

AM10 (Scot)

Notice of administrator's progress report



Companies House

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

1	Company details	
Company number	S C 1 0 4 6 5 7	→ Filling in this form Please complete in typescript or in bold black capitals.
Company name in full	British Midland Regional Limited	
2	Administrator's name	
Full forename(s)	Antony	
Surname	Nygate	
3	Administrator's address	
Building name/number	55 Baker Street	
Street		
Post town	London	
County/Region		
Postcode	W 1 U 7 E U	
Country		
4	Administrator's name ①	
Full forename(s)	James	① Other administrator Use this section to tell us about another administrator.
Surname	Stephen	
5	Administrator's address ②	
Building name/number	2 Atlantic Square	② Other administrator Use this section to tell us about another administrator.
Street		
Post town	31 York Street	
County/Region	Glasgow	
Postcode	G 2 8 N J	
Country		

AM10 (Scot)

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 8	^m 0	^m 2	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 7	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 2	^d 6	^m 0	^m 9	^y 2	^y 0	^y 2	^y 3
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AM10 (Scot)

Notice of administrator's progress report



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 **Antony Nygate**

Company name **BDO LLP**

Address **5 Temple Square**

Temple Street

Post town **Liverpool**

County/Region

Postcode **L 2 5 R H**

Country

DX

Telephone **+44 (0) 1512 374 500**



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,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh.



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

British Midland Regional Limited t/a Flybmi
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 18/02/2023 To 17/08/2023 £	From 18/02/2019 To 17/08/2023 £
	FIXED CHARGE ASSETS	
	Aircraft engine	NIL
		39,270.00
		<u>39,270.00</u>
	FIXED CHARGE CREDITORS	
	Secured Creditor	NIL
		39,270.00
		<u>(39,270.00)</u>
	ASSET REALISATIONS	
606,838.00	Book debts	NIL
		1,562,616.47
2,632,146.00	Cash at Bank	NIL
		2,805,840.47
	Forex Profits	NIL
		99,208.38
	Fuel Refunds	NIL
		71,491.02
	Interest Gross	6,780.62
		25,408.32
	IT, Office Furniture & Equipment	NIL
		14,773.33
	Life Assurance Refund	NIL
		65,250.47
	Motor Vehicles	NIL
		4,000.00
10,000.00	Other Property	NIL
		NIL
350,000.00	Stock	NIL
		688,376.32
	Sundry Refunds	7,078.41
		15,782.76
		<u>13,859.03</u>
		<u>5,352,747.54</u>
	COST OF REALISATIONS	
	Administrators' Disbursements	NIL
		9,395.90
	Administrators' Fees	66,671.00
		1,215,310.20
	Agents' Disbursements	NIL
		12,879.44
	Agents' Fees	NIL
		140,468.02
	Bank Charges	45.00
		417.80
	Consultancy Fees	NIL
		27,645.00
	Employee expenses and costs	NIL
		3,115.07
	Employee Repatriation Costs	NIL
		514.53
	ERA Fees	NIL
		16,220.00
	Insurance	NIL
		7,133.85
	Irrecoverable VAT	NIL
		67.25
	IT Services	NIL
		90,385.29
	Legal Fees & Disbs - Post Appointment	1,327.00
		166,357.36
	Legal Fees & Disbs - Pre Appointment	NIL
		41,938.67
	PAYE & NI	NIL
		43,701.99
	Payroll Bureau Costs	NIL
		5,394.39
	Pension Contributions	NIL
		9,842.72
	PR/Media costs	NIL
		29,200.00
	Pre-Administration Fees	NIL
		108,454.45
	Printing & Postage	NIL
		5,777.01
	Rates	NIL
		1,874.79
	Re-direction of Mail	NIL
		1,878.00
	Rents Payable	NIL
		33,415.43
	Security Costs	NIL
		1,687.50
	Statutory Advertising	NIL
		79.25
	Storage Costs	NIL
		11,950.00
	Sundry Expenses	NIL
		15.00
	Sundry Property Expenses	NIL
		77.14
	Translation Fees	NIL
		1,152.84
	Utilities	NIL
		12,078.14
	Wages & Salaries	NIL
		81,123.81

