

Joint Administrators' progress report from 2 March 2021 to 1 September 2021

Cordant Group Plc

Security Realisations Limited (formerly Cordant Security Limited)

C.L.C Realisations Limited (formerly Cordant Cleaning Limited)

PTR Realisations Limited (formerly Cordant People Limited)

PRL Realisations 1 Limited (formerly PMP Recruitment Limited)

Cordant Technical Limited

(all in administration)

30 September 2021

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Abbreviations and definitions

The following table shows the abbreviations and insolvency terms that may be used in this report :

| Abbreviation or definition | Meaning |
|---|--|
| Administrators/ Joint Administrators/we/us/our | Rachael Maria Wilkinson, Zelf Hussain and David Robert Baxendale |
| ABN | ABN Amro Asset Based Finance N.V (a Secured Creditor) |
| Barclays | Barclays Bank PLC (a Secured Creditor) |
| Centrovalli | Centrovalli Limited, a BVI registered company (a Secured Creditor) |
| Companies (each a Company) | Cordant Group Plc (" Plc ") Security Realisations Limited (formerly Cordant Security Limited) (" Security ") C.L.C Realisations Limited (formerly Cordant Cleaning Limited) (" Cleaning ") PTR Realisations Limited (formerly Cordant People Limited) (" People ") PRL Realisations 1 Limited (formerly PMP Recruitment Limited) (" PMP ") Cordant Technical Limited (" Technical ") - all in administration |
| Group | Cordant Group Plc and its subsidiaries |
| HMRC | HM Revenue and Customs |
| HSE | Health and Safety Executive |
| IA86 | Insolvency Act 1986 |
| IR16 | Insolvency (England and Wales) Rules 2016 |
| IR(S)18 | Insolvency (Scotland) (Company Voluntary Arrangements and Administration) Rules 2018 |
| Lenders | RBS Invoice Finance Limited, Barclays Bank PLC and ABN Amro Asset Based Finance N.V. |
| LTO | Licence to Occupy |
| Preferential Creditors | Primarily employee claims for unpaid wages earned in the four months before the insolvency up to £800, holiday pay and unpaid pension contributions in certain circumstances |
| Prescribed part | The amount set aside for unsecured creditors from floating charge funds in accordance with section 176A IA86 and the Insolvency Act 1986 (Prescribed Part) Order 2003 |
| Purchasers/Purchaser | Twenty20 Capital Bidco 1 Ltd (" Bidco 1 ") and its subsidiaries: 2020 A Ltd, 2020 B Ltd, 2020 C Ltd, 2020 E Ltd, 2020 F Ltd, 2020 G Ltd, 2020 L Ltd, 2020 T Ltd and Twenty20 Midco 1 Limited. Bidco 1 is controlled by Twenty20 Capital Holdings Ltd. |
| PwC | PricewaterhouseCoopers LLP |
| RBSIF | RBS Invoice Finance Limited (a Secured Creditor) |
| Sch B1 IA86 | Schedule B1 to the Insolvency Act 1986 |

| | |
|---|--|
| Secured Creditor | A creditor with security in respect of their debt, in accordance with section 248 IA86 |
| SIP | Statement of Insolvency Practice. SIPs are issued to insolvency practitioners under procedures agreed between the insolvency regulatory authorities. SIPs set out principles and key compliance standards with which insolvency practitioners are required to comply |
| SIP 9 | Statement of Insolvency Practice 9: Payments to insolvency office holders and their associates from an estate |
| SIP 16 | Statement of Insolvency Practice 16: Pre-packaged sales in administrations |
| SPA | The interlocking agreements for the sale and purchase of the businesses and assets of the Companies dated 2 March 2020 and made between the Companies and the Purchasers |
| Unsecured Creditors | Creditors who are neither secured nor preferential |
| Wider Companies (each a Company) | <p>Cordant Group Plc ("Plc")</p> <p>Security Realisations Limited (formerly Cordant Security Limited) ("Security")</p> <p>C.L.C Realisations Limited (formerly Cordant Cleaning Limited) ("Cleaning")</p> <p>PTR Realisations Limited (formerly Cordant People Limited) ("People")</p> <p>PRL Realisations 1 Limited (formerly PMP Recruitment Limited) ("PMP")</p> <p>SFG Realisations Limited (formerly Staffgroup Limited) ("Staffgroup")</p> <p>PEG 1 Realisations Limited (formerly Premiere Employment Group Limited) ("Premiere")</p> <p>SGHW Realisations Limited (formerly Sugarman Health & Wellbeing Limited) ("Sugarman")</p> <p>Cordant Technical Limited ("Technical")</p> <p>- all in administration</p> |

This report has been prepared by Rachael Maria Wilkinson, Zelf Hussain and David Robert Baxendale as Joint Administrators of the Companies, solely to comply with the Joint Administrators' statutory duty to report to creditors under IR16 and IR(S)18 on the administrations, and for no other purpose. It is not suitable to be relied upon by any other person, or for any other purpose, or in any other context.

This report has not been prepared in contemplation of it being used, and it is not suitable to be used, to inform any investment decision in relation to the debt of or any financial investment in the Companies.

Any estimated outcomes for creditors included in this report are illustrative only and cannot be relied upon as guidance as to the actual outcome for creditors. Any persons choosing to rely on this report for any purpose or in any context other than under IR16 or IR(S)18 do so at their own risk. To the fullest extent permitted by law, the Joint Administrators do not assume any liability in respect of this report to any such person.

Unless stated otherwise, all amounts in this report and appendices are stated net of VAT.

Rachael Maria Wilkinson, Zelf Hussain and David Robert Baxendale were appointed as Joint Administrators of the Companies on 2 March 2020 to manage their affairs, business and property as its agents and without personal liability. All are licensed in the United Kingdom to act as insolvency practitioners by the Institute of Chartered Accountants in England and Wales.

The Joint Administrators are bound by the Insolvency Code of Ethics which can be found at: <https://www.gov.uk/government/publications/insolvency-practitioner-code-of-ethics>.

The Joint Administrators may act as controllers of personal data as defined by the UK data protection law depending upon the specific processing activities undertaken. PricewaterhouseCoopers LLP may act as a processor on the instructions of the Joint Administrators. Personal data will be kept secure and processed only for matters relating to the Joint Administrators' appointment. Further details are available in the privacy statement on the PwC.co.uk website or by contacting the Joint Administrators.

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Key messages

Why we've sent you this report

I'm writing to update you on the progress of the administration of Companies in the six months since our last report dated 29 March 2021. Our earlier reports provided updates in relation to the Wider Companies. The administrations for those companies covered in our earlier reports but not in this one, are due to be closed shortly and therefore will be subject to a separate report that will be published on our website.

You can still view our earlier reports on our website at www.pwc.co.uk/cordantgroup. Please email uk_cordantgroupcreditors@pwc.com if you need any of the passwords to access the reports.

