of my appointment to 29 January 2021 which provides details of my total time costs in the

## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

Administration. These time costs total £46,156.50 which represents 186.15 hours at an average rate of £247.95 per hour.

- 5.4 You will recall that I provided creditors with my fees estimate prior to the agreement of the basis of my remuneration as time costs. I would confirm that it was not necessary during the Administration to seek further approval to increase this estimate. The approved fees estimate in force at the end of the Administration imposed an overall cap on my fees of £41,734.25.
- 5.5 I would confirm that £6,617.53 plus VAT and disbursements of £405.31 has been drawn against my accrued time costs, which is below the level of the fees estimate approved by creditors.
- 5.6 Attached at Appendix E is additional information in relation to the Administrators' fees and the expenses and disbursements incurred in the Administration.
- 5.7 A copy of 'A Creditors' Guide to Administrators' Fees' is available on request or can be downloaded from <https://www.r3.org.uk/what-we-do/publications/professional/fees>

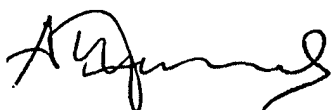
## 6 Creditors' rights

- 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 his 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 I 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 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 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.

For and on behalf of  
Arch Hall South Limited



**Alan Fallows**  
Joint Administrator

# **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

## **Appendix A**

**Receipts and Payments Account for the Period from 7 September 2020 to 29 January 2021  
together with a Cumulative Receipts and Payments Account from 7 March 2019 to 29 January  
2021**

**Arch Hall South Limited  
(In Administration)**

**Summary of Receipts & Payments**

<b>RECEIPTS</b>	<b>Statement of Affairs (£)</b>	<b>From 07/03/2019 To 06/09/2020 (£)</b>	<b>From 07/09/2020 To 29/01/2021 (£)</b>	<b>Total (£)</b>
Work in Progress	7,500.00	48.10	0.00	48.10
Book Debts	1,800.00	21,550.81	0.00	21,550.81
Cash at Bank	1,800.00	2,674.93	0.00	2,674.93
		<b>24,273.84</b>	<b>0.00</b>	<b>24,273.84</b>
<b>PAYMENTS</b>				
Bordereau		189.60	0.00	189.60
Pre-Appointment Administrators' Fee		7,201.00	0.00	7,201.00
Post Appointment Administrators' Fees		4,000.00	2,617.53	6,617.53
Pre Appointment Agent Fees		7,500.00	0.00	7,500.00
Pre Appointment Legal Fees (1)		2,550.00	0.00	2,550.00
Stationery & Postage *		0.00	42.92	42.92
Storage Costs *		89.24	0.00	89.24
London Gazette Advertising		73.55	0.00	73.55
Bank Charges		10.00	0.00	10.00
		<b>21,613.39</b>	<b>2,660.45</b>	<b>24,273.84</b>
<b>Net Receipts/(Payments)</b>		<b>2,660.45</b>	<b>(2,660.45)</b>	<b>0.00</b>
<b>MADE UP AS FOLLOWS</b>				
Vat Receivable		0.00	532.09	532.09
Current A/c		2,660.45	(3,192.54)	(532.09)
		<b>2,660.45</b>	<b>(2,660.45)</b>	<b>0.00</b>

Alan Fallows  
Joint Administrator



# **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

## **Appendix B**

### **Time Analysis for the Period from 7 September 2020 to 29 January 2021**



## Time Entry - SIP9 Time & Cost Summary

ARCH02 - Arch Hall South Limited  
All Post Appointment Project Codes  
From: 07/09/2020 To: 29/01/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	0.30	0.00	7.70	0.00	0.50	0.00	8.50	3,057.00	359.65
Case Specific	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cashiering	0.00	0.00	0.20	0.90	0.00	0.00	1.10	135.00	122.73
Creditors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investigation	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Obsolete	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Realisation of Assets	0.00	0.00	0.20	0.00	0.00	0.00	0.20	72.00	360.00
Statutory Compliance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>0.30</b>	<b>0.00</b>	<b>8.10</b>	<b>0.90</b>	<b>0.50</b>	<b>0.00</b>	<b>9.80</b>	<b>3,264.00</b>	<b>333.06</b>
<b>Total Fees Claimed</b>								<b>2,617.53</b>	
<b>Total Disbursements Claimed</b>								<b>42.92</b>	



