

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

Company name in full British Midland Regional Limited

→ Filling in this form

Please complete in typescript or in
bold black capitals.

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

Surname Stephen

① Other administrator

Use this section to tell us about
another administrator.

5 Administrator's address ②

Building name/number 2 Atlantic Square

Street

Post town 31 York Street

County/Region Glasgow

Postcode G 2 8 N J

Country

② Other administrator

Use this section to tell us about
another administrator.

AM10 (Scot)

Notice of administrator's progress report

6 Period of progress report

From date	^d 1	^d 8	^m 0	^m 8	^y 2	^y 0	^y 2	^y 3
To date	^d 1	^d 7	^m 0	^m 2	^y 2	^y 0	^y 2	^y 4

7 Progress report

☒ I attach a copy of the progress report

8 Sign and date

Administrator's
signature

Signature

X



X

Signature date	^d 1	^d 1	^m 0	^m 3	^y 2	^y 0	^y 2	^y 4
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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 **Andrew Rudge**

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 18/08/2023 To 17/02/2024 £	From 18/02/2019 To 17/02/2024 £
	FIXED CHARGE ASSETS	
	Aircraft engine	NIL
		78,540.00
		NIL
		78,540.00
	FIXED CHARGE CREDITORS	
	Secured Creditor	NIL
		78,540.00
		NIL
		(78,540.00)
	ASSET REALISATIONS	
10,000.00	Other Property	NIL
	IT, Office Furniture & Equipment	NIL
	Motor Vehicles	14,773.33
	Stock	4,000.00
350,000.00	Book debts	688,376.32
606,838.00	Cash at Bank	1,562,616.47
2,632,146.00	Forex Profits	2,807,719.05
	Interest Gross	99,208.38
	Life Assurance Refund	5,132.38
	Sundry Refunds	30,540.70
	Fuel Refunds	NIL
	Bond Guarantee	65,250.47
		15,782.76
		71,491.02
		30,578.52
		37,589.48
		5,390,337.02
	COST OF REALISATIONS	
	Translation Fees	NIL
	Pre-Administration Fees	1,152.84
	Employee expenses and costs	108,454.45
	Sundry Property Expenses	3,115.07
	Pension Contributions	77.14
	PR/Media costs	9,842.72
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	Utilities	3,310.00
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		(106,622.25)
		(2,186,173.09)

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(392,400.00)	Preferential Creditors	NIL	230,969.55
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	Preferential Tax	NIL	90,897.58
	National Insurance Fund (RPS)	NIL	201,797.70
	Swedish Tax Agency	NIL	68,588.20
	Munich Employment Agency	NIL	22,408.68
	National Employment Service Belgium	NIL	26,808.95
		NIL	(662,266.81)
	FLOATING CHARGE CREDS		
(1,757,011.00)	Airline Investments Ltd	75,000.00	1,579,014.91
(3,567,000.00)	Stephen Bond	NIL	277,730.00
		(75,000.00)	(1,856,744.91)
	UNSECURED CREDITORS		
(17,197,657.00)	Trade & Expense Creditors	NIL	NIL
(19,754,561.00)	Contingent Liabilities	NIL	NIL
		NIL	NIL
	DISTRIBUTIONS		
(20,550,000.00)	Ordinary Shareholders	NIL	NIL
		NIL	NIL
(59,619,645.00)		(144,032.77)	685,152.21
	REPRESENTED BY		
	Input VAT		175,508.54
	Floating Current Account		32,216.86
	Floating Account No 2		639,964.77
	Output VAT		(35,600.18)
	Vat Control Account		(118,583.91)
	Unclaimed Dividends		(8,353.87)
			685,152.21

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 August 2023 to 17 February 2024**

dated 11 March 2024

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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 August 2023 to 17 February 2024
'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
'RPS'	Redundancy Payments Service
'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 t/a Flybmi
'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 August 2023 to 17 February 2024.

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	£1.7m
SB	£317k	£317k
Preferential creditors	100p in the £	100p in the £
Unsecured creditors ¹	0.089 in the £	1p in the £

1. There is estimated to be a further distribution to AIL under its floating security. There is also anticipated to be a distribution to the unsecured creditors from the Prescribed Part. The Prescribed Part is currently estimated to be approximately £485k. 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 creditors that the Joint Administrators' remuneration for the accounting period 18 August 2023 to 17 February 2024 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 8 April 2024, the Decision Date.