How much creditors may receive

The following table summarises the possible outcome for creditors, based on what we currently know.

| Class of creditor | Current estimate (p in £) | Previous estimate (p in £) |
|---|------------------------------|-------------------------------|
| Secured Creditors: | | |
| RBSIF | | |
| Barclays | 100 (paid) | 100 |
| ABN | | |
| ABN (EURO Staffgroup Limited Facility) | 100 (paid) | 100 |
| Centrovalli | 10 - 12 | 10-12 |
| Preferential Creditors | | |
| | N/A | N/A |
| Unsecured Creditors of: | | |
| Plc | Nil | Nil |
| PMP | <0.2 | <0.2 |
| Security | Nil | Nil |
| People | <0.5 | <0.5 |
| Technical | c.25 | 15 - 25 |
| Cleaning | <0.5 | <0.5 |

To date, the Lenders have been re-paid in full from the proceeds of the sale of the businesses and the deferred consideration. A total of £43,005,330.90 has been paid across the Wider Companies in respect of their first ranking fixed charges held over the Wider Companies' assets.

Centrovalli was owed c.£6m at the time of our appointment and based on what we currently know, we do not expect it to be repaid in full under its second ranking fixed and floating charges over the Companies' assets.

As explained in our previous reports, we have been dealing with a significant number of employee matters and in particular potential claims. Given the nature of the claims, it was important to determine whether any of these would rank as preferential but to date no such claims have been identified.

As shown in the table above, we only expect there to be unsecured dividends available in PMP, People, Technical and Cleaning; these dividends are payable out of the Prescribed Parts in those companies. We estimate that the value of the net property (the amount of asset realisations subject to a floating charge, after deducting the costs of realisation

and administration, and after paying or setting aside funds to pay the preferential creditors will be £185k for PMP, £85k for People, £214k for Cleaning and £244k for Technical. Based on these figures, we think the value of the Prescribed Parts in each of these Companies will be £35k for PMP, £20k for People, £46k for Cleaning and £52k for Technical.

The amount of any dividends to unsecured creditors and when it would be paid is dependent on any further asset realisations (if any) and costs, any claims that rank as preferential and the total level of unsecured claims received in each company. The total value of Unsecured Creditor claims received since our appointment is as follows:

| Company | Unsecured Creditor claims received (£) | Unsecured creditor claims as per SoA (£) |
|-----------|--|--|
| Plc | 13,830,017 | 64,128,913 |
| PMP | 37,586,613 | 53,684,960 |
| Security | 9,596,898 | 19,893,484 |
| People | 6,505,951 | 8,399,877 |
| Technical | 51,237 | 184,463 |
| Cleaning | 6,832,361 | 21,100,793 |

Unsecured Creditors of PMP, People, Technical and Cleaning who have yet to do so should now submit their claims in writing to us so that we can agree them for dividend purposes. We expect to issue notices of intended dividend in each of these companies shortly; this will set a deadline by which claims must be received in order to participate in the dividends.

What you need to do

If you haven't already done so, please send your claim to us so that we can agree it, should a distribution to Unsecured Creditors be payable. Our preferred method for creditors to submit claims and supporting documents is via the Turnkey (IPS) online portal, as this is the most efficient and cost effective way for us to deal with your claim and also allows you to better track its status, so we recommend the use of the online portal for claim submission. If you have not received your unique login details, you can request them by emailing our creditor communications team at uk_cordantgroupcreditors@pwc.com. You will need to submit a separate claim for each of the Companies you wish to make a claim against.

A creditor who we decide is not required to submit a proof of debt will be notified when we deliver notice of our intention to pay a dividend of the amount we'll treat as their admitted debt for the purpose of the dividend, unless the creditor advises us that the amount is incorrect (in which case a proof of debt will be required) or not owed.

Please note that should you wish to vote in relation to any decision procedure during the administration or object to a decision sought by deemed consent, you'll need to submit a proof of debt, even if one is not required for dividend purposes.

Overview of what we've done to date

As explained in our previous reports, the Group was the UK's leading independently owned talent solutions group, serving labour markets across the distribution, delivery, security, cleaning, IT, healthcare and education sectors. Group operations were mainly in the UK, with some operations in France, Germany and Australia.

Further information regarding the Companies' circumstances leading up to our appointment can be found in our Initial letter to creditors with SIP16 report and Joint Administrators' Proposals for achieving the purpose of administration on our website at www.pwc.co.uk/cordantgroup.

To date, we have completed a sale of certain businesses and assets of the Wider Companies, realising a total consideration of £43,893,518 plus €3,172,732, made distributions to the Secured Creditors, managed a large and complex LTO agreement with the Purchaser, novated a significant number of customer contracts, progressed a number of employee tribunal matters and started the claim adjudication process for PMP, People, Technical and Cleaning.

We remain in office largely to finalise the position of the Companies' leasehold property portfolio and perform a final reconciliation of LTO funds, finalise VAT and Tax matters and to pay a distribution to creditors in those Companies where there are sufficient assets available for a distribution.

When we last reported, the key outstanding matters in the administration were as follows:

- to maintain and bring to an end the LTOs in place, and facilitate the assignment of the remaining leases to the Purchaser where requested or the exit from these properties;
- to continue to resolve employee queries where possible and review claims received to determine any preferential status;
- to conclude the Companies' tax and VAT affairs;
- to pay distributions to Centrovalli from realisations subject to its fixed and floating charges; and
- in the case of Cleaning, People, PMP and Technical, to adjudicate creditor claims in order to declare and pay a dividend from the Prescribed part to Unsecured Creditors

Progress since we last reported

Post sale matters

We have continued to fulfill our obligations under the SPA with the Purchaser since our last report. This has included assisting with any remaining contracts that required novation; we have recharged to the Purchaser any legal fees that were incurred by the Companies in dealing with these matters.

Property

During the period covered by this report, we have continued to manage the LTO agreement that was negotiated with the Purchaser at the time of the sale of the businesses and assets.

This involves the Purchaser providing us with funds in advance, from which we pay rent, service charge and insurance directly to landlords of the properties occupied by the businesses. This was done to provide the Purchaser with sufficient time to agree lease reassignments directly with landlords or exit properties which are surplus to requirements. We are pleased to confirm there is only one lease with PMP currently remaining subject to the LTO and we expect to conclude our work on this matter shortly.

Where the Purchaser has exited a property and has not sought to reassign the lease to themselves, we have offered lease surrenders to landlords.

Once the LTO comes to an end, we will carry out a reconciliation of LTO funds held and return any residual funds back to the Purchaser.

We have also continued to liaise with our post appointment insurance broker to ensure public liability insurance cover remains in place for vacant properties until a surrender of the lease has been agreed with the landlord.

HSE investigation

During the period covered by this report, we have been contacted by the Health and Safety Executive regarding an ongoing investigation in relation to a pre-appointment matter in Cleaning. We have advised the HSE of the administration and provided them with the requested information where possible to assist them. We are currently assessing the impact this investigation may have on the need to extend the period of the administration and how this could affect the timing of the dividend to unsecured creditors. We will provide creditors with an update in our next progress report.