# **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

## **Appendix C**

### **Cumulative Time Analysis for the Period from 7 March 2019 to 29 January 2021**



## Time Entry - SIP9 Time & Cost Summary

ARCH02 - Arch Hall South Limited  
All Post Appointment Project Codes  
From: 07/03/2019 To: 29/01/2021

Classification of Work Function	Partner	Manager	Other Senior Professionals	Assistants & Support Staff	Assistant Manager	Senior Administrator	Total Hours	Time Cost (£)	Average Hourly Rate (£)
Admin & Planning	5.80	0.00	33.20	0.00	0.50	0.00	39.50	14,712.00	372.46
Case Specific	0.00	0.00	1.30	0.25	0.25	0.00	1.80	598.00	332.22
Cashiering	0.00	0.00	2.25	4.30	0.00	0.00	6.55	878.00	134.05
Creditors	0.00	0.00	0.40	1.50	0.00	0.00	1.90	309.00	162.63
Investigation	0.70	0.00	15.10	0.00	0.00	0.00	15.80	5,031.00	318.42
Obsolete	0.00	0.00	0.75	0.00	0.00	0.00	0.75	135.00	180.00
Realisation of Assets	5.45	0.00	72.50	38.80	0.00	0.00	116.75	23,098.50	197.85
Statutory Compliance	3.10	0.00	0.00	0.00	0.00	0.00	3.10	1,395.00	450.00
Trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Hours</b>	<b>15.05</b>	<b>0.00</b>	<b>125.50</b>	<b>44.85</b>	<b>0.75</b>	<b>0.00</b>	<b>186.15</b>	<b>46,156.50</b>	<b>247.95</b>
<b>Total Fees Claimed</b>								<b>6,617.53</b>	
<b>Total Disbursements Claimed</b>								<b>405.31</b>	

# **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

## **Appendix D**

### **Outcome Statement as at 29 January 2021**

**Arch Hall South Limited**  
**(In Administration)**  
**Joint Administrators' Estimated Outcome Statement**  
**To 29/01/2021**

Statement of Affairs £	Realised / Paid	Projected	Total £
<b>ASSET REALISATIONS</b>			
NIL Customer Data	NIL	NIL	NIL
7,500.00 Work in Progress	48.10	NIL	48.10
1,800.00 Book Debts	21,550.81	NIL	21,550.81
1,800.00 Cash at Bank	2,674.93	NIL	2,674.93
	<u>24,273.84</u>	<u>NIL</u>	<u>24,273.84</u>
<b>COST OF REALISATIONS</b>			
Bordereau	189.60	NIL	189.60
Pre-Appointment Administrators' Fee	7,201.00	NIL	7,201.00
Post Appointment Administrators' Fees	6,617.53	NIL	6,617.53
Pre Appointment Agent Fees	7,500.00	NIL	7,500.00
Pre Appointment Legal Fees (1)	2,550.00	NIL	2,550.00
Stationery & Postage *	42.92	NIL	42.92
Storage Costs *	89.24	NIL	89.24
London Gazette Advertising	73.55	NIL	73.55
Bank Charges	10.00	NIL	10.00
	<u>(24,273.84)</u>	<u>NIL</u>	<u>(24,273.84)</u>
<b>PREFERENTIAL CREDITORS</b>			
(2,822.44) Employee Preferential Claims	NIL	NIL	NIL
	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
<b>UNSECURED CREDITORS</b>			
(16,298.14) Trade & Expense Creditors	NIL	NIL	NIL
(1,956.17) Employee Non-Preferential Claims	NIL	NIL	NIL
(3,439.69) HM Revenue & Customs (PAYE/NIC)	NIL	NIL	NIL
(3,142.76) HM Revenue & Customs (VAT)	NIL	NIL	NIL
(32,293.18) Loans	NIL	NIL	NIL
	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
<b>DISTRIBUTIONS</b>			
(100.00) Ordinary Shareholders	NIL	NIL	NIL
	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>
<u>(48,952.38)</u>	<u>0.00</u>	<u>NIL</u>	<u>0.00</u>
<b>REPRESENTED BY</b>			
Vat Receivable	532.09	NIL	532.09
Current A/c	(532.09)	NIL	(532.09)
	<u>NIL</u>	<u>NIL</u>	<u>NIL</u>