If you have any queries or need any assistance in completing the voting form, please contact Valerio 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.

Bond Guarantee

As noted in previous progress reports, the Bank was holding a performance bond in favour of a European airport in the sum of c€36k. The terms of the performance required the airport to complete certain paperwork so that the funds held could be released by the Bank to the Company.

We are pleased to confirm that the paperwork was completed and the funds held by the Bank of £30,579 has been transferred to the Company during the Period.

Cash at Bank

Given that the performance bond has been released, the Bank has also transferred a balance of £1,879 that it had retained on an account.

Bank Interest

During the Period, a total of £5,132 has been received in the Administration bank account.

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 £3,617,000 at the date of appointment of which £317,000 was secured and the balance of £3,300,000 was unsecured. SB has been paid £277,730 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 £1,579,015 have been paid to AIL under its floating charge security, of which £75,000 was paid during the Period.

AIL also have an agreed unsecured claim of £1,809,049.

Preferential creditors

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

Prescribed Part

It is estimated that the value of the net property is c£2.4m and the Prescribed Part is c£485k. 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

Significant progress has been made in the Period as regards the adjudication of the unsecured creditor claims in preparation of issuing a dividend via the Prescribed Part. The status of the unsecured creditor claims can be summarised as follows.

	Number	Statement of Affairs £	Claims submitted £	Claims agreed £
Trade creditors	2,044	25,261,285	32,350,747	29,375,838
Not yet adjudicated	2	7,917,053	8,087,324	TBC
Employees (overseas and UK)	433	3,773,880	1,703,852	1,703,852
RPS (overseas and UK)	4		1,978,263	1,978,263
Total	2,483	36,952,218	44,462,461	33,057,953

As noted above, the value of claims submitted against the Company to date has significantly exceeded the figures included in the Statement of Affairs submitted by the Company's directors.

As part of the creditor adjudication process, claims of c£5m were either rejected in full, in part or creditors submitted revised claims that were substantially lower than the claims that had been originally submitted.

The value of claims adjudicated and admitted total £33,057,953, which includes the unsecured claims of the UK and overseas employees and their respective RPS. In addition, two claims totalling £8,087,324 remain to be adjudicated. We are continuing to liaise with the parties concerned and seeking additional information from them in order that their claims can be finalised.

As a result of the above, the Joint Administrators anticipate that a dividend will be paid to unsecured creditors from the Prescribed Part. A dividend of approximately 0.089p in the £ is estimated to be payable, which is based on the level of claims adjudicated to date, a provision for the two remaining claims to be adjudicated and the level of the Prescribed Part funds that are estimated to be available to distribute.

Extension of the Administration

The Court granted an extension to the Administration for a period of 12 months, the Administration is now due to end on 18 February 2025.

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.

Joint Administrators' remuneration

The Joint Administrators have drawn remuneration of £92,780 during the Period as shown on the enclosed receipts and payments account at Appendix C. Remuneration has been approved on a time costs basis by creditors and is in respect of the following periods:

- 18 August 2022 to 17 August 2023 – approved on 17 April 2023; and
- 18 February 2023 to 17 August 2023 – approved on 12 October 2023.

During the Period, time costs of £123,859 were incurred over 541 hours at an average rate of £229 per hour. These time costs include costs associated with the prescribed part distribution. A detailed review of the time incurred in relation to this matter has been completed and costs specifically relating to the work to distribute to the unsecured creditors under the Prescribed Part are £75,965.60, being 349 hours at an average rate of £218. 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.

You will recall that the following time was disclosed in previous progress reports in respect of adjudicating unsecured claims and other matters associated with the Prescribed Part distribution:

Period	Total Hours	Time costs (£)	Av. Rate (£)
18 February 2023 to 17 August 2023	17.40	4,285.10	246.27
18 August 2022 to 17 February 2023	38.60	8,598.15	222.75
Total	56.00	12,883.25	230.06

As previously reported, this time will be drawn from the Prescribed Part funds. The above time was however excluded from the remuneration determined by creditors in the previous accounting periods noted. A Decision to rectify this is therefore being sought from creditors as shown at Appendix G (Decision number 2). These costs have already been taken into consideration when calculating the estimated dividend available to the unsecured creditors from the Prescribed Part.