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	(68,043.00)	(2,079,550.84)
	PREFERENTIAL CREDITORS	
	Munich Employment Agency	NIL 22,408.68
	National Employment Service Belgium	NIL 26,808.95
	National Insurance Fund (RPS)	NIL 201,797.70
(392,400.00)	Preferential Creditors	NIL 230,969.55
	Preferential National Insurance	NIL 20,796.15
	Preferential Tax	NIL 90,897.58
	Swedish Tax Agency	NIL 68,588.20
		(662,266.81)
	FLOATING CHARGE CREDITS	
(1,757,011.00)	Airline Investments Ltd	NIL 1,504,014.91
(3,567,000.00)	Stephen Bond	NIL 277,730.00
		(1,781,744.91)
	UNSECURED CREDITORS	
(19,754,561.00)	Contingent Liabilities	NIL NIL
(17,197,657.00)	Trade & Expense Creditors	NIL NIL
		NIL NIL
	DISTRIBUTIONS	
(20,550,000.00)	Ordinary Shareholders	NIL NIL
		NIL NIL
(59,619,645.00)	(54,183.97)	829,184.98
	REPRESENTED BY	
	Floating Account No 2	749,125.49
	Floating Current Account	35,533.45
	Input VAT	44,526.04
		829,184.98

Note:

On 5 September 2022, a first and final preferential dividend of 100p in the £ was declared. A total of £662,266.81 has been distributed to preferential creditors.



British Midland Regional Limited t/a Flybmi In Administration

Joint Administrators' progress report from
18 February 2023 to 17 August 2023

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GLOSSARY OF TERMS

Abbreviation or term	Meaning
'AIL'	Airline Investments Limited
'Act'	Insolvency Act 1986
'Bank'	National Westminster Bank Plc
'Gateley'	Gateley LLP
'HMRC'	HM Revenue & Customs
'Joint Administrators' or 'we'	Antony Nygate and James Stephen
'net property'	Floating charge realisations after costs and payment of preferential creditors in full
'Period'	18 February 2023 to 17 August 2023
'preferential creditors'	Claims for unpaid wages earned in the four months prior to Administration up to £800, holiday pay and unpaid pension contributions in certain circumstances.
'Prescribed Part'	Where a company has granted a floating charge after 15 September 2003, under Section 176A of the Act a proportion of the net property available to a QFCH is set aside for the unsecured creditors of that company
'Proposals'	The Joint Administrators' statement of proposals for achieving the purpose of the Administration
'QFCH'	Qualifying Floating Charge Holder
'Report'	Prepared in accordance with Rules 3.93 and 3.94 of the Rules
'Rules'	Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018
'SB'	Stephen Bond
'Sch.B1 to the Act'	Schedule B1 to the Act
'SW'	Shepperd and Wedderburn LLP
'secured creditors'	Creditors whose debt is secured, in accordance with Section 248 of the Act
'the Company'	British Midland Regional Limited
'unsecured creditors'	Creditors who are neither secured nor preferential
'Worldpay'	Worldpay (UK) Limited

KEY INFORMATION

Background

The Administration commenced on 18 February 2019 and Joint Administrators were appointed. The current Joint Administrators are Antony Nygate and James Stephen.

The affairs, business and property of the Company are being managed by the Joint Administrators, who act as agents of the Company and without personal liability.

Purpose of the Report

This is the six month Report for the period from 18 February 2023 to 17 August 2023.

The main purpose of the Report is to provide you with an update on the progress of the Administration during the Period and to update you on the pursuit of the statutory purpose of the Administration.

The Report can be reviewed in conjunction with all other reports regarding this Administration, on the brportal.bdo.co.uk portal.

Return to creditors

The table below summarises the anticipated outcome for creditors, based on our current understanding of the case. Please note these figures may be subject to change.

Class of creditor	Current estimate	Previous estimate
Secured creditors		
AIL	£1.7m	£1.98m
SB	£317k	£317k
Preferential creditors	100p in the £	100p in the £
Unsecured creditors ¹	1p in the £	1p in the £

1. There is estimated to be a further distribution to AIL under its floating charge security. There is also estimated to be a distribution to the unsecured creditors from the Prescribed Part. The Prescribed Part is currently estimated to be approximately £490k. The costs associated with agreeing the claims of and distributing the Prescribed Part funds to the unsecured creditors will be drawn from the Prescribed Part.

What creditors need to do

We are seeking approval from the Company's secured and preferential creditors that the Joint Administrators' remuneration for the accounting period 18 February 2023 to 17 August 2023 be determined.