Sundry Debts and Refunds

During the period covered by this report, we received refunds from local authorities in respect of business rates overpayments and refunds of credit balances held by third parties. The breakdown of the receipts is as follows:

- £1,548 for Plc
- £1,197 for Security
- £1,510 for People
- £2,144 for PMP

Statutory and compliance

During the period covered by this report we have:

- Prepared and distributed our progress report for the period 2 September 2020 to 1 March 2021;
- Complied with our tax and VAT reporting obligations.

Employees

We have continued to deal with a high volume of employees' matters in the period covered by this report. We have sought the assistance of our specialist employee team and solicitors, particularly where the issues are complex and have involved employment tribunals or personal injury claims. We have sent and received correspondence from employment tribunals and received requests to lift a stay on proceedings, that was imposed following the Companies entering administration. We have sought assistance and access to the Purchaser's books and records to effectively deal with some of the correspondence we have received.

We are seeking to mitigate claims and protect the interests of creditors. We anticipate this will be a matter that will continue to require our attention up to the closure of the administrations.

Subsidiary strike offs

Following the SPA, in addition to the Wider Companies there remained a significant number of dormant companies in the Group. A process has been taking place on behalf of those companies' directors to strike these companies from the register. These include a number of applications for subsidiaries of the Companies to be struck off. We have fulfilled our duties as administrators of the parent companies in assisting with this process where necessary, and this work is now largely complete. Currently there is a subsidiary of Security still in the process of being struck off. Once this has been confirmed with the Registrar of Companies, Security can proceed to move to dissolution.

Subject Access Requests

During the period covered by this report, we have received a number of subject access requests from former employees of the Companies or their representatives. Under data protection law, individuals can ask if an organisation holds personal data about them and receive a copy of the personal data being stored. The Joint Administrators have a legal duty to respond within one month to any such requests where this is possible (ie records have not been destroyed or archived). Following the SPA, the Purchaser holds the books and records that contain the majority of the personal data, and we have liaised closely with the Purchaser to ensure a timely and detailed response has been provided.

Investigations and actions

Nothing has come to our attention during the period under review to suggest that we need to do any more work in line with our duties under the Company Directors' Disqualification Act 1986 and Statement of Insolvency Practice No.2.

Our receipts and payments account

We set out in Appendix A an account of our receipts and payments in the administration from 2 March 2021 to 1 September 2021 for each of the Companies.

Our expenses

We set out in Appendix B a statement of the expenses we've incurred for the period covered by this report and an estimate of our future expenses for each of the Companies.

The statement excludes any potential tax liabilities that we may need to pay as an administration expense in due course because amounts due will depend on the position at the end of the tax accounting period.

Our fees

We set out in Appendix C an update on our remuneration which covers our fees, disbursements and other related matters in this case.

Creditors' rights

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge fees and expenses within eight weeks of receiving this report as set out in Rule 18.34. This information can also be found in the guide to fees at:

Plc, Security, People, PMP and Cleaning

Creditors have the right to ask for more information within 21 days of receiving this report as set out in Rule 18.9 IR16. Any request must be in writing. Creditors can also challenge our fees and expenses within eight weeks of receiving this report as set out in Rule 18.34 IR16. This information can also be found in the guide to fees at:

<https://www.icaew.com/-/media/corporate/files/technical/insolvency/creditors-guides/2021/administration-creditor-fee-guide-1-april-2021.ashx?la=en>

Technical

You can find a note explaining the rights of creditors in relation to our fees and expenses, and how to request further information, online at:

https://www.icas.com/_data/assets/pdf_file/0015/2265/Creditors-Guide-to-Administrators-Renumeration-ICAS.pdf

You can also get a copy free of charge by telephoning Syed Shah on 0113 289 4314.

What we still need to do

There is still a significant amount of work to do before the administrations can be concluded. The following is a summary of the key matters:

- Finalising the LTO in place and complete a complete a reconciliation of all funds paid and received under the LTO in the administrations;
- Continue to resolve employee queries where possible and review claims received to determine any preferential status;
- Conclude the strike off of subsidiaries of Security;
- Continue to liaise with the HSE to determine the need for a further extension to the period of the administration;
- Conclude the Companies' tax and VAT affairs and request tax clearance;
- Pay distributions to Centrovalli from the assets realisations subject to its fixed and floating charges; and
- In the case of Cleaning, People, PMP and Technical, to conclude the adjudication of creditor claims in order to declare and pay a dividend from the Prescribed part to Unsecured Creditors

Next steps

As explained in our previous report, the period of the administrations was extended to 1 March 2022 by the consent of the Secured Creditors. We may seek a further extension to the period of the administration from the Courts, if we believe it is necessary to conclude the outstanding matters. It is possible that the administrations may end at different times, unless we consider that it is more cost effective to bring them to an end simultaneously. We'll provide an update on this in our next report.

We expect to send our next report to creditors at the end of the administration or in about six months, whichever is sooner.

If you've got any questions, please get in touch with Syed Shah on 0113 289 4314 or email uk_cordantgroupcreditors@pwc.com.

Yours faithfully
For and on behalf of the Companies



Rachael Maria Wilkinson
Joint Administrator

Appendix A: Receipts and payments

| Receipts and Payments Account | Plc | | | Total |
|---|-------------------|---------------------------------|-------------------------------------|---------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Site Equipment | 37,000.00 | - | - | - |
| Investments | 317,000.00 | - | - | - |
| Total Fixed charge realisations | 354,000.00 | - | - | - |
| Fixed charge payments | | | | |
| Total Fixed charge payments | | - | - | - |
| Distribution under fixed charge | | - | - | - |
| Net Fixed Charge Realisations | | - | - | - |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Investments | | 299,994.00 | - | 299,994.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Funding from TSA | | 6,600.00 | - | 6,600.00 |
| Pre Appointment Cash | | 62,713.45 | - | 62,713.45 |
| Bank interest | | 441.97 | - | 441.97 |
| Sundry refunds | | 1,508.48 | 1,659.45 | 3,167.93 |
| Total floating charge asset realisations | | 371,263.90 | 1,659.45 | 372,923.35 |
| Floating charge payments | | | | |
| Professional fees | | (1,388.88) | - | (1,388.88) |
| Bank charges | | (30.00) | - | (30.00) |
| Pre-appointment Administrators' fees | | (21,562.00) | - | (21,562.00) |
| Pre-appointment Administrators' disbursements | | (5.00) | - | (5.00) |
| Pre-appointment legal fees | | (34,212.61) | - | (34,212.61) |
| Administrators' fees | | (175,000.00) | (17,402.00) | (192,402.00) |
| Legal fees | | - | (1,001.70) | (1,001.70) |
| Total floating charge payments | | (232,198.49) | (18,403.70) | (250,602.19) |
| VAT Control account | | (45,113.68) | (5,486.44) | (50,600.12) |
| Total cash at bank | | 93,951.73 | (22,230.69) | 71,721.04 |