Alan Fallows  
Joint Administrator



## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

### Appendix E

#### Additional Information in Relation to the Administrators' Fees, Expenses & Disbursements

##### 1 Staff Allocation and the Use of Sub-Contractors

- 1.1 The general approach to resourcing our assignments is to allocate staff with the skills and experience to meet the specific requirements of the case.
- 1.2 The constitution of the case team will usually consist of a Partner, 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.
- 1.3 On this case, we have used the services of the following sub-contractors

Service(s)	Provider	Basis of fee arrangement	Cost to date
Book debt collection	Cerberus Asset Management	An initial fixed fee of £5,000 to undertake an assessment of the re-assigned ledger and correspond with the ongoing claimants and then 15% of future realisations	Nil

- 1.4 A decision was taken to instruct debt collection agents due to the specialist nature of the debtor ledger and the associate difficulties of collecting debts from individuals with difficult, financial circumstances. To maximise realisations, it is essential that collections are undertaken in the most expedient manner and the choice of agent was based upon their extensive experience in debt collection and knowledge of the PPI industry.

##### 2 Professional Advisors

- 2.1 On this assignment, we used the professional advisors listed below. We have also indicated alongside, the basis of our fee arrangement with them.

Name of Professional Advisor	Basis of Fee Arrangement
Bermans Solicitors (legal advice)	Hourly rate and disbursements

- 2.2 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.

##### 3 Administrators' Expenses & Disbursements

- 3.1 The estimate of expenses (including disbursements) which were anticipated at the outset of the Administration was provided to creditors in the Administrators' Proposals Report a copy of which is enclosed at Appendix F of this report.

## ARCH HALL SOUTH LIMITED - IN ADMINISTRATION

### ***Summary of Administrators' expenses***

- 3.2 Details of the expenses paid by the Administrators during the Period can be found in the Receipts and Payments account at Appendix A along with an outline of the total expenses paid during the Administration.
- 3.3 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.
- 3.4 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 at the time the Administrators' fees were approved by creditors.

## **4 Charge-Out Rates**

- 4.1 Kay Johnson Gee Corporate Recovery Limited's current charge-out rates effective from 1 October 2018 are detailed below. Please note this firm records its time in minimum units of 6 minutes.

	(Per hour) £
Appointment Takers	450
Managers	300 to 360
Administrator/Senior Administrator	220 to 250
Cashier/Support Staff	110 to 180



# **ARCH HALL SOUTH LIMITED - IN ADMINISTRATION**

## **Appendix F**

### **Copy of the Joint Administrators' Original Fee Estimate**



**Estimate of Fees and Expenses for  
Arch Hall South Limited (In Administration)**

	<b>Total Hours</b>	<b>Avg Hourly Rate £</b>	<b>Time Cost £</b>	<b>Disbursements £</b>	<b>Expenses £</b>
<b>Classification of Work Function</b>					
Admin & Planning					
Appointment Notification/Formalities	8.30	330.90	2,746.50		
Case Filing	2.30	202.17	465.00		
Case Planning	6.50	343.85	2,235.00		
File Maintenance and Case Review	6.30	314.84	1,983.50		
Meeting and/or Internal Discussion	4.60	330.98	1,522.50		
Statutory Reporting	20.30	292.34	5,934.50		
Cashiering					
Cashiering/Invoicing	2.00	285.00	570.00		
Creditors					
General Communication	1.50	300.00	450.00		
H M Revenue & Customs	1.00	300.00	300.00		
Postage/Mail	1.00	175.00	175.00		
Unsecured Creditors	2.00	323.75	647.50		
Investigation					
CDDA Reporting	6.40	334.14	2,138.50		
Investigation					
Completion & Submission of CDDA	1.25	319.00	398.75		
Investigation					
Investigating antecedent transactions	5.50	324.91	1,787.00		
SIP 2 Review	9.50	299.68	2,847.00		
Realisation of Assets					
Agents/Solicitors	1.00	395.00	395.00		
Realisation of Assets					
Bank Reconciliation	8.40	257.86	2,166.00		
Realisation of Assets					
Banking/Cashiering	5.00	219.00	1,095.00		
Identifying, Securing & Insuring Assets	10.10	306.47	5,853.50		
Realisation of Property / Other Assets	25.40	315.91	8,024.00		
	<u>137.35</u>	<u>303.85</u>	<u>41,734.25</u>		
<b>Disbursements</b>					
Category 1 Disbursements				406.70	
Category 2 Disbursements				<u>0.00</u>	
				<u>406.70</u>	
<b>Expenses (*)</b>					
					<u>0.00</u>
<b>Totals</b>	<u>137.35</u>	<u>303.85</u>	<u>41,734.25</u>	<u>406.70</u>	<u>0.00</u>