Notice of a decision by correspondence procedure is attached at Appendix G. In order to vote, secured and preferential creditors should complete the following:

- Voting form - Appendix H; and
- Statement of claim form (if not previously submitted) - Appendix F.

Please return the above forms by post to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or via email to BRCMTNorthandScotland@bdo.co.uk on or before 12 October 2023, the Decision Date.

If you have any queries or need any assistance in completing the voting form, please contact Valeria Eugenio on 0151 237 6632.

Creditors' rights

An overview of the rights of creditors are detailed in Appendix B.

Contact details

Contact: Valeria Eugenio
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 6632
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00291330

PROGRESS IN THE PERIOD

Asset realisations

The receipts and payments account attached at Appendix C details the asset realisations during the Period.

Gross Interest

A total of £6,781 has been received in the Administration bank account during the Period.

Sundry Refunds

A sundry refund of £7,078 has been received during the Period from Worldpay. We have asked Worldpay to provide details and/or an explanation as to why the refund was due to the Company, but a reply has not yet been received. We will continue to pursue Worldpay for a response.

Assets that are still being pursued by the Joint Administrators are detailed in the Future Actions section.

Investigations

The Joint Administrators have completed a review of the Company's affairs and assets to determine if there were any actions to be investigated for the benefit of creditors and we have concluded there are no actions to pursue.

Distributions to creditors

Secured creditors

The secured creditors in the Administration are SB and AIL.

SB was owed £3,567,000 at the date of appointment of which £317,000 was secured and the balance of £3,250,000 was unsecured. SB has been paid £277,720 under his floating charge security and £39,270 under his fixed charge security.

At the date of appointment, AIL were owed £2,005,674 that was subject to their security. To date distributions totalling £1,504,014.91 have been paid to AIL under its floating charge security.

AIL also have an unsecured claim of c£1,800,000, although this has not yet been adjudicated.

Preferential creditors

A first and final preferential dividend of 100p in the £ was paid to preferential creditors on 5 September 2022, with claims totalling £662,266.81.

Prescribed Part

It is estimated that the value of the net property is £2.4m and the Prescribed Part is approximately £490k. The costs associated with agreeing the claims of the unsecured creditors and distributing the Prescribed Part funds to the unsecured creditors will be drawn from the Prescribed Part.

Unsecured creditors

To date, unsecured claims of circa £36m have been received.

The above figure does not include the claims of the UK and overseas employees and their respective employment agencies, which are being adjudicated by our third-party employment agent, ERA. Figures in respect of these claims are not yet available, but the adjudication process is expected to be completed shortly. Further details will therefore be included in the next progress report.

The Joint Administrators anticipate that a dividend will be paid to unsecured creditors from the Prescribed Part. Based on the level of claims received to date, a provision for potential claims outstanding, and the

level of Prescribed Part funds that are estimated to be available to distribute, a dividend of approximately 1p in the £ is anticipated. This figure will however be impacted by the unsecured element of the employees' claims and their respective agencies (UK and overseas) which, as noted above, are in process of being adjudicated.

The timing of any dividend is currently uncertain as the claims adjudication process of unsecured creditors, including employees, remains to be completed. There are in excess of 2,000 unsecured trade creditors, including claims received from overseas creditors. The value of claims received to date has significantly exceeded the figures included in the Statement of Affairs submitted by the Company's directors.

Other matters

In addition to the above matters, we have dealt with all statutory matters required by legislation and administrative work incidental to our duties as Joint Administrators in this Administration.

We have not deviated from the Proposals and the purpose of the Administration is to continue to manage the Company's business and realise assets and distribute funds in accordance with objective (c), the third statutory purpose of the Administration, being to realise property in order to make a distribution to one or more secured or preferential creditors. Furthermore, there are expected to be funds available for the unsecured creditors of the Company by virtue of the Prescribed Part.

Pre-Administration costs

Approval was obtained from creditors for the payment of the pre-Administration costs as detailed in the Proposals of £108,454.45.

Joint Administrators' remuneration

The Joint Administrators have drawn remuneration of £66,671 during the Period as shown on the enclosed receipts and payments account at Appendix C. This covers the period 18 February 2022 to 17 August 2022 and was approved by creditors on 14 October 2022.