| Receipts and Payments Account | Security | | | |
|---|---------------------|---------------------------------|-------------------------------------|---------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | Total |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Debtors | | 8,235,980.88 | - | 8,235,980.88 |
| Site Equipment | 10,000.00 | - | - | - |
| Computer Equipment | 23,000.00 | - | - | - |
| Motor Vehicles | 17,000.00 | - | - | - |
| Investments | - | 200,000.00 | - | 200,000.00 |
| Total Fixed charge realisations | 50,000.00 | 8,435,980.88 | - | 8,435,980.88 |
| Fixed charge payments | | | | |
| Pre-appointment Administrators' fees | | (35,586.00) | - | (35,586.00) |
| Pre-appointment Administrators' disbursements | | (8.00) | - | (8.00) |
| Pre-appointment legal fees | | (50,835.00) | - | (50,835.00) |
| Administrators' fees | | (300,000.00) | - | (300,000.00) |
| Total Fixed charge payments | | (386,429.00) | - | (386,429.00) |
| Distribution under fixed charge | | (7,966,746.41) | - | (7,966,746.41) |
| Net Fixed Charge Realisations | | 82,805.47 | - | 82,805.47 |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Accrued Income | 2,619,000.00 | - | - | - |
| Trade Debtors | 4,629,500.00 | - | - | - |
| Fixtures & Fittings, Plant and machinery | | 26,000.00 | - | 26,000.00 |
| The benefit of the bond documents | | 1.00 | - | 1.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The properties | | 1.00 | - | 1.00 |
| The stock | | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Pre Appointment Cash | 1,937,000.00 | - | - | - |
| Bank interest | | 0.01 | - | 0.01 |
| Third party funds | | 627.12 | - | 627.12 |
| Pre-appointment VAT refund | | 7,604.04 | - | 7,604.04 |
| Rates refunds | | - | 1,197.32 | 1,197.32 |
| Total floating charge asset realisations | 9,185,500.00 | 34,240.17 | 1,197.32 | 35,437.49 |
| Floating charge payments | | | | |
| Professional fees | | (1,388.89) | - | (1,388.89) |
| Bank charges | | (45.00) | - | (45.00) |
| Legal fees | | (8,658.95) | (535.00) | (9,193.95) |
| Irrecoverable VAT | | - | (2,978.26) | (2,978.26) |
| Total floating charge payments | | (10,092.84) | (3,513.26) | (13,606.10) |
| Net funds held under LTO | | (4,074.29) | 4,690.50 | 616.21 |
| VAT Control account | | (71,989.06) | 71,599.06 | (390.00) |
| Total cash at bank | | 30,889.45 | 73,973.62 | 104,863.07 |

| Receipts and Payments Account | Cleaning | | | |
|---|---------------------|---------------------------------|-------------------------------------|---------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | Total |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Debtors | | 5,352,151.28 | - | 5,352,151.28 |
| Site Equipment | 250,000.00 | - | - | - |
| Computer Equipment | 7,500.00 | - | - | - |
| Motor Vehicles | 10,500.00 | - | - | - |
| Investments | | - | - | - |
| Total Fixed charge realisations | 268,000.00 | 5,352,151.28 | - | 5,352,151.28 |
| Fixed charge payments | | | | |
| Pre-appointment Administrators' fees | | (24,443.00) | - | (24,443.00) |
| Pre-appointment Administrators' disbursements | | (6.00) | - | (6.00) |
| Pre-appointment legal fees | | (35,543.00) | - | (35,543.00) |
| Administrators' fees | | (125,000.00) | (29,451.00) | (154,451.00) |
| Total Fixed charge payments | | (184,992.00) | (29,451.00) | (214,443.00) |
| Distribution under fixed charge | | (4,993,228.55) | - | (4,993,228.55) |
| Net Fixed Charge Realisations | | 173,930.73 | (29,451.00) | 144,479.73 |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Accrued Income | 458,500.00 | - | - | - |
| Trade Debtors | 3,260,800.00 | - | - | - |
| Fixtures & Fittings, Plant and machinery | | 159,500.00 | - | 159,500.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The properties | | 1.00 | - | 1.00 |
| The stock | | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Pre Appointment Cash | 1,045,000.00 | - | - | - |
| Third party funds | | 113.41 | - | 113.41 |
| Total floating charge asset realisations | 4,764,300.00 | 159,621.41 | - | 159,621.41 |
| Floating charge payments | | | | |
| Bank charges | | (45.00) | - | (45.00) |
| Professional fees | | (1,388.89) | - | (1,388.89) |
| Legal fees | | (13,132.92) | (576.50) | (13,709.42) |
| Irrecoverable VAT | | - | (151.53) | (151.53) |
| Total floating charge payments | | (14,566.81) | (728.03) | (15,294.84) |
| Net funds held under LTO | | 1,257.39 | (2,250.00) | (992.61) |
| VAT Control account | | (41,923.54) | 34,145.54 | (7,778.00) |
| Total cash at bank | | 278,319.18 | 1,716.51 | 280,035.69 |

| Receipts and Payments Account | People | | | Total |
|---|---------------------|---------------------------------|-------------------------------------|---------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Debtors | | 4,282,822.52 | - | 4,282,822.52 |
| Site Equipment | 210,000.00 | - | - | - |
| Investments | | 1,703,067.05 | - | 1,703,067.05 |
| Total Fixed charge realisations | 210,000.00 | 5,985,889.57 | - | 5,985,889.57 |
| Fixed charge payments | | | | |
| Pre-appointment Administrators' fees | | (47,448.00) | - | (47,448.00) |
| Pre-appointment Administrators' disbursements | | (11.00) | - | (11.00) |
| Pre-appointment legal fees | | (67,113.00) | - | (67,113.00) |
| Administrators' fees | | (150,000.00) | (9,220.00) | (159,220.00) |
| Legal fees | | - | (32,649.20) | (32,649.20) |
| Total Fixed charge payments | | (264,572.00) | (41,869.20) | (306,441.20) |
| Distribution under fixed charge | | (5,425,731.77) | - | (5,425,731.77) |
| Net Fixed Charge Realisations | | 295,585.80 | (41,869.20) | 253,716.60 |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Trade Debtors | 3,626,000.00 | - | - | - |
| Fixtures & Fittings, Plant and machinery | | 100,000.00 | - | 100,000.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The properties | | 1.00 | - | 1.00 |
| The stock | | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Bank interest | | 0.01 | - | 0.01 |
| Rates refunds | | 16,580.45 | 1,509.93 | 18,090.38 |
| Rent deposit | | 2,185.42 | - | 2,185.42 |
| Third party funds | | 999.52 | - | 999.52 |
| Total floating charge asset realisations | 3,626,000.00 | 119,773.40 | 1,509.93 | 121,283.33 |
| Floating charge payments | | | | |
| Bank charges | | (30.00) | - | (30.00) |
| Professional fees | | (1,388.89) | - | (1,388.89) |
| Legal fees | | (2,549.00) | - | (2,549.00) |
| Irrecoverable VAT | | - | (3,512.42) | (3,512.42) |
| Agents fees | | - | (716.54) | (716.54) |
| Insurance | | - | (7,038.06) | (7,038.06) |
| Total floating charge payments | | (3,967.89) | (11,267.02) | (15,234.91) |
| Net funds held under LTO | | 28,059.06 | (24,990.42) | 3,068.64 |
| VAT Control account | | (57,086.95) | 53,491.11 | (3,595.84) |
| Total cash at bank | | 382,363.42 | (23,125.60) | 359,237.82 |