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 2025.

If an extension to Administration is required 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

The Company's books and records show a VAT refund due of £338k in respect of pre-Administration VAT periods.

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 was not the lead member of the VAT Group and any refund agreed by HMRC would not therefore be paid to the Company.

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. Agreement has also been reached on the basis on which funds will be held for the relevant parties.

HMRC are considering the VAT information that has been submitted although any refund may be subject to Crown set-off. Recoveries continue to remain 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 was requested in a specific format but has not been provided.

You will recall that Marcus Parker Limited have commenced a class action claim and they have advised that the Company's claim can still be submitted into the class action in the absence of the relevant information from Worldpay.

Notwithstanding the above, the success of the claim remains uncertain and therefore the availability and timing of any funds to the Company continues to be uncertain.

Creditor distributions

Secured

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 were adjudicated and notice of claims was uploaded to the portal on 19 January 2024. A dividend payment of approximately 1p in the pound continues to be estimated to be paid to the unsecured creditors via the Prescribed Part. Two

creditor claims however remain to be adjudicated although they have been taken into consideration in estimating the dividend payable noted above.

On the basis that the two remaining creditor claims can be adjudicated in the next few weeks, we anticipate the dividend payment to be distributed to the unsecured creditors by the end of May 2024. This timing is subject to change should matters arise out of our control.

In any event, the dividend will need to be paid before the start of the next accounting period, being 18 August 2024.

Once this report has been uploaded to the creditor portal, creditors have a further 14 days to appeal any decision on the scheme of division as noted at Appendix I.

Appendix A

Statutory information

Information

Company name	British Midland Regional Limited t/a Flybmi
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>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.</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 18th 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> <p>Court order for a period of 12 months until 18 February 2025</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)
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	FIXED CHARGE ASSETS	
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		<u>39,270.00</u>
	FIXED CHARGE CREDITORS	
	Secured Creditor	39,270.00
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	ASSET REALISATIONS	
10,000.00	Other Property	NIL
	IT, Office Furniture & Equipment	14,773.33
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		NIL	NIL
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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 £123,859 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	0.30			5.80	2.00	5.85	13.95	3,350.25		240.16
General administration	0.65	0.20	1.45	19.30	45.85	20.65	88.10	19,138.80		217.24
Asset realisation/dealing	0.60			8.60			9.20	3,864.40		420.04
Employee matters			0.35	0.10	1.85		2.30	465.55		202.41
Creditors' claims	1.80		7.00	72.50	144.10	44.25	269.65	63,449.50		235.30
Reporting	1.15	0.80	3.90	12.70	4.20	0.60	23.35	8,234.70		352.66
Distribution and closure			21.60	2.30	100.25	10.50	134.65	25,355.60		188.31
TOTAL	4.50	1.00	34.30	121.30	298.25	81.85	541.20	123,858.80		228.86

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/finalise Progress Report and post to portal, complete portal checks and update IPS diary

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
- Preparation and submission of letter to creditors regarding the proposed extension of the Administration. Liaising with S&W as regards the application to Court to extend the Administration. Review and amend draft documentation for submission to Court. Statutory filing and notifications following the extension of the Administration
- Liaising with BDO tax department as regards preparation and submission of corporation tax returns
- Preparation and submission of VAT returns

Asset realisation/dealing

- Correspondence and emails with Bank and European airport regarding the performance bond
- Emails with Bank regarding cash held
- Emails with the Joint Liquidator of connected companies regarding the potential VAT refund

Employee matters

- Dealing with enquiries from former employees. Updating IPS where appropriate
- Liaising with ERA Solutions Ltd in respect of unsecured employee and RPS claims

Creditor claims

- Updating IPS for address changes
- Processing of creditor claim forms and entering/updating IPS
- Review position as regards secured lender. Discuss internally and arrange further distribution. Email to secured lender to confirm distribution
- Email correspondence with the secured creditors as regards their unsecured claims
- Liaising with ERA Solutions Ltd in respect of unsecured employee and RPS claims
- Preparation of spreadsheet to assist with monitoring claims progress. Adjudication of unsecured creditor claims and entering onto IPS. Telephone calls and correspondence with various creditors to obtain additional documentation to support claims that have been submitted. Review and adjudicate claims, including preparation of file notes to evidence adjudication process. Draft and issue letters to various creditors to reject unsecured claims in full/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 August 2023, finalised 26 September 2023. Upload report to creditor portal
- 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 Part
- Preparation and issue of adjudication letter to unsecured creditors
- Updating creditor claims on IPS

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 £75,965.60.