On 30 March 2023, the Joint Administrators' remuneration for the accounting period 18 August 2022 to 17 February 2023 of £65,388 was approved by each of the secured creditors. This figure is after making an adjustment of £8,598 for costs associated with the adjudication of unsecured claims estimated to be made via the Prescribed Part.

During the Period, time costs of £31,677 were incurred representing 150 hours at an average rate of £211 per hour.

A detailed report of the time incurred by the Joint Administrators' and a narrative of the work done during the Period is attached in Appendix D.

Joint Administrators' expenses

Expenses paid during the Period are detailed in the receipts and payments account at Appendix C.

A breakdown of expenses incurred is set out in Appendix E.

FUTURE ACTIONS

Extension of the Administration

The Administration is due to end on 18 February 2024.

It is expected that an extension to the Administration will be required to conclude matters and, approval will be sought by a court order.

Joint Administrators' discharge from liability

Approval will be sought prior to closure from the creditors that the Joint Administrators be discharged from liability on the registration of the notice to move from Administration and final progress report with the registrar of companies.

Remaining matters

VAT

You will recall that the Company was part of a VAT Group with two other connected companies, which are both in Liquidation being dealt with by another firm. The Company's books and records showed a VAT refund due of £338k in respect of pre-Administration VAT periods.

Following agreement between ourselves and the Joint Liquidators of the connected companies, information has been provided to the Joint Liquidators to enable the outstanding pre-Administration VAT returns to be submitted to HMRC. The VAT refund may however be subject to Crown set-off and therefore recoveries are uncertain.

Furthermore, the Joint Liquidators have indicated that they have rights to the VAT refund and therefore if a refund is approved and processed by HMRC, the basis of apportionment will need to be agreed with the Joint Liquidators.

We will continue to liaise with the Joint Liquidators and provide a further update in the next progress report.

Performance Bond

The Bank holds a performance bond in favour of a European airport for c€36k.

The terms of the performance bond require the airport to complete certain paperwork to enable the Bank to release the funds to the Company. We have continued to liaise with the airport during the Period and understand that they are now willing to complete the paperwork required by the Bank.

We are therefore hopeful that this matter will be concluded shortly and that the Bank will be able to release the performance bond to the Company. A further update will be provided in the next progress report.

Cash at Bank

Once the performance bond is resolved, the Bank should be able to release a small balance of c£2k to the Company. The final amount to be transferred will be subject to bank charges, and recoveries are therefore uncertain.

VISA/Mastercard

As previously reported, there is potential for the Company to pursue a claim for approximately two years of damages for anti-competitive Mastercard and Visa multilateral interchange fees that have been charged to businesses in the travel sector.

The Company used Worldpay to provide merchant bank facilities for credit and debit card transactions. We have continued to correspond with Worldpay to obtain information from them to support the Company's potential claim. The information is required in a specific format but has not yet been provided.

We are exploring options with Marcus Parker Limited, who have commenced a class action claim, to understand what steps can be taken to secure the information requested from Worldpay, and the extent to which a claim could still be submitted, if the data is not made available.

Creditor distributions

Secured

A further distribution of £75k will be paid to AIL shortly in respect of its floating charge security. This payment is outside of the Period and is not therefore shown in the receipts and payments account attached at Appendix C. A final distribution will be paid to AIL at the conclusion of the Administration.

Unsecured

As noted earlier in this Report, the claims of the unsecured creditors are being adjudicated, including those of the UK and overseas employees and their respective employment agencies. A dividend payment of approximately 1p in the pound continues to be estimated to be paid to the unsecured creditors via the Prescribed Part. However, this remains subject to change until the adjudication process has completed. The timing of the dividend payment remains uncertain at present.