| Receipts and Payments Account | PMP | | | |
|---|----------------------|---------------------------------|-------------------------------------|----------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | Total |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Debtors | | 15,634,886.08 | - | 15,634,886.08 |
| Site Equipment | 77,500.00 | - | - | - |
| Motor Vehicles | 14,500.00 | - | - | - |
| Total Fixed charge realisations | 92,000.00 | 15,634,886.08 | - | 15,634,886.08 |
| Fixed charge payments | | | | |
| Pre-appointment Administrators' fees | | (42,056.00) | - | (42,056.00) |
| Pre-appointment Administrators' disbursements | | (10.00) | - | (10.00) |
| Pre-appointment legal fees | | (59,714.00) | - | (59,714.00) |
| Administrators' fees | | (125,000.00) | (48,479.00) | (173,479.00) |
| Total Fixed charge payments | | (226,780.00) | (48,479.00) | (275,259.00) |
| Distribution under fixed charge | | (15,094,932.77) | - | (15,094,932.77) |
| Net Fixed Charge Realisations | | 313,173.31 | (48,479.00) | 264,694.31 |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Accrued Income | 77,500.00 | - | - | - |
| Trade Debtors | 15,276,700.00 | - | - | - |
| Fixtures & Fittings, Plant and machinery | | 45,500.00 | - | 45,500.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The properties | | 1.00 | - | 1.00 |
| The stock | | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Pre Appointment Cash | 3,558,000.00 | 142,571.07 | - | 142,571.07 |
| Bank interest | | 1.04 | - | 1.04 |
| Rates refunds | | 5,025.47 | 2,143.88 | 7,169.35 |
| Third party funds | | 591.43 | - | 591.43 |
| Total floating charge asset realisations | 18,912,200.00 | 193,697.01 | 2,143.88 | 195,840.89 |
| Floating charge payments | | | | |
| Professional fees | | (1,388.89) | - | (1,388.89) |
| Bank charges | | (15.00) | - | (15.00) |
| Legal fees | | (7,849.00) | (29.10) | (7,878.10) |
| Agents fees | | - | (212.79) | (212.79) |
| Irrecoverable VAT | | - | (1,140.56) | (1,140.56) |
| Total floating charge payments | | (9,252.89) | (1,382.45) | (10,635.34) |
| Net funds held under LTO | | 19,701.85 | (9,391.05) | 10,310.80 |
| VAT Control account | | (31,722.08) | 19,970.45 | (11,751.63) |
| Total cash at bank | | 485,597.20 | (37,138.17) | 448,459.03 |

| Receipts and Payments Account | Technical | | | |
|---|-------------------|---------------------------------|-------------------------------------|---------------------|
| | SOA | 2 March 2020 to 1 March 2021 | 2 March 2021 to 1 September 2021 | Total |
| | | £ | £ | £ |
| Assets subject to fixed charges | | | | |
| Fixed charge realisations | | | | |
| Total Fixed charge realisations | - | - | - | - |
| Fixed charge payments | | | | |
| Total Fixed charge payments | | - | - | - |
| Net Fixed Charge Realisations | | - | - | - |
| Assets subject to floating charges | | | | |
| Floating charge realisations | | | | |
| Debtors | 90,600.00 | 334,538.50 | - | 334,538.50 |
| Fixtures & Fittings, Plant and machinery | 5,500.00 | 3,000.00 | - | 3,000.00 |
| The business | | 1.00 | - | 1.00 |
| The business Intellectual Property | | 1.00 | - | 1.00 |
| The Computer Systems | - | 1.00 | - | 1.00 |
| The benefit of the contracts | | 1.00 | - | 1.00 |
| The goodwill | | 1.00 | - | 1.00 |
| The properties | | 1.00 | - | 1.00 |
| The stock | - | 1.00 | - | 1.00 |
| The records | | 1.00 | - | 1.00 |
| Pre Appointment Cash | 27,000.00 | 41,892.63 | - | 41,892.63 |
| Bank interest | | 0.33 | - | 0.33 |
| Total floating charge asset realisations | 123,100.00 | 379,439.46 | - | 379,439.46 |
| Floating charge payments | | | | |
| Bank charges | | (30.00) | - | (30.00) |
| Statutory advertising | | (83.00) | - | (83.00) |
| Professional fees | | (1,388.89) | - | (1,388.89) |
| Legal fees | | (8,345.80) | (4,900.00) | (13,245.80) |
| Pre-appointment legal fees | | (11,839.00) | - | (11,839.00) |
| Administrators' fees | | (75,000.00) | (16,373.00) | (91,373.00) |
| Pre-appointment Administrators' fees | | - | (8,627.00) | (8,627.00) |
| Pre-appointment Administrators' disbursements | | - | (2.00) | (2.00) |
| Total floating charge payments | | (96,686.69) | (29,902.00) | (126,588.69) |
| VAT Control account | | (15,277.78) | 15,277.78 | - |
| Total cash at bank | | 267,474.99 | (14,624.22) | 252,850.77 |

Notes

Cash at bank is deposited in an account eligible for interest subject to Bank of England base rate

Trade debtors were assigned to the Secured Creditors under an invoice discounting facility, however statement of affairs prepared by former directors have described these as subject to a floating charge

The statement of affairs produced by the director for Cordant Technical stated all assets were uncharged, however, we believe this to be inaccurate and all assets for Cordant Technical are subject to a floating charge

Appendix B: Expenses

Expenses are defined in SIP9 as any payments from the estate which are neither an office holder's remuneration nor a distribution to a creditor or a member. Expenses also include disbursements. Disbursements are payments which are first met by the office holder, and then reimbursed to the office holder from the estate. Expenses are divided into those that do not need approval before they are charged to the estate (category 1) and those that do (category 2).

Category: Definition:

| | |
|---|--|
| 1 | These are payments to persons providing the service to which the expense relates who are not an associate of the office holder. |
| 2 | These are payments to associates or which have an element of shared costs. Before being paid, category 2 expenses require approval in the same manner as an office holder's remuneration. Category 2 expenses require approval whether paid directly from the estate or as a disbursement. |

We don't need approval from creditors to draw Category 1 expenses as these have all been provided by third parties, but we do need approval to draw Category 2 expenses. The body of creditors who approve our fees (in this case the Secured creditors) also have the responsibility for agreeing the policies for payment of Category 2 expenses.