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	417-834
Senior Manager	347-694
Manager	190-507
Senior Executive	152-354
Executive	93-186
BDO LLP tax department (max)	1,304

Cumulative time incurred

Total time costs £1,445,758.95 have been incurred over the course of the Administration to 17 February 2024 as detailed below. The Joint Administrators have drawn remuneration of £1,308,090.10 in line with the approval obtained of £1,309,452.90.

Activity	Hours	Average Rate £	Time costs £
Steps on appointment	247.85	330.57	81,931.05
Planning and strategy	254.15	307.57	78,169.00
General administration	1,987.90	225.40	448,073.40
Asset realisation/dealing	611.80	334.12	204,416.60
Trading related matters	6.75	290.62	1,961.70
Employee matters	660.70	258.22	170,607.50
Creditors' claims	945.60	231.12	218,547.25
Reporting	578.45	318.88	184,454.45
Distribution and closure	296.70	194.13	57,598.00
TOTAL	5,589.90	258.64	1,445,758.95

Appendix E

Joint Administrators' expenses

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

		Incurring in Period 18/08/2023 to 17/02/2024 £	Total Incurred 18/02/2019 to 17/02/2024 £	Total Paid 18/02/2019 to 17/02/2024 £
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	-	5,397.00	173,114.36	169,667.36
Irrecoverable VAT	-	-	67.25	67.25
Utilities	-	-	12,078.14	12,078.14
Printing & Postage	-	1,442.35	7,219.36	7,219.36
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	-	790.00	869.25	869.25
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	-	-	417.80	417.80
ERA Fees ²	-	8,300.00	24,520.00	24,520.00
*Accommodation and Room Hire		-	3,537.93	3,537.93
*Statutory Bonding		-	200.00	200.00
*Staff Travel		-	216.30	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		-	1,007.11	250.69
Category 2				
*Mileage			2,692.56	2,692.56

*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 £1,950.00 in the Period, in connection with the above legal advice.

Gateley were instructed to provide legal advice and have incurred costs of £3,447.00 on the following matters:

- Review and advise on the validity of a purported claim submitted by a specific overseas creditor
- Review and advise on the documentation provided by AIL/SB as regards the unsecured element of their claims

In the Period, Gateley has been paid £1,360.00 for legal advice provided to the Joint Administrators in previous reporting periods.

2. 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's fees incurred in the Period of £8,300 are in respect of the calculation of employee unsecured claims and PAYE/NIC submission to HMRC. ERA's fees will be deducted from funds set aside for the Prescribed Part dividend.

The other expenses shown are 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 August 2023 to 17 February 2024 of £123,858.80 be determined at £123,858.80 (excl VAT).
2. That the Joint Administrators remuneration request for the accounting periods ended 17 February 2023 and 17 August 2023 be increased by £12,883.25 (excl VAT).
3. That a creditors' committee be established if sufficient creditors are willing to be members.

Decision Date: 8 April 2024

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

Date: 11 March 2024
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: 8 April 2024

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 August 2023 to 17 February 2024 of £123,858.80 be determined at £123,858.80 (excl VAT).

For / Against*

2. That the Joint Administrators remuneration request for costs specifically relating to the adjudication of unsecured creditor claims under the Prescribed Part of £12,883.25 for the accounting periods ended 18 August 2022 and 17 August 2023 be determined at £12,883.25 (excl VAT).

For / Against*

3. 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.

Appendix I

Proposed scheme of division at end of accounting period

Proposed Scheme of Division as at 17 February 2024

Prescribed Part amount for distribution	£485,556
Less:	
Joint Administrators proposed fee for the adjudication of claims and the final distribution of the Prescribed Part.	£(110,000)
Any other costs - ERA Solutions Ltd	£(8,300)
Funds available for Distribution	£367,256



Antony Nygate

Joint Administrator