(\*) Details of the expenses the IP considers will be, or are likely to be, incurred during the period of this estimate.

**Details of estimated disbursements that will be paid during the period of this estimate.**

**Category 1 Disbursements**

Category 1 Disbursements	<u>406.70</u>
	<u>406.70</u>





## Estimate of Fees and Expenses for Arch Hall South Limited (In Administration)

### Notes:

1. Category 1 Disbursements are payable without prior approval as they are payments to independent parties e.g. advertising, room hire, storage, travel expenses
2. Category 2 Disbursements are costs directly referable to the appointment e.g. Postage, Printing & Stationery, Mileage but as they are not to an independent third party they require approval in the same manner as the fee
3. The figures provided for Expenses are as accurate as possible based on the information available at this time. No prior approval is required for the payments of the expenses as they are regarded as a cost of the administration of the estate
4. Further approval will be sought from the creditors' committee or creditors if the circumstances of the case indicate that the above fee estimate is likely to be exceeded
5. The above estimates are all exclusive of VAT



## Arch Hall South Limited (the Company)

### Fees Information in accordance with The Insolvency (England and Wales) Rules 2016 and Statement of Insolvency Practice 9

#### *Fees Overview*

Prior to an insolvency practitioner agreeing the basis of his remuneration as Administrator, details of the work proposed to be done and the expenses it is considered will be, or are likely to be, incurred in dealing with a company's affairs must be provided to creditors.

In addition, where the Administrator proposes to take all or any part of this remuneration based on the time he and his staff will spend dealing with the affairs of the insolvent company, a **fees estimate** must also be provided. This will outline the anticipated cost of that work, how long it is anticipated the work will take and whether any further approvals may be needed from creditors in due course.

It should be noted that a **fees estimate** may be provided to a particular milestone or for a designated period in a case, where it is not possible to accurately estimate the work that will need to be done at the outset.

Creditors should be aware that the **fees estimate** is based on all of the information available now and may be subject to change due to unforeseen circumstances that may arise during the Administration. If it is considered that the **fees estimate** will be exceeded, the Administrator will provide an update and seek approval to increase the previously agreed **fees estimate**.

#### *Work anticipated and the likely return to creditors*

Some of the work undertaken by an insolvency practitioner is required by statute and may not necessarily provide a financial benefit to creditors. Examples of this work include investigations required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 or dealing with the claims of former employees via the National Insurance Fund.

Where the work to be done is anticipated to produce a financial benefit to creditors, this will be stated and it may be necessary for the Administrator to instruct third parties to assist in this process because of a particular expertise that the third party may bring such as valuation, tax or legal advice.

Where it is practical to do so, an Administrator will provide an indication of the likely return to creditors when seeking approval for the basis of his remuneration. Again due to the complex nature of the work undertaken by insolvency practitioners and the uncertainties that may exist in relation to the realisation of a company's assets at the outset of a case, this may not be possible. An Administrator is however, required by statute to provide periodic reports to creditors on the progress of a case which will include an update as to the likely return creditors may expect.

#### *Proposed Fee Basis*

In this case, it is being proposed that the basis of my remuneration as Administrator will be based on the time spent by me and my staff in dealing with the Company's affairs. Attached to this document is my **fees estimate**, together with an explanation of the work I propose undertaking.

Each part of the work to be undertaken will necessarily require different levels of expertise and therefore related cost. In order to aid understanding, for the purposes of my **fees estimate**, I have indicated the rates and grades of staff such as myself, the case manager, the case administrator and cashier when estimating the total hours to be spent on each part of the work.