The following table provides a breakdown of the Category 2 expenses have been incurred by us as Administrators or our associates, together with details of the Category 1 disbursements that have been incurred by PwC and will be recharged to the case:

Plc

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| 1 | Postage | 11.66 |
| 1 | Travel | 16.68 |
| | Total | 28.34 |
| | Brought forward as at 1 March 2021 | 2,601.24 |
| | Total disbursements to 1 September 2021 | 2,629.58 |

Security

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| - | - | - |
| | Brought forward as at 1 March 2021 | 360.75 |
| | Total disbursements to 1 September 2021 | 360.75 |

Cleaning

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| 1 | Postage | 346.46 |
| | Total | 346.46 |
| | Brought forward as at 1 March 2021 | 227.79 |
| | Total disbursements to 1 September 2021 | 574.25 |

People

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| 1 | Postage | 299.02 |
| 1 | Travel | 12.08 |
| | Total | 311.10 |
| | Brought forward as at 1 March 2021 | 344.13 |
| | Total disbursements to 1 September 2021 | 655.23 |

PMP

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| 1 | Postage | 171.79 |
| 2 | Printing | 145.00 |
| | Brought forward as at 1 March 2021 | 4,709.95 |
| | Total disbursements to 1 September 2021 | 5,026.74 |

Technical

| Category | Policy | Costs incurred (£) |
|----------|--|--------------------|
| - | - | - |
| | Brought forward as at 1 March 2021 | 590.72 |
| | Total disbursements to 1 September 2021 | 590.72 |

The following tables provide details of our expenses. Expenses are amounts properly payable by us as Administrators from the estate and includes our fees, but excludes distributions to creditors. The table also excludes any potential tax liabilities that we may need to pay as an administration expense because amounts becoming due will depend on the position at the end of the tax accounting period.

The table should be read in conjunction with the receipts and payments account at Appendix A, which shows expenses actually paid during the period and the total paid to date.

| PLC | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|---------------------|----------------------------|----------------|---------------------------------|---------------------|-----------------------|--------------|
| Pre-administration costs | 55,780 | - | 55,780 | - | 55,780 | 55,784 | (5) |
| Legal fees and expenses* | 1,002 | 613 | 1,615 | 666 | 2,281 | 2,281 | - |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Bank charges | 30 | - | 30 | 60 | 90 | 115 | (25) |
| Administrators' fees | 175,000 | 17,402 | 192,402 | 113,031 | 305,433 | 305,433 | - |
| Administrators' disbursements | 2,601 | 28 | 2,630 | 465 | 3,094 | 3,094 | - |
| Total | 235,801 | 18,043 | 253,845 | 114,222 | 368,067 | 368,096 | (30) |

| Security | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|---------------------|----------------------------|----------------|---------------------------------|---------------------|-----------------------|-----------------|
| Pre-administration costs | 86,429 | - | 86,429 | - | 86,429 | 86,429 | - |
| Legal fees and expenses* | 9,194 | 586 | 9,780 | 5,000 | 14,780 | 32,226 | (17,446) |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Insurance | 116 | 17 | 133 | 150 | 283 | - | 283 |
| Bank charges | 45 | - | 45 | 45 | 90 | 100 | (10) |
| Administrators' fees | 300,000 | - | 300,000 | 86,414 | 386,414 | 386,414 | - |
| Administrators' disbursements | 361 | - | 361 | 250 | 611 | 731 | (120) |
| Irrecoverable VAT | - | 2,978 | 2,978 | - | 2,978 | - | 2,978 |
| Total | 397,534 | 3,581 | 401,115 | 91,859 | 492,974 | 507,289 | (14,315) |

| Cleaning | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|---------------------|----------------------------|----------------|---------------------------------|---------------------|-----------------------|----------------|
| Pre-administration costs | 59,992 | - | 59,992 | - | 59,992 | 59,992 | - |
| Legal fees and expenses* | 13,709 | 2,935 | 16,644 | 5,000 | 21,644 | 31,839 | (10,194) |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Statutory advertising | - | - | - | 83 | 83 | 166 | (83) |
| Insurance | 120 | 127 | 247 | 200 | 447 | 190 | 257 |
| Bank charges | 45 | - | 45 | 100 | 145 | 115 | 30 |
| Administrators' fees | 125,000 | 29,451 | 154,451 | 67,106 | 221,557 | 221,557 | - |
| Administrators' disbursements | 228 | 346 | 574 | 200 | 774 | 728 | 46 |
| Irrecoverable VAT | - | 152 | 152 | - | 152 | - | 152 |
| Total | 200,483 | 33,011 | 233,494 | 72,689 | 306,183 | 315,976 | (9,793) |

| People | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|---------------------|----------------------------|----------------|---------------------------------|---------------------|-----------------------|---------------|
| Pre-administration costs | 114,572 | - | 114,572 | - | 114,572 | 114,572 | - |
| Legal fees and expenses* | 5,744 | 30,041 | 35,784 | 1,000 | 36,784 | 28,803 | 7,981 |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Statutory advertising | - | - | - | 83 | 83 | 166 | (83) |
| Insurance | 2,212 | 1,996 | 4,208 | 1,000 | 5,208 | 1,825 | 3,383 |
| Bank charges | 30 | - | 30 | 50 | 80 | 65 | 15 |
| Administrators' fees | 150,000 | 9,220 | 159,220 | 308,332 | 467,552 | 467,552 | - |
| Administrators' disbursements | 344 | 311 | 655 | 400 | 1,055 | 727 | 328 |
| Agents fees | - | 717 | 717 | 500 | 1,217 | - | 1,217 |
| Irrecoverable VAT | - | 3,512 | 3,512 | - | 3,512 | - | 3,512 |
| Total | 274,290 | 45,797 | 320,087 | 311,365 | 631,452 | 615,099 | 16,353 |

| PMP | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|--------------------------------|---------------------------------------|---------------------------|--|--------------------------------|----------------------------------|-------------------------|
| Pre-administration costs | 101,780 | - | 101,780 | - | 101,780 | 101,780 | - |
| Legal fees and expenses* | 7,878 | 1,033 | 8,911 | 2,000 | 10,911 | 15,485 | (4,574) |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Statutory advertising | - | - | - | 83 | 83 | 166 | (83) |
| Insurance | 931 | 385 | 1,316 | 700 | 2,016 | 151 | 1,866 |
| Bank charges | 15 | - | 15 | 100 | 115 | 100 | 15 |
| Administrators' fees | 125,000 | 48,479 | 173,479 | 259,465 | 432,944 | 432,944 | - |
| Administrators' disbursements | 4,710 | 317 | 5,027 | 800 | 5,827 | 5,583 | 244 |
| Agents fees | - | 213 | 213 | 100 | 313 | - | 313 |
| Irrecoverable VAT | - | 1,141 | 1,141 | - | 1,141 | - | 1,141 |
| Total | 241,703 | 51,567 | 293,270 | 263,248 | 556,518 | 557,597 | (1,079) |

| Technical | Brought forward (£) | Incurred in the period (£) | Cumulative (£) | Estimate of future expenses (£) | Estimated total (£) | Original estimate (£) | Variance (£) |
|-------------------------------|--------------------------------|---------------------------------------|---------------------------|--|--------------------------------|----------------------------------|-------------------------|
| Pre-administration costs | 20,468 | - | 20,468 | - | 20,468 | 20,468 | - |
| Legal fees and expenses* | 13,246 | - | 13,246 | 10,000 | 23,246 | 21,772 | 1,474 |
| Professional fees | 1,389 | - | 1,389 | - | 1,389 | 1,389 | - |
| Statutory advertising | 83 | - | 83 | 83 | 166 | 166 | - |
| Bank charges | 30 | - | 30 | 50 | 100 | 50 | 50 |
| Administrators' fees | 75,000 | 16,373 | 91,373 | 10,000 | 101,373 | 101,373 | - |
| Administrators' disbursements | 591 | - | 591 | 700 | 1,291 | 730 | 561 |
| Total | 110,806 | 16,373 | 127,179 | 20,833 | 148,032 | 145,948 | 2,085 |