APPENDIX A

STATUTORY INFORMATION

Information

Company name	British Midland Regional Limited
Company registration number	SC104657
Registered office	C/o BDO LLP, 2 Atlantic Square, 31 York Street, Glasgow, G2 8NJ
Court name and reference	Court of Session -P173/19
Date of appointment	18 February 2019
Appointor	The directors pursuant to Paragraph 22 of Sch.B1 to the Act
Joint Administrators	<p>Antony Nygate James Stephen</p> <p><i>Under the provisions of paragraph 100(2) of Sch.B1 to the Act the Joint Administrators carry out their functions jointly and severally meaning any action can be done by one Administrator or by both of them.</i></p>
Joint Administrators' address	BDO LLP, 55 Baker Street, London, W1U 7EU
Data Control and GDPR	<p>Antony Nygate and James Stephen are authorised to act as Insolvency Practitioners by the Institute of Chartered Accountants in England and Wales in the UK. The Joint Administrators are Data Controllers as defined by the General Data Protection Regulations. BDO LLP will act as Data Processor on the instruction of the Data Controllers. Personal data will be kept secure and processed only for matters relating to the Administration of British Midland Regional Limited. Please see the privacy statement at https://www.bdo.co.uk/en-gb/privacy-notices/insolvencies</p>
Extensions to the Administration	<p>Creditor consent for a period of 12 months until 18 February 2021</p> <p>Court order for a period of 12 months until 18 February 2022</p> <p>Court order for a period of 12 months until 18 February 2023</p> <p>Court order for a period of 12 months until 18 February 2024</p>

APPENDIX B

CREDITORS' RIGHTS

Copies of BDO LLP's charging and expenses policy, 'A Creditors' Guide to Administrators' Fees' and information on the rights, duties and functions of a creditors' committee are available at <https://www.bdo.co.uk/en-gb/insights/advisory/business-restructuring/creditors-guides>.

The Insolvency Service has established a central gateway for considering complaints in respect of Insolvency Practitioners. In the event that you make a complaint to us but are not satisfied with the response, then you should visit <https://www.gov.uk/complain-about-insolvency-practitioner> where you will find further information on how you may pursue the complaint.

The Joint Administrators are bound by the Insolvency Code of Ethics when carrying out all professional work relating to this Administration. A copy of the code can be found at <https://www.icaew.com/technical/ethics/icaew-code-of-ethics/icaew-code-of-ethics>.

APPENDIX C

RECEIPTS AND PAYMENTS ACCOUNT

British Midland Regional Limited t/a Flybmi
(In Administration)
Joint Administrators' Summary of Receipts & Payments

Statement of Affairs £	From 18/02/2023 To 17/08/2023 £	From 18/02/2019 To 17/08/2023 £
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	REPRESENTED BY	
	Floating Account No 2	749,125.49
	Floating Current Account	35,533.45
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Note:

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APPENDIX D

JOINT ADMINISTRATORS' REMUNERATION

The Joint Administrators' remuneration has been approved on a time costs basis.

Time costs of £31,677 have been incurred during the Period and a breakdown is detailed below together with details of the work undertaken.

Activity	Partner	Director	Senior manager	Manager	Senior executive	Executive	Total hours	Time costs £	Av. Rate £
Planning and strategy			1.25	2.40			3.65	1,283.70	351.70
General administration	0.25		0.95	5.25	27.05	27.60	61.10	8,726.75	142.83
Asset realisation/dealing	0.05		0.10	5.70			5.85	2,145.90	366.82
Employee matters					7.15		7.15	1,439.45	201.32
Creditors' claims	0.60		6.35	3.30	21.15	9.20	40.60	8,019.00	197.51
Reporting	2.50		2.65	11.90	9.50	0.75	27.30	8,907.70	326.29
Distribution and closure			1.15	1.35	1.40	0.50	4.40	1,154.50	262.39
TOTAL	3.40		12.45	29.90	66.25	38.05	150.05	31,677.00	211.11

Details of the work undertaken in the Period is detailed below.

Planning and strategy

- Review/amend case reviews
- Review/approve periodical bank reconciliations prepared by cashiers
- Internal meetings/discussions to review outstanding issues and agree steps to progress matters
- Review of Progress Report

General administration

- Recording all receipts and payments in the Period and preparing reports on receipts & payments for review, raising journal entries as appropriate and liaising with cashiers, undertaking periodical reconciliations of bank accounts, ensuring appropriate approval of all costs including approval of remuneration and matching costs of specialists against their expense estimates, review and re-issue dividend payments.
- Preparation and completion of internal reviews
- General maintenance and filing documents received on internal Administration files
- Dealing with general correspondence/emails received and day to day management of the administration

Asset realisation/dealing

- Correspondence and emails with Worldpay requesting information to support a potential Merchant Interchange Fee claim

- Emails with Worldpay regarding £7k sundry refund received
- Emails with Joint Liquidators of connected companies regarding a potential VAT refund
- Correspondence and emails with Bank and European airport regarding the performance bond

Employee matters

- Preparation of employee schedule and letter to former employees regarding unrepresented preferential dividend cheques
- Dealing with enquiries from former employees regarding unrepresented preferential dividends and the re-issue of preferential dividend cheques or payments direct to bank accounts where requested

Creditor claims

- Review/finalise letter to preferential creditors regarding unrepresented preferential dividend, email letter to preferential creditors, responding to various enquiries from preferential creditors, updating IPS for address changes, re-issue of preferential dividends via IPS
- Processing of creditor claim forms and entering/updating IPS
- Liaising with solicitors acting for the secured creditor
- Adjudication of unsecured creditor claims and entering onto IPS¹

1. Creditor approval will not be sought for this element of time costs incurred, as it will be paid from funds available under the Prescribed Part.