This **fees estimate** is produced on the basis of all the work I currently propose will be necessary in the Administration. If I consider the **fees estimate** will be exceeded, I will notify creditors accordingly and provide a revised estimate and seek further approval for my increased fees.

### ***Outline of work to be done by the Administrator***

Below are details of the work I propose undertaking in support of the above **fees estimate** for the Administration:

#### ***Administration (including statutory compliance & reporting)***

Administrators are required to carry out certain tasks in nearly every insolvency assignment, namely administrative duties and dealing with the Company's creditors. Whilst these tasks are required by statute or regulatory guidance, or are necessary for the orderly conduct of the proceedings, they do not necessarily produce any direct financial benefit for creditors, but nonetheless still have to be undertaken.

This work includes:

- Notifying creditors of the Administrator's appointment and other associated formalities including statutory advertising and filing relevant statutory notices at Companies House
- Reporting to creditors regarding any pre-packaged sale of the business
- Preparing and issuing the Administrator's statement of proposals for achieving the purpose of the Administration and thereafter providing periodic progress reports to members and creditors (typically every 6 months)
- Lodging periodic returns with the Registrar of Companies for the Administration
- Complying with statutory duties in respect of the Administrator's specific penalty bond
- Creation and update of case files on the firm's insolvency software
- Redirection of the Company's mail to the Administrator's office where necessary
- Establishing and holding periodic meetings of the creditors' committee and associated filing formalities (if a committee is appointed)
- Securing the Company's books and records
- Pension regulatory reporting and auto-enrolment cancellation
- Completion and filing of the notice of the Company's insolvency to HMRC
- Initial assessment required by Statement of Insolvency Practice 2 and the Company Directors Disqualification Act 1986 (CDDA) including the review of the Company's books and records and the identification of potential further asset realisations which may be pursued in the Administration
- Submitting a statutory report to the Insolvency Service under the CDDA
- Periodic case progression reviews (typically at the end of Month 1 and every 6 months thereafter)
- Opening, maintaining and managing the Administration estate cashbook and bank account(s)
- Dealing with all post-appointment VAT and corporation tax compliance

#### ***Realisation of assets***

As outlined in the Administrators' proposals, since appointment the Administrator and his staff have pursued the realisation of the Company's assets via a pre-packaged sale to Rapid Reclaim Group Limited, full details of which can be found at Appendix G of the proposals.

It should be noted that a large portion of the consideration due under the sale and purchase agreement will be treated as deferred consideration and continued work will be required by the Joint Administrators and their staff to reconcile the information provided by the purchaser on weekly basis.

This reconciliation work will include a review of the weekly collections undertaken and provided by the purchaser, against the information contained within the backup of the claims management system as at the date of the Administration.

It is anticipated that the level and complexity of this work will be significant as the level of claims as at the date of Administration stood at 2,576. Whilst the work involved in this exercise will be extensive, the initial review of the work in progress and debtor ledger has highlighted that the return to the Administration estate will be greater and will result in a return to the unsecured creditors.



## **Cash at Bank**

Immediately following appointment correspondence was issued to Barclay's Bank Plc, with whom the Company banks. A request has been made for all accounts held in the name of the Company to be frozen and up to date statements provided in order that the accounts and any held funds within, may be reconciled.

The Joint Administrators will undertake a detailed review of the funds held to establish what funds are due to the Administration estate and what funds may also be due to the purchaser of the assets under the terms of the sale and purchase agreements.

Furthermore, it has been highlighted that a number of the client settlements were paid into a World Pay account held in the name of Reach Support Services Limited ("Reach"), a company with the common Director Christopher Holmes and which is wholly owned by Arch Hall Group Limited. Upon appointment the Joint Administrators have issued correspondence to Reach to gain access to this account so that a full reconciliation may be undertaken and any funds to the Administration estate are secured by return.

Work done by the Administrator, his staff and any third parties engaged to assist the Administrator in realising the Company's assets will, it is anticipated, provide a financial benefit to creditors. This will result in a distribution to the unsecured creditors of the Company. Further information on the likely outcome of the Administration process will be provided in the Administrators' subsequent progress reports.