* Please note that the brought forward legal fees and expenses have been updated to reflect the finalised costs invoiced by our lawyers for the period up to 1 March 2021. The costs below were recharged to the Purchaser during the period and therefore the brought forward legal fees and expenses have been updated to reflect the actual cost to the Company.

| Entity | Cost recharged to the Purchaser (£) |
|---------------|--|
| PLC | - |
| Security | 1,415.00 |
| Cleaning | 8,487.50 |
| People | 1,762.50 |
| PMP | 2,218.00 |
| Technical | - |
| Total | 13,883.00 |

Appendix C: Remuneration update

Our fees were approved on a fixed fee basis by the Secured Creditors. The total fixed fee that has been agreed and what we have drawn as fees to date across all six entities, in line with the approval given, is shown below:

| Company | Fixed Fee Agreed (£) | Drawn as Fees (£) |
|--------------|----------------------|-------------------|
| Plc | 305,433 | 192,402 |
| Security | 386,414 | 300,000 |
| Cleaning | 221,557 | 154,451 |
| People | 467,552 | 159,220 |
| PMP | 432,944 | 173,479 |
| Technical | 101,373 | 91,373 |
| Total | 1,915,273 | 1,070,925 |

You can view a copy of our remuneration report on our website www.pwc.co.uk/cordantgroup.

We set out in this Appendix details of our work to date, anticipated future work, disbursements, subcontracted work and payments to associates.

Payments to associates

We have not made any payments to associates or persons who could reasonably be thought of as associates during the period covered by this report.

Our work in the period

The work below has been carried out for each of the Companies, except where stated otherwise.

| Work undertaken | Why the work was necessary | What, if any, financial benefit the work provided to creditors or whether it was required by statute |
|--|--|---|
| Accounting and Treasury | | |
| <ul style="list-style-type: none"> Processing receipts, payments and journals Performing bank account reconciliations | <ul style="list-style-type: none"> Ensuring good stewardship of funds held on behalf of creditors | <ul style="list-style-type: none"> To ensure the proper management of the funds that will in due course be distributed to creditors |
| Property | | |
| <p>Only for <i>PMP, Security, People and Cleaning</i>:</p> <ul style="list-style-type: none"> Arranging for the return of keys to landlords following the vacation of properties Invoicing the Purchaser monthly under the LTO Regular payment of rent, service charge and insurance for properties occupied by the Purchaser Holding regular calls with the Purchaser to maintain the LTO agreement Liaising with landlords to agree the surrender and renunciation of leases Recovery of overpaid business rates | <ul style="list-style-type: none"> To recover the maximum value of assets | <ul style="list-style-type: none"> To ensure all payments in respect of rent have been made To realise the maximum funds to be distributed to creditors |

Creditors

- Corresponding with Unsecured Creditors regarding their claims and the prospects of future dividends
- Updating our website to include up to date information for creditors
- Arranging access to an online portal for all creditors from which they can submit claims, update their details and receive updates
- To ensure valid claims are admitted for dividend purposes
- To distribute funds to the creditors
- To provide creditors with information requested
- To ensure the correct distribution of funds

Employees and Pensions

- Responding to former employees' queries regarding their claims and requests for employment information
 - Reviewing employee claims to determine whether they rank as preferential or unsecured claims
 - Liaising with HR departments of parts of the Group still trading to resolve queries raised by former employees
 - Discuss claims against the pre-appointment insurance of the Companies with our insurance broker
 - Respond to and investigate queries in relation of employment tribunals
 - Maintaining register of ongoing litigation
 - Drafting, reviewing and circulating letters to solicitors representing former employees
 - Preparing for hearings and civil proceedings
 - Dealing with general pension scheme queries and correspondence from the Pension Protection Fund
 - To provide creditors with information requested
 - To deal with statutory requests under employment legislation where possible
 - To ensure creditors are provided with the necessary information
- Plc only:
- Arranging a refund of a credit balance on the account of Plc with pension provider to administration estate

Secured Creditors

- Liaising with the Secured Creditors regarding the strategy for the closure of the case
- Preparing updates for the Secured Creditors
- Undertaking a security review and liaising with our solicitors regarding the outcome
- Reviewing future distributions that will be made prior to closure
- To distribute funds to the creditors
- To provide creditors with information requested
- Direct benefit through distributions
- To ensure creditors are provided with the necessary information

Statutory and Compliance

- Preparing and issuing the second progress report to creditors and the registrar
- Maintenance of the website and uploading creditor updates
- Filing of documents and dealing with books and records
- Updating case files and internal systems after the first month, then every six months
- Liaising with our insurance brokers to deal with insurance claims against the Companies
- To meet the statutory duties of the Administrators
- Statutory or regulatory duties of the Administrators

Strategy and Planning

- Holding internal meetings to discuss the ongoing progress of the case
- Planning for the most efficient route for closure
- Conducting case reviews
- To ensure proper management of the administrations
- To ensure orderly management and progression of the cases in a cost effective manner

- Reviewing budgets and forecasts for different workstreams in the administrations

Sale of business

- Complying with our obligations under the sale agreement
- Liaising with third parties and the Purchaser to facilitate novation of customer contracts
- Invoicing the Purchaser for legal fees rechargeable under the SPA
- Carrying out contractual obligations under the SPA
- The SPA has led to a better outcome for the creditors as a whole

Tax and VAT

- Preparation of tax computations along with request for tax clearance to HMRC
- Arranged for Joint Administrator to review and approve draft tax computations and review treatment of tax losses and group relief
- Liaising with HMRC with in respect of Country-by-Country reporting requirements
- Preparing, reviewing and submitting quarterly VAT returns
- To meet the statutory duties of the Administrators
- Statutory duties of the Administrators
- Mitigation of the tax liability to the estate

Our future work

Work undertaken

What, if any, financial benefit the work provided to creditors or whether it was required by statute

Accounting and Treasury

- Dealing with receipts, payments and journals
- Carrying out bank reconciliations
- Closure of the bank account
- Statutory requirements and ensures good stewardship of estate funds

Property

PMP only:

- Liaising with landlords and responding to queries
- Preparing LTO funding requests to the Purchaser
- Arranging for payment of rent for remaining site subject to LTO
- Seeking legal advice regarding landlord and property queries
- Liaising with Purchaser regarding status of remaining site
- Oversight role in relation to the lease surrender/new lease process
- Ensured public liability insurance is maintained for vacant properties
- To comply with the duties of the Administrators under the SPA
- To settle costs funded by the Purchaser that would be considered an expense of the administrations