Reporting

- Preparation and distribution of the six-month progress report to members and creditors regarding the progress achieved and outstanding matters for the period to 17 February 2023 finalised 30 March 2023.
- Statutory filing of the progress report to Companies House and Court
- Preparation of an Estimated Outcome Statement to support strategy and the estimated outcome of the Administration.

These activities do not contribute to the financial outcome for creditors - they are statutory duties imposed by the relevant legislation. However, they do contribute to the creditors' understanding of the work being undertaken on their behalf.

Distribution and closure

- Adjudication of unsecured creditor claims in preparation of a dividend distribution under the Prescribed Part²
- Dealing with re-issue of employee dividends

2. Creditor approval will not be sought for this element of time costs incurred, as it will be paid from funds available under the Prescribed Part.

As noted above, there are elements of time included in the 'Creditor claims' and 'Distribution and closure' sections that has been incurred in the Period in adjudicating the claims of the unsecured creditors in preparation of a dividend under the Prescribed part. The time incurred in this respect totals £4,285.10. This time is recoverable from the Prescribed Part funds and does not require creditor approval to draw.

The position can be summarised as follows:

	Total Hours	Time costs (£)	Av. Rate (£)
Totals from above time costs summary table	150.05	31,677.00	211.11
Less: hours/costs incurred in adjudicating unsecured claims and other matters associated with Prescribed Part distribution	(17.40)	(4,285.10)	(246.27)
Adjusted time costs to be approved by creditors	132.65	27,391.90	206.50

The current charge out rates per hour of staff within the firm who may be involved in working on the Administration are as follows:

Grade	£
Partner	621-994
Director	417-521
Senior Manager	347-434
Manager	190-317
Senior Executive	152-222
Executive	93-117
BDO LLP tax department (max)	1304

Cumulative time incurred

Total time costs of £1,321,661 have been incurred over the course of the Administration to 17 August 2023 as detailed below. The Joint Administrators have drawn remuneration of £1,215,310 in comparison with approvals obtained of £1,282,061.

Activity	Hours	Average Rate £	Time costs £
Steps on appointment	247.85	330.57	81,931.05
Planning and strategy	240.20	311.49	74,818.75
General administration	1,897.55	227.32	431,345.15
Asset realisation/dealing	602.60	328.08	197,699.00
Trading related matters	8.65	272.25	2,355.00
Employee matters	658.40	258.42	170,141.95

Creditors' claims	675.45	229.34	154,907.75
Reporting	555.10	317.46	176,219.75
Distribution and closure	162.05	198.97	32,242.40
TOTAL	5,047.85	261.83	1,321,660.80

APPENDIX E

JOINT ADMINISTRATORS' EXPENSES

The Joint Administrators' expenses incurred and paid are detailed below.