## ***Creditors (claims and distributions)***

As Administrator, I will deal with all secured, preferential and unsecured creditor correspondence and claims as received, including any claims of creditors under retention of title. Based on the estimated financial statement, I currently think that after taking into consideration the costs of realising the assets and dealing with the statutory formalities of the Administration process and the related costs and expenses, a distribution will be available to the unsecured creditors. I will either deal with the review and adjudication of creditors' claims in the Administration or if appointed liquidator, in the subsequent liquidation, if and when it is determined that a dividend is to be declared to creditors.

It should be noted that the above is based on the estimated financial statement drafted by the Administrators and the projected realisable value of the Company's assets, which at this stage is unconfirmed, together with the anticipated costs of the Administration. I will confirm the likely return to creditors in my future progress reports.

It has been noted that the vast majority of the Company's creditors consist of referrers or introducers of work or insolvency specialists. In order to establish the exact nature and level of their claims within the Administration estate, it will be necessary to undertake a full review of all agreements held between the Company and the creditors.

In essence the creditors provide the Company with leads or referrals of clients with PPI claims and upon the successful pay out to the client, the Company receives their fee and payment also crystallises to the referrer of the client.

A detailed review of all agreements will be completed to establish the exact terms and conditions that were agreed with the Company and also how the Company entering into Administration may impact the agreement for example, an insolvency procedure such as Administration, may automatically terminate any existing agreement.

It will be essential to complete this exercise to be able to establish the exact level of all final claims within the Administration estate and to make future dividend payments for the financial benefit of the Company's creditors.

The Company has no secured creditors and the Company's employees were transferred to the purchaser under the Transfer of Undertaking (Protection of Employment) Regulations 2006 and therefore there are no anticipated preferential creditors within the Administration estate.

## **Investigations**

As Administrator, I am required to conduct investigations into the conduct of the director(s) of the Company and transactions entered into prior to the Company's insolvency, as required by the Company Directors Disqualification Act 1986 and Statement of Insolvency Practice 2 (Investigations by Office Holders in Administrations and Insolvent Liquidations).

This work may not necessarily lead to any financial benefit to creditors yet is work I am required to undertake by statute. I have included the time I consider will be needed to comply with the above legislation within **Administration** above.

If however, my initial investigations reveal that further recoveries may be available for the insolvent estate, all work undertaken to pursue these recoveries will be estimated within this time category.

At this stage, I do not foresee any substantial investigation work will be required but if following the conclusion of my initial investigations I consider that further investigation work is then required to pursue assets of the Company, I will provide creditors with an update on my **fees estimate** in due course.

There are currently no known areas of investigation and the enclosed fee estimate does not include any time that may have to be spent on any matters that may subsequently come to light.

## **Administrator's Expenses**

As also noted, I am required to provide creditors with details of the expenses I consider will be, or are likely to be, incurred in the Administration. These may include expenses such as agent's costs for assisting in the disposal and realisation of the company's physical assets or other routine expenses associated with an insolvency case such as statutory advertising costs or the office holder's specific penalty bond.

Below is a summary of the expenses I consider will be, or are likely to be, incurred in this case. I will provide a further update to creditors in my subsequent progress reports.

Expense	Estimated cost £
Statutory advertising	73.55 plus VAT per advert
Specific penalty bond	189.60 plus VAT
External storage of company's books and records	50.00 plus VAT
Credit Safe Searches and AML Checks	10.00 plus VAT
Bank Charges	10.00
<b>Category 2 disbursements charged by the firm:</b>	
Business mileage	45p per mile
Internal Meeting Room	150.00 plus VAT per meeting

## **Kay Johnson Gee Corporate Recovery Limited's Charge-out rates and Category 2 disbursements policy**

Attached to this document are details of my firm's current charge out rates and policy regarding the re-charge of Category 2 disbursements.



Category 2 disbursements 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. Any Category 2 disbursements which this firm proposes to charge in this case are reflected in the table of expenses above. Approval to charge these will be sought from creditors when the basis of my remuneration as Administrator is fixed.

It should be noted that my firm's charge-out rates may increase periodically. If any such increases impact on the **fees estimate** for the Administrator, creditors will be notified accordingly.