Creditors

- Liaising with creditors regarding their unsecured claims and dividend prospects
- Dealing with proofs of debt for dividend purposes
- Preparing correspondence to potential creditors inviting lodgment of proofs of debt
- Receiving proofs of debt and maintaining register
- To ensure creditors are provided with the necessary information
- To ensure the correct distribution of funds

And for PMP, People, Technical and Cleaning:

- Adjudicating claims, including requesting further information from claimants
- Preparing correspondence to claimant advising outcome of adjudication and advising of intention to declare dividend
- Advertising intention to declare dividend
- Calculating dividend rate and preparing dividend file

- Preparing correspondence to creditors announcing declaration of dividend
- Preparing and paying distribution

Employees and Pensions

- Receiving and following up employee enquiries via telephone, post and email
- Review and agreement of employees' claims and determining if any employees have preferential claims
- Dealing with general pension scheme issues and the Pension Protection Fund
- Issuing of statutory notices in respect of occupational pension schemes operated by the Group, on ceasing to act to the Pension Protection Fund, along with copies to the Pensions Regulator and pension scheme trustees as appropriate
- Communications with Employment Tribunal, ACAS and civil proceedings regarding ongoing proceedings
- Continue discussions with the Purchaser to obtain the supporting documentation required to adjudicate claims received from former employees
- To ensure creditors are provided with the necessary information
- To ensure the correct distribution of funds to those with valid unsecured claims

Secured Creditors

- Responding to Secured Creditors' queries
- Making further distributions in accordance with security entitlements
- To ensure creditors are provided with the necessary information
- To ensure the correct distribution of funds

Statutory and Compliance

- Preparing and issuing periodic and final progress reports to creditors and the Registrar
- Dealing with records in storage and destruction in line with policy
- Filing of documents and dealing with books and records
- Preparing closure documents and filing the notice of move to dissolution with the Registrar
- Maintenance of the website and uploading creditor updates
- Closure of internal systems and databases
- To comply with statutory requirements

Strategy and Planning

- Holding internal meetings to discuss the ongoing progress of the case
- Review of costs against estimates
- Planning for the most efficient route for closure
- To ensure orderly management and progression of the case in a cost effective manner

Tax and VAT

- Liaising with HMRC on tax clearance and queries on latest tax computations submitted.
- Continued VAT submissions to recover VAT receivable
- Reconcile VAT returns to our accounting system to ensure all VAT has been adequately disclosed / recovered from HMRC
- Deregistration of VAT and submission of VAT 426s if required
- To comply with statutory requirements

Our relationships

We have no business or personal relationships with the parties who approve our fees or who provide services to the administration where the relationship could give rise to a conflict of interest.

Details of subcontracted work

No work which our staff normally do has been subcontracted during the periods of the report and we do not anticipate such requirements in the future.

Legal and other professional firms

We've instructed the following professionals on this case:

| Service provided | Name of firm | Reason selected | Basis of fees |
|--|--|----------------------|------------------------------|
| Legal advice including completing the sale of the business, negotiation of novation agreements, advice in respect of property matters under the LTO, extension of the LTO, issuing change of name documentation, validity of appointment advice. | Eversheds Sutherland (International) LLP | Insolvency expertise | Time costs and disbursements |
| Legal advice including preparation and filing of appointment documentation in England, reviewing the intercompany position and balances owed from the subsidiary company being struck off.. | Gateleys Plc | Insolvency expertise | Time costs and disbursements |
| Legal advice including preparation and filing of appointment documentation in Scotland and providing validity of appointment advice. | Burness Paull LLP | Insolvency expertise | Time costs and disbursements |

| Eversheds Sutherland (International) LLP | Cost Paid (£) | Estimated to Pay (£): |
|--|---------------|-----------------------|
| Plc | 1,002 | 1,279 |
| Security | 9,194 | 5,586 |
| Cleaning | 13,709 | 7,935 |
| People | 5,744 | 1,586 |
| PMP | 7,878 | 3,033 |
| Technical | 6,346 | - |
| Total | 43,873 | 19,419 |

| Gateleys Plc | Cost Paid (£) | Estimated to Pay (£): |
|--------------|---------------|-----------------------|
| People | 29,455 | - |
| Total | 29,455 | - |

| Burness Paull LLP | Cost Paid (£) | Estimated to Pay (£): |
|-------------------|---------------|-----------------------|
| Technical | 6,900 | 10,000 |
| Total | 6,900 | 10,000 |

We require all third party professionals to submit time costs analyses and narrative in support of invoices rendered. We undertake the following steps to review professional firms' costs:

- review amounts charged against the description of work undertaken and the circumstances of the case;
- seek further breakdown of costs and detail of work undertaken where necessary;
- comparisons with upfront budgets;
- review of disbursements claimed; and
- ongoing dialogues with regards to the work being performed.

We are satisfied that the amounts incurred to date are reasonable in the circumstances of the case.

Appendix D: Other information

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|--|--|
| Court details for the administration: | <p>In the High Court of Justice Business and Property Courts of England and Wales Insolvency and Companies List (ChD)</p> <p>CR-2020-001299 CR-2020-001298 CR-2020-001304 CR-2020-001301 CR-2020-001300</p> <p>In the Court of Session, Edinburgh PI55/20</p> |
| Company's registered name: | <p>Cordant Group Plc Security Realisations Limited (formerly Cordant Security Limited) C.L.C Realisations Limited (formerly Cordant Cleaning Limited) PTR Realisations Limited (formerly Cordant People Limited) PRL Realisations 1 Limited (formerly PMP Recruitment Limited) Cordant Technical Limited</p> |
| Trading name: | <p>Cordant Group</p> |
| Registered number: | <p>Cordant Group Plc - 03385619 Security Realisations Limited - 03153231 C.L.C Realisations Limited - 01569634 PTR Realisations Limited - 02636670 PRL Realisations 1 Limited - 03485614 Cordant Technical Limited - SC22 2281</p> |
| Registered address of the Companies: | <p>8th Floor Central Square, 29 Wellington Street, Leeds, LS1 4DL</p> <p>Please note the registered address for Cordant Technical is: Atria One, 144 Morrison Street, Edinburgh, United Kingdom, EH3 8EX</p> |
| Date of the Joint Administrators' appointment: | <p>02 March 2020</p> |
| Joint Administrators' names, addresses and contact details: | <p>Rachael Maria Wilkinson PricewaterhouseCoopers LLP, 3 Forbury Place, 23 Forbury Road, Reading RG1 3JH</p> <p>Zelf Hussain, PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT</p> <p>David Robert Baxendale, PricewaterhouseCoopers LLP, 7 More London Riverside, London, SE1 2RT</p> |
| Extension to the initial periods of appointment: | <p>12 month extension granted by the Secured Creditors to 1 March 2022 for each of the administrations of the Companies</p> |