	Incurred in Period 18/02/2023 to 17/08/2023 £	Total Incurred 18/02/2019 to 17/08/2023 £	Total Paid 18/02/2019 to 17/08/2023 £
Category 1			
Translation Fees	-	1,152.84	1,152.84
IT Services	-	90,385.29	90,385.29
Employee expenses and costs	-	3,115.07	3,115.07
Sundry Property Expenses	-	77.14	77.14
Pension Contributions	-	9,842.72	9,842.72
PR/Media costs	-	29,200.00	29,200.00
Consultancy Fees	-	27,645.00	27,645.00
Employee Repatriation Costs	-	514.53	514.53
Payroll Bureau Costs	-	5,394.39	5,394.39
Agents' Fees	-	140,468.02	140,468.02
Agents' Disbursements	-	12,879.44	12,879.44
Legal Fees & Disbs - Pre Appointment	-	41,938.67	41,938.67
Legal Fees & Disbs - Post Appointment ¹	1,327.00	166,357.36	166,357.36
Irrecoverable VAT	-	67.25	67.25
Utilities	-	12,078.14	12,078.14
Printing & Postage	-	5,777.01	5,777.01
Security Costs	-	1,687.50	1,687.50
Storage Costs	-	11,950.00	11,950.00
Re-direction of Mail	-	1,878.00	1,878.00
Statutory Advertising	-	79.25	79.25
Rents Payable	-	33,415.43	33,415.43
Rates	-	1,874.79	1,874.79
Sundry Expenses	-	15.00	15.00
Insurance	-	7,133.85	7,133.85
Wages & Salaries	-	81,123.81	81,123.81
PAYE & NI	-	43,701.99	43,701.99
Bank Charges	45.00	417.80	417.80
ERA Fees	-	16,220.00	16,220.00
*Accommodation and Room Hire	-	3,537.93	3,537.93
*Statutory Bonding	-	200.00	200.00
*Staff Travel	-	261.30	216.30
*Sustenance	-	1,066.63	1,066.63
*IT Equipment (Hard Drive)	-	82.99	82.99
*Storage	-	1,348.80	1,348.80
*Printing and Postage	-	1007.11	316.63
Category 2			
*Mileage	-	2,692.61	2,626.61

*included within disbursements on the attached receipts and payments account.

1. SW were instructed to provide legal advice on the following matters:

- Notification to the creditors of the proposed application to court to extend the Administration
- Preparation and submission to court of documentation to extend the Administration

SW has been paid £1,200 plus disbursements of £127 in the Period, in connection with the above legal advice.

We have retained the services of ERA who have dealt with the claims of the UK and overseas employees on behalf of the Joint Administrators. ERA have advised that future costs of £10,430 will be incurred by them in respect of the following:

- Calculation of employee unsecured claims and PAYE/NIC submission to HMRC

The other expense shown is self-explanatory.

APPENDIX F

STATEMENT OF CLAIM FORM

STATEMENT OF CLAIM FORM

British Midland Regional Limited t/a Flybmi - In Administration ('the Company')

Company registration number: SC104657

Date the Company entered Administration: 18 February 2019

Name of Creditor

(If a company please also give company registration number and where registered)

Address of Creditor

including email address for correspondence

Total amount of claim as at the date the ('the Company') entered Administration in respect of all debts, the particulars of which are set out overleaf

.

I submit a claim of £ in the Administration of the ('the Company') and certify that the particulars of the debt or debts making up that claim, which are set out overleaf, are true, complete and accurate, to the best of my knowledge and belief.

Signature of creditor

or person authorised to act on his behalf

Name (BLOCK CAPITALS)

Dated

Position with or in relation to creditor

Address of person signing

(if different from 2 above)

Particulars of each debt

Note: A separate set of particulars should be made out in respect of each debt.

Total amount of claim, showing separately the amount of principal and any interest which is due on the debt as at the date the ('the Company') entered Administration. Interest may only be claimed if the creditor is entitled to it. Show separately the VAT on the debt and indicate whether the VAT is being claimed back from HM Customs and Excise. £

If amount above includes outstanding uncapitalised interest please state amount. £

Briefly describe the debt, giving details of its nature, the date when it was incurred and when payment became due.

(If you need more space append a continuation sheet to this form).

Specify and give details of the nature of any security held in respect of the debt, including:

(a) the subjects covered and the date when it was given.

(b) the value of the security.

Notes:

Security is defined in section 248(b) of the Insolvency Act 1986 as meaning 'any security (whether heritable or moveable), any floating charge and any right of lien or preference and any right of retention (other than a right of compensation or set off)'. For claims in administration, security also includes a hire purchase agreement, agreement for the hire of goods for more than three months and a conditional sale agreement.

The creditor should state whether he is surrendering or undertakes to surrender his security; the administrator may at any time after 12 weeks from the date on which the company entered administration require a creditor to discharge a security or to convey or assign it to him on payment of the value specified by the creditor.

Details of any reservation of title claimed in respect of goods supplied to which the claim relates.

Insert the nature and amount of any preference under Schedule 6 to the Act claimed in respect of the debt.

In the case of a member state liquidator creditor, specify and give details of underlying claims in respect of which he is claiming as creditor.

Details of attached documents by reference to which the debt can be substantiated.

Please complete and return this form to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTNorthandScotland@bdo.co.uk.

APPENDIX G

NOTICE OF A DECISION BY CORRESPONDENCE PROCEDURE - RULE 5.8

British Midland Regional Limited t/a Flybmi - In Administration ('the Company')
In the Court of Session - P173/19
Company registration number: SC104657

NOTICE IS GIVEN that I am proposing that the following decisions ('the Proposed Decisions') be considered by creditors of the Company ('the Creditors') by a decision by correspondence procedure:

1. That the Joint Administrators' remuneration request for the accounting period 18 February 2023 to 17 August 2023 of £27,391.90 (excl VAT) be determined at £27,391.90 (excl VAT).
2. That a creditors' committee be established if sufficient creditors are willing to be members.

Decision Date: 12 October 2023

To vote on the Proposed Decisions please complete and return the attached voting form together with a statement of claim form (unless previously submitted) to me at the contact details below. If your voting form and completed statement of claim form are not received by me by the Decision Date your vote will not be counted.

You may also request that a physical meeting be held to consider the Proposed Decisions. If, by no later than five business days of delivery of this notice, either (i) 10% or more in value of Creditors, (ii) 10% or more in number of Creditors or (iii) 10 or more Creditors who are entitled to vote in this decision procedure request a physical meeting in writing and provide a statement of claim form (unless previously submitted), the decision by correspondence procedure will terminate and a physical meeting convened.

I must also receive any nominations for members to the creditors' committee together with a statement of claim form (unless previously submitted) by the Decision Date. Your nomination for membership to the committee will only be accepted if I am satisfied you are eligible to be a member in accordance with Rule 3.74 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.

If your debt is treated as a small debt (less than £1,000), or you have opted out of receiving notices, you must still provide a statement of claim form (unless previously submitted) if voting on the Proposed Decisions, requesting a physical meeting or nominating a member for the committee.

You may apply to the Court to appeal any decision within 21 days of the Decision Date in accordance with Rule 5.32 of the Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018.



Antony Nygate
Joint Administrator and Convener

26 September 2023

Contact: Valeria Eugenio
Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH
Tel: 0151 237 6632
Email: BRCMTNorthandScotland@bdo.co.uk
Reference: 00291330

APPENDIX H

VOTING FORM

British Midland Regional Limited t/a Flybmi - In Administration ('the Company')

Company registration number: SC104657

Decision Date: 12 October 2023

Name of Creditor

Address

Email

PROPOSED DECISIONS - I WISH TO VOTE AS INDICATED BELOW:

***Delete as applicable**

1. That the Joint Administrators' remuneration request for the accounting period 18 February 2023 to 17 August 2023 of £27,391.90 (excl VAT) be determined at £27,391.90 (excl VAT).

For / Against*

2. That a creditors' committee be established if sufficient creditors are willing to be members.

For / Against*

COMPLETE THIS SECTION ONLY IF YOU ARE SEEKING A CREDITORS' COMMITTEE BE ESTABLISHED AND CONSENT TO BE A MEMBER OF THE COMMITTEE.

***Delete as applicable**

I consent to being a member of the creditors' committee.

Yes / No*

I wish to nominate _____ ** (insert name) to act as my representative.

***A body corporate may be a member of a committee, but it cannot act otherwise by a representative*

Signature

Name (BLOCK CAPITALS)

Authority

Dated

Please complete and return this form together with a statement of claim form (unless previously submitted) to Valeria Eugenio, Business Restructuring, BDO LLP, 5 Temple Square, Temple Street, Liverpool, L2 5RH or by email to BRCMTNorthandScotland@bdo.co.uk to be received no later than the Decision Date.

Notes:

A committee member may not be represented by:

- Another member of the committee
- A person who is at the same time representing another committee member
- A body corporate
- A partnership
- An undischarged bankrupt
- A person whose estate has been sequestrated and who has not been discharged
- A person who has granted a trust deed for the benefit of creditors
- A person who has made a composition with creditors
- A person to whom a moratorium period under a debt relief order applies
- A person who is subject to a company directors' disqualification order or a company directors' disqualification undertaking
- A person who is subject to a bankruptcy restrictions order (including an interim order), a bankruptcy restrictions undertaking, a debt relief restrictions order (including an interim order) or a debt relief restrictions undertaking.

Please also note that the Joint Administrators cannot act as a committee member's representative.

A creditors' committee must have at least three members and no more than five members.
